

# NEWSLETTER 78

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## EUROPE: A VALUABLE GOOD, YET TOO FAR FROM CITIZENS

The June meeting of the European Council showed once more how some European Member States value their (legitimate) national interest over the goal of pursuing truly common policies. The difficulties European leaders have faced to agree on a new budget allocation (with a specific focus on funding the economic recovery and the employment of the young and women) are a proof of it. Probably, the founding fathers of the European Union would have expected for Europe something more than a simple monetary union. It is now clear that a truly united Europe can only act so via common fiscal, economic, defence and external relations policies.

The poorer Member States are uselessly trying to find ways to face unsolvable problems: recuperating resources for much-needed investments in a context of decreasing revenues (due to the economic recession) and increasing costs within the constraints of the stability pact (even though some loosening of the tightest conditions has been made).

The very social sustainability of the current model of the European economic and monetary union is put at risk, rather than the union itself, as underlined by President Barroso in his speech to the Tripartite Social Summit of last March. And reproaching Member States for squandering public resources in the past isn't of much help now: what really matters is to find feasible solutions to overcome this crisis, which is becoming more and more clearly a systemic European crisis.

In this scenario (and without neglecting the necessary commitments to financial rigor), two alternative solutions are possible. The first one would allow for structural and long-term public investments (infrastructures, renewable energies, innovation, R&D, education) to be excluded from the rules of the Fiscal Compact. Alternatively, the ECB (and the other European financial institutions) should be allowed to issue European bonds (backed by national governments) to finance specifically Europe-wide selected. projects. Otherwise, Europe will continue spiralling down towards poverty.

The actual feasibility of either solution will heavily depend on the future evolution of the political scenario (both at European and Member State level), determined by the results of some important electoral rounds. The European elections of next spring will be the proof of how effective the measures suggested by European policymakers will be to steer Europe out of the crisis.

In this context CEC is trying to increase its visibility and role on the European scene, by enhancing its communication activities, strengthening ties with the other European Social Partners and contributing to the debate animating the European Social Dialogue. The recent participation of CEC in the discussions on the enhancement of the Social Partners' role in the definition of the European Economic Governance goes precisely in this direction. You will read more about this in the following pages.

Managers don't simply strive to find the best ways to fight the crisis from their respective workplaces. As active and conscious members of the civil society they can become, through the means of their associations, the heralds of concrete and effective proposals to the governments. One cannot be a manager only from within an office.

CEC is working hard to make its voice heard in Europe. And I will not give up to my belief in a united Europe, based on solidarity and aiming at a common goal.



Luigi Caprioglio CEC General Secretary

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# The outcomes of the European Council

European leaders agree to tackle youth unemployment and support the economic recovery

the economic recovery Last 27<sup>th</sup> and 28<sup>th</sup> of June 2013 the European Council gathered in Brussels for its traditional summer meeting. Among the different issues, European leaders have discussed about measures to increase youth employment.

# Youth Employment and investing for growth:

During this meeting leaders emphasized the need of investments in the field of youth employment. That is why the 6 billion € earmarked for the youth employment will be used for the period 2014-2015. After 2015, an additional 2 billion€ will be allocated for the youth employment and the funds will be spread until 2020 as it was foreseen. The budgets allocated for the Erasmus programme will also beneficiate of the same procedure.The concrete decisions made at this summit are that funds should be alloted to finance training/ programmes apprenticeship or provide a job to young people under the age of 25 within four months of becoming unemployed or leaving/ finishing their studies. The funds will first be distributed to the EU regions where youth unemployment is above 25% such as in Greece, where youth unemployment is around 60%, or in Spain where it is about 40%. At this meeting, it has also been foreseen that new efforts should be made in order to promote the mobility of young job-seekers. Moreover, European leaders agreed on launching a new "investment plan". It will mainly concern the SMEs but it also would be

concern the SMEs but it also would be of benefit to the youth employment. Indeed, this plan will help to restore



From left to right: Mr. Enda Kenny, Prime Minister of Ireland, Mr. Hermann van Rompuy, President of the European Council and Mr. José Maria Barroso, President of the European Commission

the economy by facilitating the access to financing for the SMEs. The main objective of these measures is to make the SMEs able to invest in new projects and so to create jobs. The Heads of government recommended as well to the EU members to strengthen the cooperation between education and business to facilitate the transition from school to work and improve the integration of lowskilled young people into the labour market.

