

A stylized world map composed of a grid of grey dots, with several dots highlighted in red. The map is centered behind the title and subtitle.

A Fundamental Programme for the PES

A German Perspective on What Is Still under Construction,
Common Ground and Key Objectives

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- The economic, social and environmental challenges of the twenty-first century transcend national borders. Only together will social democratic parties in Europe be able to make good their claim to shape Europeanisation and globalisation in their own image.
- This is why SPD leader Sigmar Gabriel, at the last congress of the Party of European Socialists (PES), proposed the working out of a joint fundamental programme for all social democratic parties in Europe.
- This ambitious plan comes, in the wake of lost elections and the apparent end of the line for the »Third Way« as the dominant model of the past decade, at a time in which social democratic parties throughout Europe are seeking to establish themselves on a new footing.
- The authors present the exigencies and obstacles of a social democratic European narrative and, from a German perspective, formulate a number of substantive and organisational cornerstones for work on the joint programme.



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The Dual Challenge: Repositioning in Both National and European Frameworks

The Congress of the Party of European Socialists (PES) in Prague in December 2009 did more than merely sweep up after the European election defeats in so many countries. First of all, in terms of policy, the focus was on the future: re-regulating the financial markets, addressing climate change and demanding a Social Progress Pact were identified as key priorities of European policy over the next few years. Second, agreement was reached on the institutional consolidation of the PES, among other things through closer cooperation between party leaders, a more deliberate opening up to other groups and actors in society, more purposeful integration of the next PES election manifesto in the European election programmes of member parties and the nomination of a joint candidate for the office of President of the European Commission before the next European elections. Out of everything that was said and debated at the Congress perhaps still ringing in the delegates' ears is the warning delivered by German SPD leader Sigmar Gabriel that all the fine words about strengthening the PES must also be embodied in concrete policies. To this end, working out a joint fundamental programme and reaching agreement on some European themes to be promoted in parallel by all member parties was imperative.

But how does one shape a joint fundamental programme from Europe's 32 social democratic and socialist parties, with their different organisations and diverse interests? Even though the PES is increasingly taking the form of a party and even if the growing substantive agreement and coordination of the member parties is shared by most actors, success is not guaranteed. Committing to paper the fundamental common convictions and political perspectives on a social and democratic Europe of the future is an ambitious undertaking. Getting there requires a detailed positional analysis within the social democratic family, the weighing up of possible priorities and the participation of the party rank and file. On top of all that, proper debate on these fundamental issues requires the intensification of dialogue with the trade unions, since they are the key strategic partners of social democracy in society.

And that is not all. The challenge of working out a fundamental programme comes at a time when social democratic parties in all countries are under considerable pressure. As things stand, they are in government in only eight

of the EU's 27 member states. The transformation of the European party landscape is characterised by a, in some instances, dramatic loss of trust in parties of the centre, combined with the growth of populist parties both to the left and right of the political spectrum. In many countries, social democratic parties and social democracy as a political movement are no longer always the same thing. Building a profile at the European level and the need for repositioning at the national level coincide.

This paper deals with the European dimension of this dual challenge. As a first step, it looks at what social democratic parties in Europe have in common and at what separates them. Building on that, it identifies three pairs of topical areas which could constitute the cornerstones of a PES fundamental programme from a German perspective. Finally, the notion of a European social democratic convention is presented as the principal venue for the debate on basic principles which must now begin.

The goal of the European policy of the German social democrats should be a welfare and security union. In this paper, we shall concentrate, first, on issues of democratic organisation and integration prospects, economic integration and the social dimension. With regard to security policy, what is needed above all is a credible, preventive intervention policy, the coherent structuring of foreign policy instruments in the sense of an independent European peace policy, a joint resource-efficient defence policy and proper consideration of the challenges arising from the cross-border aspects of internal security. Although the questions of Europe's global role and a common foreign and security policy have their own stumbling blocks, ongoing discussions aimed at common solutions give grounds for hope.

