

# A tale of two unions

**Greg Barnes** surveys the problems and prospects for trade unions' relationship with the European Union

The European Union is in the process of negotiating a new agreement with the United States. The Transatlantic Trade and Investment Partnership (TTIP) promises to found a new economic relationship with the United States, and lead to prosperity for both. This innovation was led by the EU and ushers in a new era of 'Western Integration'. In Britain, economic integration with, or through the EU is always contentious, and the publication of the Coalition's review of EU powers has brought it front and center once more. The review's conclusion is that EU membership has led to a positive impact on the UK economy. The TTIP should result in further positive growth for the UK and makes EU membership even more attractive economically.

In establishing this agreement, key issues regarding the rights and movement of workers arise. Will this integration offer an even greater challenge, and how may the political left respond to this new development?

One of the main explanations for increasing social integration in the EU is that when the economies are more closely integrated, subsequent market failures and disparities will emerge among member states. These are only resolvable through further close working and harmonization. An example of this principle in practice is the 'freedom of movement of people to work' established in the 1958 Treaty of Rome. The intention was that if market imbalances should occur across the market, then job seekers could move from one state to another easily to follow these new opportunities. Thus imbalances in the integrated economy may be resolved. This is also the accepted logic behind the 'Social Chapter'. With the granting of free movement of workers in the EU, coher-



The partnership between the trade union movement and the European Union is essential for a Social Europe

ent standards were therefore needed to ensure that these workers were treated in the same manner across the participating area.

There are then two main problems with the expanded rights mentioned above in the integrated market.

## National trade unions

Firstly, the lack of a coherent trade union movement across the EU has restricted the ability of workers to coalesce preferences regarding working practices at a supranational level. This is despite the large number of companies that operate across Europe either through nationally bounded subsidiaries, or as part of a single supply chain. There are instances where cross border action has occurred, with Airbus supply chain in 2007 would be one notable exception, but widespread and systemic engagement has not taken place.

But why? Taking the UK as an example, the political left is popu-

larly defined by two factors. Firstly a humanitarian ideological perspective derived post-enlightenment. This ideology is principally secular in nature, and sought a redress to the imbalances of a monarchical and patronage based society. Later, the trade union movement realized some of these principles, but differed in others. Having arisen in large industries in the 19th century, bargaining was predominantly local, and it took a deal of time before it could be said to have developed to transcend local and regional boundaries. These unions sought to derive direct benefit for their members through their collective power rather than a more universal, transnational aspiration. With the development of improved communications, acceptance of unionism more widely, and the foundation of the Labour party, the union movement was able to reach beyond these regional boundaries and become national. Similar stories and processes are found across Western Europe.

National union movements have attempted to use 'soft' coordination of their groups in the European sphere. It could be said that they have been unsuccessful at real cross border operation. This is a result of the direct transactional relationship with its membership and the consequent national focus. In this sense, trade unionism appears elitist in nature. It defines itself, its principles, and the desired results by that which it is not. So it is the workers against the management, the members against non-members and an industry against its competition. Trade unionism has consequently been linked with protectionism and a desire to retain Western industrial production against Far Eastern outsourcing.

The flip side of this discussion has seen the political left effectively use the supranational level to access power at a systemic level. This access has offered a route to avoid the partisanship of national legislatures. Therefore the political left has had a route to realize some of their goals – hence some of the protections enshrined in the Social Chapter despite neo-liberal protestations. The challenge is now to look beyond national borders to embrace a universal international labour and integrate the direct patronage associated with unionism. The principle of European citizenship offers one route to this. It has not been widely accepted.

## Movement of Workers

Secondly, without the ability to rebalance employment through free movement of workers and reciprocal workers rights, a free trade area with the US will break one of the fundamental principles of the EU. The TTIP in its initial proposed form does not provide

for this possibility. The US has been careful to protect its borders, and has stated that the rights of workers will not change following this agreement.

The free movement of workers in the EU has not been realized in the manner it was originally intended either. There are instances where some states (notably the UK) have seen large numbers of migrants for unskilled work, but a mass transnational employment market still seems remote. Language and cultural barriers conspire to alienate foreign workers, while the monetary costs of moving from one country to another prohibit this practice for many sectors of society. Other practices, such as the need to have a bank account in the same

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state for the payment of wages (particularly prevalent in France), construct further technical barriers.

## TTIP and international labour

So, even if the TTIP were to include these principles, it is unlikely they would be successful, particularly with the geographical distance of the US. Therefore, the possible unemployment caused by aspects of the TTIP such as in agriculture would remain unresolved. Groups such as the Farmers Alliance have highlighted these issues and the erosion of CAP support that may be included.

Where workers do move across



borders, they are unlikely to join Unions in the new state into which they move. In 2004, the German based European Migrant Workers union was formed from the Building, Forestry, Agriculture and Environment Union. Development of such groups is of crucial importance when considering the further extension of global free trade. It is crucial therefore to determine a non-elitist ideological focus for the left and unions to allow for their national level structures to transcend to the transnational level. When seen from this perspective, an extension of economic integration to such a scale provided by this new TTIP is a significant threat to an uncoordinated European labour force.

The political left has a range of fora available to press these issues, but none at a high enough level to have leverage. Groups such as the International Labour Organisation (ILO) work on just these issues, but I would argue that without either a sense of universality or a direct relationship to union members any 'soft' coordination in this way is likely to flounder. This can only be resolved through greater direct coordination through a transnational union movement.

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