# The social dimension of European Monetary Union

Unfortunately, no formal decision has been taken concerning the measures to enhance the social dimension of the European and Monetary Union (EMU). In their conclusions, European leaders agreed on the need to take more into account employment issues when economic decisions concerning the EMU are taken and stressed the importance of involving Social Partners, but no concrete proposals have been suggested. Social Partners (including CEC European Managers) have recently agreed on what possible measures can be adopted to enhance their role in the European economic governance, and look forward to the communication of the European Commission on the social dimension



European Heads of governments for the family photo at the European Council of last 28 June

of the EMU. Finally, European leaders have formally endorsed all countryspecific recommendations(thus concluding the European semester) welcomed Croatia as the 28Union and Latvia as the 18<sup>th</sup> Member State of the European European country adopting the Euro as of 1<sup>st</sup> January 2014.

What is the European Council?

- The European Council is an institution of the European Union. It is composed by the Heads of state or government of the European Union member states. The current President of the European Council is Herman Van Rompuy, elected for 2 years and a half.
- The European Council is not to be mistaken with the Council of Ministers. The European Council has no legislative power, whereas the Council of Ministers shares together with the Parliament legislative and budgetary powers mainly through the so called "co-decision procedure", that is to say that both have to agree for a proposal to pass.
- By the Treaty of Lisbon the European Council is charged with the definition of "the general political directions and priorities" of the European Union and «shall provide the Union with the necessary impetus for its development». However, it does this without any formal powers, but only through the influence given by the leaders of the European Union.

CC OUR ACTIVITIES

## CEC at the conference on the Leadership of tomorrow Leadership: The importance of management in Europe



Ms. Annika Elias, Preisdent of CEC European Managers, during the Conference «Leadership of tomorrow»

On 19 June 2013, CEC President Ms. Annika Elias took the floor to speak about Leadership and Management in Europe at a conference entitled "Leadership of tomorrow" in Essen, Germany. The Conference was organized by ULA, the German Member of CEC, in cooperation with EAF, the German Academy for Women in Politics and Business.

In her speech, the CEC President, focused on the urgent need for Europe to change its attitude towards leadership and the managers on several aspects. Moreover, Ms Elias exposed the main challenges that managers are facing in Europe today. That is to say gender equality, ageing population and differences of cultural background; they are the three main issues, in the area of personnel management, that are hindering the European competitiveness. Indeed, the president pointed out that in this time of recession Europe should act and find solutions to these growing problems in order to take out of the crisis.

Ms. Elias described precisely the current difficulties in the leadership and management areas in Europe. In her address she suggested, possible means to solve the issues of gender, age and cultural differences. All the propositions made support the general idea of a modern and diverse management and leadership, taking advantage of the unused potential of female, senior and ethnically diverse workers.

## CEC at the International Labour Conference in Geneva Demographics and the future of the European managerial workforce

On 13 June 2013, CEC Secretary General Mr. Luigi Caprioglio attended the 102nd session of the International Conference organized Labour by the ILO (International Labour Órganization) in Geneva. The ILO is a specialized agency of the United Nations, founded in 1946, which promotes rights at work and the creation of decent working conditions all over the world through the approval of international conventions, recommendations, codes of conduct and other documents. It is based on a tripartite structure, which allows for the participation of social partners to the definition of the guidelines and policy indications of the Organization. In this framework, CEC is invited every year to bring its contribution, voicing the position of European managers on different issues. Social partners are invited to attend the International Labour Conference, also known as the Parliament of Labour.



Mr. Luigi Caprioglio, Secretary General of CEC European Managers, delivers his speech at the Palais des Nations in Geneva.

Mr. Caprioglio took the floor in this conference that dealt with, among other issues, the demographic change and its effects on the current social and employment-related features of our societies. He presented the results of the study commissioned by CEC on this subject. In this study, CEC offered concrete solutions and policies to implement in order to improve the current situation of the European workforce and solve the growing problems. However, CEC clearly recognized that the current challenges will request the contribution and commitment of all economic forces so as to be more efficient.



# Our window on Europe CEC appointments in Europe in May and June

### 06-07 May – Demographic Forum, Brussels

The European Commission organized a meeting with European and national stakeholders to discuss the impact of demographic changes on social policies.