Point of Departure: What Social Democratic Parties in Europe Have in Common and What Separates Them

The regulation of globalisation and, in particular, the further course of European integration constitute a key policy area in which social democratic parties can set themselves apart: political action which aspires to be more than mere everyday coping needs a project in accordance with which everything can find its place. Such a project might be a permanent guarantee of prosperity in the face of world markets' proneness to crisis –

the coherent construction of a uniform, prosperous and peaceful Europe which does its utmost to bring about a fairer global order.

A number of factors stand in the way of formulating a joint European policy programme for the family of social democratic parties. It isn't a question of Europe's social democrats failing to understand the need for a coherent and coordinated approach. The PES and the Progressive Alliance of Socialists and Democrats in the European Parliament have for years been working on initiatives that emphasise their common ground and to develop coordinated positions both in everyday politics and in the run up to European elections. In particular, the drawing up of a manifesto supported by all PES member parties for the elections to the European Parliament represents an increase in the level of integration and in 2009 for the first time it reflected more than the lowest common denominator. However, a number of obstacles confront a »joined up« European policy strategy, beneath which lies the sometimes divergent development of member party structures and their particular environs. This is manifested in particular in the following:

- The various profiles of social democratic and socialist parties in Europe. There is considerable variety with regard not only to how they came into being, their membership structures and organisational principles, but also their embeddedness in the political culture, the election system and public debate.

- How the parties operate in various worlds of welfare capitalism. Different models of economic production and principles for organising the welfare state require specific answers from social democratic parties tailored to individual welfare systems.

- The different requirements of individual parties with regard to a normative European social model and the finality of the European Union. While some have in mind the prospect of a federal political Union, others take a more critical view of the increasing Europeanisation of key policy areas, sometimes even rejecting it outright.

Over against these characteristics demonstrating the variety of social democratic identities in Europe there are a number of developments which might diminish the potential danger of protracted separation in different social democratic camps:

- European social democracy is on the defensive. For example, the vast majority of social democratic and socialist parties in Europe face the same challenges: responding to the disappearance of traditional voter and membership structures and countering the pressure from new right-wing populist movements and so-called »compassionate conservatism«, but also from parties to the left of the social democrats. Furthermore, there is an urgent need to replace the now obsolete Third Way with a new social democratic narrative which can, at the same time, correct the drift away from the basic values which furnish social democratic parties with their very identities and a new social democratic model which can supersede the dominance of the market as it stood before the financial and economic crisis.

- The crisis has mercilessly revealed the structural weak-points and deficiencies of the EU's economic integration process. The long-cherished social democratic wish for a true social dimension which stands on an equal footing with advancing economic integration has not been fulfilled. Inadequate policy coordination, extreme economic imbalances and entrenchment of competition between the member states to adapt their social systems as closely as possible to market developments illustrate the need for a new policy approach to overcoming socio-economic heterogeneity in Europe. The search for common solutions could be made easier by taking account the trends which indicate that what were once sharp distinctions between Scandinavian, conservative, liberal and rudimentary welfare states are increasingly being blurred by the transnational penetration of policy reform options and the convergent developments which result from that. For example, a set of congruent national economic, social and political structural features can be discerned which distinguishes the EU countries – taken as a whole – from other economic areas. The following features in particular set the EU apart from the American business model or developments in Japan: a developed state which is able to intervene effectively; a social insurance system based on taxation or contributions; active and capable trade unions keen to play a part in social policy making; public awareness of the importance of social justice to maintain social cohesion; a political culture in which political parties from the social democratic movement have a place; a legal system in which fundamental social rights and elements of economic democracy are embedded; and a tradition of corporate management oriented towards the longer term and the social responsi-

bility entailed by private ownership. Furthermore, similar consequences are manifesting themselves everywhere in the wake of the financial and economic crisis, which has now mutated into a budget crisis: the coming decade will be overshadowed by public debt in every country imposing strict austerity, which threatens significantly to limit the scope of government action but can also be an opportunity for a new era of policy coordination.

