

Cyprus, Malta and the European Union: Lessons for the Future

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Cyprus and Malta. Islands. Small Sovereign states. Mediterranean fortresses for much of their long colonial history. Achieved independence from Britain in the 1960s. With strong trade union movements, especially in the heavily unionised public sector. With booming economies registering high and steady rates of economic growth and with low rates of unemployment. Geared towards the provision of services, particularly tourism. No wonder that it seemed a matter of course for them to apply to join the European Union, just two weeks apart from each other in July 1990. Similarly, it seemed only natural for the E.U. to place the applications in the same basket and to nurture them together all along the tortuous route of deliberation.

In much of the same vein of spontaneity, this education project involving Cypriot and Maltese trade union leaders and worker educators was conceived. Visits to constituted bodies, discussions with political office holders, addresses by qualified University lecturers as well as various social events and casual encounters in both Cyprus and Malta were organised over a two week period in November 1995 and February 1996.

It is rather difficult to gather in a few words the main impressions and conclusions gleaned from these varied encounters. It is certain that different participants, Cypriot and Maltese, have their own set of self-determined opinions about the worthwhileness and benefits of the project. But, if I may hazard my own assessment, I would single out the following issues concerning Cyprus' and Malta's relationship to the European Union. These issues have struck home as being particularly critical and they carry a specific bearing to trade unions and workers in both countries.

1. Cyprus and Malta will be the first small island sovereign states to join the European Union. This obliges us to consider a host of administrative, economic, social and political effects. Possibly, and perhaps even definitely, the negotiations of both countries prior to accession will need to argue convincingly that the specific issues associated with smallness and insularity must be acknowledged. These would include the issue of protectionism as against a rampant rationalisation of indigenous manufacturing industry; the status of 'natural monopolies' as in the energy and telecommunication sectors;

and the vulnerability and openness of the two micro-economies to external shocks. On the other hand, from the EU perspective, the accession of Cyprus and Malta may be discreetly dismissed as petty in confrontation to much more serious issues. Such could result in a very broad range of negotiating process: from a 'take it or leave it' diplomatic strategy up to a very special, privileged deal for both Cyprus and Malta.

2. Cyprus and Malta will become the first ex-colonial territories to join the European Union. This condition means that they have inherited legislative, administrative and structural characteristics bestowed upon them by their former colonial power. This power also happens to be in both cases the United Kingdom which, even within the European Union, is most out of step in its views and policies with the status of a federated, continental Europe. Hence a larger programme of modification, social policy reorientation, legal reform and revision by the two small states is necessary to meet the requirements of accession. Such changes may be seen as potentially threatening to the solid gains in conditions of work obtained over the years by workers in both countries, not least thanks to trade union action and pressure.
3. Although they have a rather different economic make-up, the manufacturing sectors of both Cyprus and Malta can realistically expect a hard time when and if the two countries are obliged to conform to the liberalised and freely competitive market environment of the *acquis communautaire*. While the E.U.'s structural and cohesion funds, as well as programmes intended towards the promotion and consolidation of small and medium scale enterprises, will be extended to Cyprus and Malta, industries in these two countries must still brace themselves for the challenge of long-term, increased competitiveness. Particularly, a vigorous state-supported promotional drive and incentive package is necessary. This should include the promotion of local entrepreneurship, export penetration, niche marketing know-how, technological innovation, research capacity enhancement, capital financial sourcing and human resource development. Trade unions have a significant, constructive and critical role to play here, entering into agreements with local industrialists and entrepreneurs on the policies necessary to translate these support programmes into action, such that they deliver. This defends existing employment and creates opportunities for healthy economic growth. Otherwise, one undesirable scenario for both countries could consist in a closing down of most manufacturing capacity, with a substantial chunk of the productive economy lapsing into a dependence on EU transfer payments.

4. Given that there are gaps between the existing situation in our two countries and the requirements dictated by Brussels; and that there is a significant grey area of still-to-be determined benefits and costs to be hammered out in the process of accession negotiation, there is already a fair degree of uncertainty about what the price or benefits of eventual accession to the European Union will turn out to be. Insularity and smallness also come into play once again here by retarding the process and extent of knowledgability about what the European Union is, and what the full implications of accession are to Cyprus and Malta. Indeed, comments are often made about the insufficient levels of communication and information that Cypriots and Maltese express about anything concerning the European Union. In particular, trade unions complain about the paucity of hard facts concerning issues which concern them most: the implications of accession on the state of the local economy; on a whole range of issues regarding the conditions of work; on the opportunities for economic restructuring; on the deployment of European structure funds for economic competitiveness. Such burning questions assume an even greater salience when one remembers that we are talking about two booming micro-economies with labour shortage problems in relation to a European Union reeling from the sustained effects of long-term, mass unemployment. Cyprus and Malta must take those measures necessary to improve the transfer of information from the European Union to their respective small countries. This can be done by improving the presence of their representatives in European level events; as well as by ensuring that news of goings on in Brussels reaches trade unions rapidly and in unadulterated form, and then that this information filters further down to the rank and file, in understandable, non-legalistic terms, preferably translated into the local language.
5. There is also a clear understanding that worker education, in a variety of forms, constitutes a critical priority for trade union members and their leaders in both Cyprus and Malta. The investment in human resource development is one important priority for trade union organisations today, and one which definitely re-establishes the relevance of trade unionism even in a situation where basic worker rights and working conditions may be considered to be quite satisfactory. Indeed, were trade unions to renege on this responsibility, the option is bound to become the sole responsibility of the State and employers who would most likely re-tool the 'education' principle in more narrow directions which would benefit the productive enterprise. This is not to claim that technical and vocational training, the