### 27 May - Liaison Forum Meeting, Brussels

Tripartite meeting of European sectorial social partners with the European Commission. This meeting focused on demography, and CEC has been invited to present the conclusions of its 2012 Project.

# 28 May - Meeting with EUROFOUND, Brussels

Cross-industry employers' organisations and trade unions have been invited to the meeting to discuss about the study on the Representativeness of the European Social Partner organisations at cross-industry level commissioned to EUROFOUND by the European Commission and evaluate the first draft of the final report.

### 10 June - Last meeting, Working group on Economic Governance, Brussels

Social partners have been solicited to formulate suggestions on how

to improve their participation in the different phases of the European economic governance process. During the meeting an agreement has been reached between the delegations of the employers and the employees.

## 27 June - Social Dialogue Committee, Brussels

Tripartite meeting of the European Commission with cross-industry social partners at European and national level. The SDC is the forum in which Social Partners exchange views on topics of common interest and inform the European Commission about their future initiative.



OUR MEMBERS

# 24<sup>th</sup> ACEO's Leadership Congress



The Greek Leadership Congress, the annual event that is organized since 1989 by the Association of Chief Executive Officers (ACEO), took place in Athens on 24<sup>th</sup> and 25<sup>th</sup> 2013. It attracted more 350 delegates, most of whom are CEOs, high-ranking managers and business leaders.

The title of the Congress was "The Art of the Impossible: Reach What You Cannot". Renowned speakers from all over the world and successful Greek managers discussed the ways leaders can revise their business models, seek opportunities and inspire their employees in difficult times.

Andrew Liveris, President, Chairman & CEO of The Dow Chemical Company, talked about the remaking of the Greek public sector, the need for Greece to look outward to

the international community and the role of Greek business righting the in country's course. Armando Zagalo de Lima, President of XEROX Technology, presented the great turnaround story of Xerox, when the company executed

swift and dramatic actions to ensure survival and developed medium and

long term plans to return to health. Monica Worline, organizational psychologist and President of Vervago, underlined the important of curiosity, courage, compassion and hope in achieving goals which seem impossible.



From the left: Mr; John Anastasopoulos, Advisor to the Board of EASE, M. Andrew Livers, Président and PDG of The Dow Chemical Company, Mr: Nikitas Konstantellos, Chairman.

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## FECCIA Conference in Copenhagen, 26-28 June INCREASING FEMALE PRESENCE IN THE CHEMICAL INDUSTRY



FECCIA, t h e sectorial Federation of CEC for the chemical industry,

organised together with the other European sectorial social partners of the chemical industry (Industriall and ECEG) a joint international conference on the issue of the female participation to the workforce operating in the chemical sector.

Figures prove that the proportion of women working in this sector is one of the lowest of the entire European economy, and recovering this unused potential can be a way to tackle the crisis. In order to do so, the conference investigated possible measures that can be adopted to improve the participation of women and effectively



ensure gender equality. Participants to the Conference included academics, officials of the European Commission, representatives of national and European social partners and companies, each of them contributing with policy orientations, examples of best practices and scientific observations. Ms. Annika Elias, President of CEC from the left: Mr. Andreas Ogrinz, Secretary of the Board of ECEG, Mr. Sylvain Lefebvre, Deputy General Secretary of Industriall and Mr. Roland Leroux, President of FECCIA

European Managers and of the Swedish managers' association Ledarna was invited to take the floor with a presentation on Sweden and the advancement of the gender equality issue in that country.



FECC patronizes an International architectural conference in Rome on 26-27 September

FECC, the CEC sectorial Federation

of construction, is one of the supporters of the next meeting of REDS – Rome EcoDesign Symposium, an international meeting promoted by La Sapienza University of Rome together with other ten prestigious Italian universities and the cooperation of an international network of Universities both in Europe and in the rest of the world.

R.E.D.S proposes a new philosophy of planning a "city", taking into account innovation as well as consumption of natural resources. This new approach needs the cooperation of Universities, entrepreneurs and managers, thus sharing its vision with the European Social Dialogue. FECC will contribute to this Symposium presenting the positions discussed at the High Level Forum on Construction and the European-Italian Table of Constructions during the four sessions of the Meeting.

Further information will be available on the CEC website in the coming weeks.