■ The size of the EU and its growing significance and influence in a wide range of policy areas in the member states mean that it is no longer possible to let questions concerning the future of the Community remain taboo, to ignore them or to continue to rely on the power of gradual integration using the »Méthode Monnet«. The citizens of Europe need to be told by the politicians where Europe is going and need to be convinced that they know how to go about it. Social democratic parties in particular, which have always had an international outlook, are obliged to offer their own vision of a European social model as a long-term project, but also one which finds expression in policies today.

Cornerstones of a Social Democratic Promise on the Future of Europe

At the interface between domestic and foreign affairs the EU today is not only the most important reference point with regard to the respective foreign policies of EU member states, but the shaping of domestic policy in virtually every area can now be conceived only in a European framework. A European welfare and security union as a credible and sustainable objective from a social democratic perspective takes its bearings from the joint guarantee of internal and external security, an economic area with strong potential for innovation, the opening up of new vistas with regard to life, education and occupation, far-reaching social protection and equitable risk sharing. Its political model makes it possible for the EU to become a place of prosperity, security and democracy in a multipolar and unstable world.

It will be a rocky road – in particular for those whose value aspirations are drawn from social democracy. At present, the EU's main struggle lies in its failure hitherto to find a place in people's hearts: distant Brussels seems to many citizens to be undemocratic and a Trojan horse for globalisation, one-sidedly committed to the opening

up and liberalisation of markets. Euroscepticism is now widespread and, as a consequence, rejection of the very idea of Europe is not far away. Many therefore see salvation in the nation-state. However, its imagined renaissance no longer offers a solution to substantial problems in a world characterised by new international power structures and mutual dependencies. A European dimension is essential if there is to be any hope of maintaining viability and some sort of regulatory influence. Europe represents a form of statehood in transformation, in which new forms of inter-state, cosmopolitan and societal action are developing.

The project of a common fundamental programme for Europe's social democratic and socialist parties is a response to the want and necessity of a connecting narrative. It must take into account existing differences, transforming the variety of approaches, situations and demands into a red banner which all can follow, but is at the same time headed towards an ambitious goal. Of course there is also the danger of an aimless drift towards a bare consensus, which must be recognised and avoided.

From a German perspective, a social democratic European narrative must be founded on the following pillars:

Formulation of a Perspective on Integration

Democratic community of values. Social democracy in Europe stands for the core values of freedom, equality, justice, sustainability and solidarity. In order to ensure these things in full measure in a multi-level Europe the political participation of European citizens must be developed. The strengthening of the European Parliament under the Lisbon Treaty was a step in the right direction, but Europe should also assume a more prominent role in the parliamentary systems of the member states. Via a consistent Europeanisation of national parliaments and the parties represented in them, as well as regional administrative bodies and the social partners it will be possible to »dare more democracy«. The social democratic core values should be ensured throughout the Union. The focus should be on European competences for implementing policies on freedom from discrimination, equal opportunities, gender equality and the organisation of immigration and integration. Within the framework of development and democracy-building democratic values should also have a place in foreign relations.

European federal state. Europe's social democracy should be oriented towards the basic principle of a political union. The dynamic of economic integration should go hand in hand with stronger social and democratic support mechanisms. We need to work gradually towards the realisation of a democratically constituted and federal Europe, with a government based on parliamentary responsibility, founded on a European constitution. This should by no means develop into a »superstate« which gathers into its hands all powers and competences, but rather a European federal republic with a bicameral system, distinguished by new forms of trans- and supra-national parliamentary exchange and decision-making. To make progress on the long road towards a European republic by necessity requires the positive action of a smaller group of states: social democratic action in this respect should be characterised by a courageous drive towards democracy without waiting for the last sceptic to finally accept the need for deeper integration.