inculcation of new skills and of the flexibility to learn others, is not an important policy issue. The creation of new jobs depends also on the adoption of new working capacities by workers and on the enhanced competitiveness of enterprises who boast of such skilled labour forces. But education is not only training. Trade unions most of all are quick to point out that educational initiatives need to be developed in the field of trade union education. In particular, strategic alliances entered into with other educational institutions – such as Ministries of Education, Tertiary Education Institutions and Universities – can expose the trade union official, the union enterprise representative and/or the rank and file union member to the privilege of a critical evaluation of economic and political developments; to a mastery of a working knowledge of accounts and financial management; to a facilitation of communication, public speaking and leadership skills; to an introduction to computer literacy, information technology, desktop publishing and their potential for trade union collaboration and communication. More importantly, there is an invitation to consider knowledge in a less dogmatic, more democratic light, bringing in workers' and trade union leaders' experiences as privileged contributors to the educational process. Such initiatives would also nudge centres of higher learning away from 'ivory tower' dispositions and oblige them to adopt a greater relevance to the real needs of workers beyond the campus and academe.

This recently concluded Cyprus-Malta trade union education project has been one clear demonstration of the synergetic relationship between trade unions and educational institutions. The Cyprus Adult Education Association and the Workers' Participation Development Centre of the University of Malta have joined forces in demonstrating how this synergy can actually work out and deliver in practice. The declaration of 1996 by the European Union as the European Year of Lifelong Learning is one other manifestation of the admission that post-formal, continuous, adult education – of which worker education is one important component – is here to stay.

What is past is prologue. The text of a strong resolution, agreed to by all the participants attending the final session of the project at Nicosia, is reproduced verbatim below as a clear indicator of the common standpoint adopted by different trade union organisations from the two participating countries. In itself, this resolution bears witness to the similar areas of concern shared by Cypriot and Maltese worker organisations. It also beckons towards the more urgent and promising directions for further bi-lateral cooperation.

*Cypriot and Maltese Trade
Unions in Relation to the
Challenge Posed by the
European Union*

A Resolution

Senior elected officials and representatives from Trade Union Organisations of the two Mediterranean island sovereign states of Cyprus and Malta.

Having gathered in Malta during November 1995 as guests of the Workers' Participation Development Centre (WPDC) of the University of Malta and having subsequently gathered in Cyprus in February 1996 as guests of the Cyprus Adult Education Association (CAEA).

Fully alerted to the issues raised after the application for accession to the European Union and aware of the various common characteristics which the two small island Mediterranean States share in relation to this common challenge.

Grateful to the Mediterranean Office of the Friedrich Ebert Foundation (FES), to the Industrial Training Authority of Cyprus (ITA) and to the European Commission which have generously sponsored two pioneering trade union education projects, making the exchange of views possible.

Have duly AGREED to submit the following resolution, to be disseminated and passed on to the various members of the press, national policy makers, European Union officials and other representatives:

Affirm that trade unions are recognised as legitimate actors in industrial relations at both national and transnational levels and therefore they are to be acknowledged as major contributors to the formulation of socio-economic policy.

Urge the European Union to recognize the existing benefits enjoyed by working people in Cyprus and Malta and call upon the European Union to promote a social policy agenda which protects workers and their hard won conditions of work from any adverse effects of economic deregulation and any other consequences of possible accession to the European Union by Cyprus and Malta.

Recognise the crucial importance of worker and trade union education for effective participation by labour and worker representatives in programmes which promote both enterprise efficiency and competitiveness as well as serve as opportunities for developing skills and knowledge for workers.

Acknowledge that more and better access to information about the European Union, the techniques available for influencing its policies and decisions, and the economic effects of the accession of the two island economies is a critical priority in both Cyprus and Malta. The Cypriot and Maltese Governments are therefore encouraged to adopt those measures necessary to improve such information access to trade union organisations.

Approve of the mutually beneficial relationship which results from the active collaboration of educational institutions (including Universities and Ministries of Education), with trade union organisations for the promotion and implementation of relevant educational programmes and augur that such collaboration will continue in the future.

Understand that Cyprus and Malta require assistance to further expand their experience in European level affairs. Such needs are likely to increase with the added responsibilities and demands of participation in European level fora in the event of accession.

Appreciate the need to develop opportunities for vocational training of employees as part of the upgrading and wider employability of the human resource base of Cyprus and Malta. This to enable workers to face the challenges posed by competition and rationalisation with the greater likelihood of a successful integration by Cypriot and Maltese workers into shifting and evolving labour markets.

We reaffirm the condemnation by the United Nations Security Council Resolutions of the breach of human rights and freedoms resulting from the continued Turkish occupation of sovereign Cypriot territory. It is fervently hoped that the accession of Cyprus to the European Union will realise the wishes of the Cypriot people towards a just and keenly awaited solution to this problem that will ultimately lead to the re-unification of Cyprus. We also insist that the issue of the Turkish occupation should not obstruct the safeguarding of fundamental human and trade union rights and, in particular, of free trade union dialogue and communication.

Agreed today, in Nicosia, the 22nd day of February 1996.