



Rue du Trône 98
1050 Brussels, Belgium

office@youngsocialists.eu
Tél. +32 2 548 90 90

Our struggle for a social Europe

Harmonize the tax system; create more income for the state

We as Young European Socialists see ourselves as Europeans. We want to overcome the concept of national states - strengthening Europe is the first step to do so.

We gain our European identity from what Europe offers us. Thanks to the Schengen Agreement we are able to move freely throughout Europe. We can decide freely where we want to work and many of us share the same currency.

But still: But the social benefits are different from country to country. There is no consistent system of social security. This has to change.

Less welfare- thank you for nothing, troika!

The economic crisis has increased the social division in Europe.

The main cause of the "euro crisis" is the faulty design of the euro area as well as the neoliberal ideas of deregulation. After establishing the monetary union it was neglected to establish an economic or social union. This led to massive imbalances in economic development in Europe. Germany for instance began its own economic program. It promoted an aggressive trade policy at the expense of weaker states. This also is one of the causes of the current crisis, although the radical market mainstream tried to manipulate the public opinion with a different tale. It was, and still is believed that "too high" sovereign debt of countries like Greece were the main cause.

The troika solution consists of reducing sovereign debt and reducing economic impact of the state. Consequently wages in public service have been cut drastically, civil servants were dismissed and social benefits have been reduced.

Yet the solution to the crisis cannot be to impose an aggressive increasing competitiveness in all euro countries. If all states reduce wages in order to boost export, this will not lead to a balancing of the different competitive levels inside the euro area. It only results into an economic stagnation due to a pronounced weakness in domestic demand. Under such circumstances, an expansion of the welfare state is impossible. To overcome the crisis a rethinking of European economics is necessary. Doing so, we can empower the welfare state and establish sustainable economic policies.

Therefore, the current efforts of the Greek government, which recognizes the problems of the current crisis policies, are absolutely right.

The austerity policy has failed. It only encouraged the financial and economic crisis. What we need is systematic investment to boost domestic demand and to create growth. In addition, it is crucial to generate more tax revenue to ensure that the welfare state, the social democratic project of the last century, will not be sacrificed to the neo-liberal mainstream.

Tax policy - for a social European Union

As Young European Socialists we advocate for a social Europe. A social Europe that stands for a joint and uniform social system in Europe. The crisis has shown that a European Union without a social Union, without a political Union, cannot function. Therefore we need joint solutions, we need combined methods.

To be precise: we need binding standards in Europe for all social systems. The system has to be adjusted to the highest standard.

Due to the fiscal treaty it is only possible to achieve this by strengthening the revenues in the budget in all European countries. We need a tax system that prohibits the social inequality from increasing. We have to strengthen solidarity in Europe. Therefore we need a debate about which taxes should be harmonized and in what way and which taxes should remain on national level

We demand that the European financial transaction tax comes into effect in every country in Europe. The tax has to include all derivative financial instruments, all forms of speculation as well as high frequency trading.

This can only be the first step. Furthermore we need a minimum taxation of companies. It is not ethical that enterprises earn their money in one country but pay minimal taxes in another country. A common European market needs a common taxation system.

Another step is a system in which we have a common inheritance tax. It's time to let the strongest shoulders carry the biggest weight to achieve a fair redistribution. On top of this we need a European tax on wealth. The crisis has to be paid by those who caused it.

Austerity has failed! We have to stand together, we have to act together and we have to build a European tax system. We demand a European financial transaction tax, we demand a minimum taxation of companies, we demand a common inheritance tax, we demand a European tax on wealth. We need a joint strategy to achieve the redistribution of wealth in Europe! We need to achieve solidarity! It's time to dare more Europe!