Further Economic Integration

Regulated competition. European social democracy should be an advocate of a reassessment of the relations between market and state and in particular a new regulatory approach in the European Single Market and in the Economic and Monetary Union (EMU). Competition concerning the lowest taxes, wages and indirect labour costs should be brought to an end in favour of a pan-European development perspective via minimum standards in a range of policy areas. Besides the regulation of European financial markets, priority should be given to socio-economic equalisation in Europe. This should be ensured by close wage policy coordination institutionalised through the social partners, as well as transfer mechanisms involving the establishment of a central budget with its own sources of taxation and European unemployment insurance. European economic coordination renovated from the ground up should involve, in addition to the unified monetary policy of the Eurozone, macroeconomic management in which the full spectrum of policies is brought to bear through the member states, the social partners and the European Central Bank.

Environmental sustainability. Europe's social democratic parties support Europe's international role as a pioneer with regard to climate change. Common quantitative targets for reducing greenhouse gas emissions, increas-

ing energy efficiency and developing renewable energies must accompany reinforced implementation measures at national level. In the medium term, the current model of production and mobility must be reorganised from the ground up: what is needed instead is a new form of »social« growth. If environmental catastrophe is to be avoided and Europe's position as market leader in green technologies is to be consolidated, every effort must be made to develop a strategic environmental industry and energy policy and to invest in research into alternative raw materials, sustainable production processes and environmentally-friendly mobility. Social democratic parties must pay particular attention to the social consequences of more expensive energy, raw materials and mobility, as well as the facilitation of green industrialisation in developing and emerging countries.

Reinforcing the Social Dimension

European Social Union. Europe's social democratic parties should give top priority to the EU's social integration, which to date has been rather neglected. Besides the projects of the Single Market and Economic and Monetary Union, a European Social Union should be established on an equal footing. This would not involve the standardisation of social security systems, but agreement on a social stability pact, forming an area of European coordination on a compulsory basis. In particular, the levels of minimum wages, social spending and investment in education should be coordinated within a common social policy framework. The initial conditions characteristic of the old and the new, above all the Central and Eastern European member states, vary considerably. While Western Europe worries about securing the long-term viability of social security, social democratic parties in the Central and Eastern European countries wrestle with the design and expansion of their social security systems. To make sure that individual states are not overburdened and others do not experience a lowering of welfare standards, all the policy aims of a Social Union should take full account of the specific economic capacities of individual member states. In this way, a division of competences between European institutions and independent welfare states would emerge automatically. In order to implement economic democracy in cross-border economic activities workers' rights should be reinforced across Europe. As market integration progresses, workers' participation and codetermination rights should be given statutory force

transnationally. To this end, social dialogue and European works councils should be strengthened at every level and a European legal framework should be implemented for cross-border wage disputes and negotiations, including a European right to strike.

A Europe open to the world. European social democratic parties should view immigration and integration policy as a key and common thread of European economic and social policy. They concern the Community's political culture and should be shaped at European level within the framework of a comprehensive approach, based on co-ordinated management of immigration and integration initiatives. In this connection it is important to give due regard to the fact that Europe is not only an economic community, but a community of values. Equal treatment in the labour market, anti-discrimination and social and education policy integration should guide immigration policy in the political sphere. Against the background of economic and demographic change a common approach should be developed with regard to immigration for work, which provides for the possibility of permanent immigration for qualified workers and grants them extensive mobility rights within the EU. The legal options applicable to refugees should be enlarged and integration measures expanded. An effective European immigration policy should at all times also give thought to and initiate improvements in the situation in immigrants' countries of origin.

In Pursuit of Fundamental Values: Setting Up a Social Democratic European Convention

A fundamental programme for political parties can be convincing only if it is brought into being above the turmoil of everyday politics, examines key issue areas in terms of their »fundamental« substance, does not attempt to paper over conflicts, but balances national traditions with common convictions and principles and, on this basis, takes full account of long-term goals.

