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PROTECT THE PEOPLE NOT THE SYSTEM

The Corona crisis and the consequences for European politics

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PREAMBLE

The health crisis that the world is facing reveals a structural crisis that already existed and that the EL has consistently exposed. The EL took on the task of proposing an alternative model for this Europe following the explosion of Covid-19. For this, a Platform has been created and we are working very actively to develop it focusing not only on solutions for the actual crisis, but also, more in the long term, for a public, social and ecological transformation of the economy. It is important to rethink the role of European and global institutions, to ensure investments that go in the direction of a Social Green New Deal, and to protect workers: for a tomorrow focused on human needs and not just on profit.

The situation caused by the COVID-19 pandemic is a shock for all humanity. Drastic measures have been taken in almost all countries to prevent people from contracting the disease and to contain the pandemic. While, indeed, every effort must be made to protect the population, these measures must be coordinated, but an effective European coordination by its institutions is still absent as well as a global response. In this way, the countries most affected are left on their own. The risk is therefore that the politics in general, with the Stability Pact in particular, will limit solidarity among countries in coping with economic crisis by leading to the dichotomy privileged countries - countries already hit by austerity in the past.

The spread of the COVID-19 virus also has significant consequences for the economy: it is accelerating the crisis of neoliberal globalisation as a hegemonic model of society, accelerating the restructuring process of capitalism.

The coronavirus pandemic clearly shows the failure of the prevailing neoliberal economic and social model. As a consequence of the neoliberal austerity policy of privatising public services, healthcare systems are not able to cope with the public needs in a pandemic.

The Party of the European Left (EL) demands immediate measures to combat the consequences of the crisis and a radical change of policy, opening a new path for the development of the society, placing the people at its core.

Some measures at national level to protect the most vulnerable people, like in Spain, are going in a good direction, but comprehensive activities concerning five poles are necessary. First and foremost, everything must be done to protect the people. A public, social, and ecological transformation of the economy is urgently needed. Democratic institutions and rights must not be questioned by the measures undertaken in order to combat the crisis: on the contrary, in difficult times like these, democracy and civil rights have to be defended and expanded. There is no other answer than international solidarity to the global dimension of the crisis: now it's the time for a new initiative for disarmament and a policy of détente.

Economic Recovery and Social-Ecological Transformation

As an immediate measure, we need more investment in public services.

Firstly, we need to put an end to the austerity policies by completely abolishing the Stability and Growth Pact. Europe must leave this instrument behind, as it is used to impose austerity on public spending, thus undermining healthcare and other public services to the detriment of the population, who are now suffering the consequences of these policies in the coronavirus crisis.

The European Central Bank (ECB) should be the instrument to guarantee the huge resources necessary to face the immense social, economic and medical emergency underway. **The ECB's money should be used to help the people to emerge from the medical health emergency and to combat the consequences of the crisis, not to maintain the rate of return on capital.** The ECB must assume its responsibility for economic development and must take all the measures necessary to avoid financial speculation. **It is a precondition to ensure that national actions can be coordinated and that a strong solidarity-based system will be established to deal with the coronavirus crisis.** Both the ECB and national banks should be used to increase spending on social services and protection of the population.

Furthermore, the ECB must finance a European investment plan, capable of boosting employment and guaranteeing a change in the environmental and social model of production and the economy. **We need a programme of productive reconstruction including the relocation of strategic industries. We demand a European Recovery Fund, financed through bonds issued by the Fund itself or by the European Investment Bank and acquired by the ECB.** At the same time, the European Stability Mechanism (ESM), which represents an unnecessary and harmful way of intervening in the public budgets of the various European countries, should be abolished.

The German Constitutional Court questioned the competencies of both the ECB and the court of Luxemburg, and ignores the economic requirements we need for the European development. Its decision for us represents no more than the flip side of austerity and of the neoliberal project. It is functional to discourage and avoid solidarity actions, and to undermine the path to any project for a social Europe.

We propose a general moratorium of the public debts. Furthermore, we propose a European conference about the public debt and an open discussion about the criteria for the classification of debt.

This crisis of the COVID-19 shows that the market does not take care of the needs of the citizens at all. It is not even able of ensuring the minimum necessary for life. We want a relaunch of the public role, lost during the period of privatization, in all sectors: the credit system, strategic productions, research system and services. We need an economic model focused on public welfare, and the immense accumulation of capital by the few must be stopped. *For the many, not just for the few!*

Financing the increase in social spending and in investing in the transformation of industry, requires a policy of fiscal justice: we demand a new tax collection model

that taxes large sources of capital and wealth, based on tax progressivity criteria, and ends tax havens inside and outside the EU. A tax on GAFAM (Google, Apple, Facebook, Amazon, Microsoft) and on NATU (Netflix, Airbnb, Tesla, Uber) is necessary.

The crisis provides sufficient reasons to question our socio-economic model and to radically change politics. A change is needed also because we face enormous ecological challenges such as climate change, which have a very wide-ranging social impact. **For the Left, the connection between ecological requirements and social needs is crucial. We need a green transition in industry, but we must also protect the workers and employees affected by this process.**

A “Just transition”, as promoted by the International Trade Union Confederation (ITUC), aims at combining ecological transition with social protection. **We need a new industrial policy with new concepts of energy and mobility.** We need a plan for the environmental and social reconversion of the economy that ensures full and good employment and protects everyone’s rights, starting from gender equality. From the point of view of the Left, a new industrial policy must include direct participation by the workers and, therefore, must be combined with economic democracy.

NO-ONE IS LEFT BEHIND

The Covid-19 pandemic shows that our society needs a new social and ecological transformation. The idea that the market can solve this crisis is an illusion, and the rhetoric of the state of emergency is used as a pretext for dismantling democratic and social rights.

We need a Social Green New Deal that goes beyond capitalist limits.

Through a Platform, the Party of the European Left took the task of proposing an alternative model for this Europe: we not only have to rethink the role of European and global institutions, but we are called now to working very actively to protect people.

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