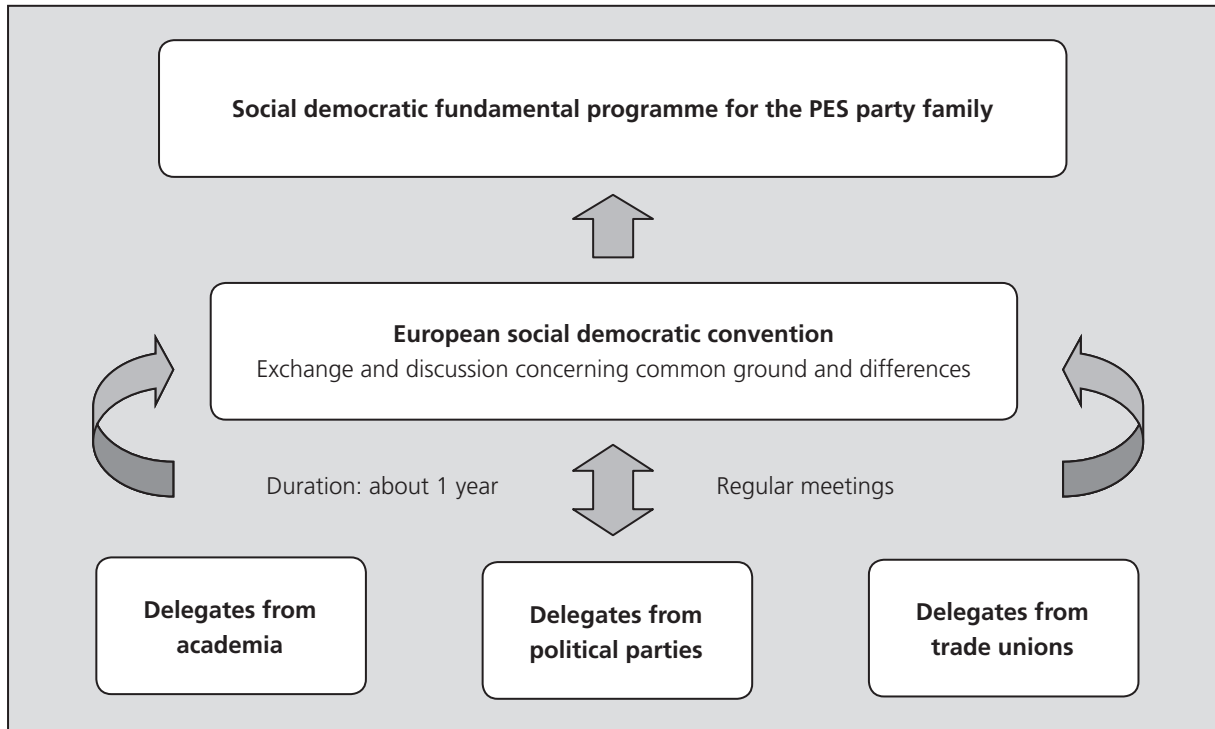
In developing such a programme, a deeper analysis of both the common ground and the differences of social democratic parties in Europe is indispensable. To this end, the establishment of a social democratic European convention suggests itself, at which, for example, over the course of a year, party representatives and activists at different levels could meet on a regular basis with delegates

from academia, the trade unions and other organisations and institutions of significance to social democracy in order to debate and lay down the core contents of a fundamental programme for the PES. In this way, the »fundamental« nature of the project would be ensured, the party rank and file would be involved and possible conflicts could be talked through with a view to reaching agreement (see diagram). Such a European convention could be established in a second stage, after the launch of the first key objectives of a fundamental programme by party leaders and a consultation process in the member parties, leading to a final resolution before 2013. This temporal framework would enable such a multi-stage process before the next European elections.

Only if they are united will social democratic parties in Europe be able to seize their chance to make good their claim to shape Europeanisation and globalisation in their own image. The economic, social and environmental challenges of the twenty-first century are no respecters of borders. Taking on these transnational challenges and getting to grips with them on both a social and a democratic basis requires a collective effort on the part of Europe's social democratic and socialist parties. Both at the level of national party politics and within the circle of European party families, they alone are capable of stepping up to meet the challenge of the future. The project of a common fundamental programme would lay the foundations for this, while at the same time having a positive effect on parties' efforts to position themselves and make their mark in the national political arena.



Diagram: Establishment of a Social Democratic European Convention





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