

Can the European Union be reformed?

Marnie Holborow

Can the EU be reformed? Can it be made more accountable to the peoples of its member states? Last summer, in Greece when the government capitulated to the Troika, these questions went to the heart of what was wrong with the Syriza project.

Reforming the EU resurfaced again during the Brexit vote in the UK. The left Remain position in the Brexit referendum vote turned on two arguments. Firstly, the EU, however misguided it had become, could be changed through pressure from within. Remain and reform, in varying degrees, was the call from the Labour Party, the Scottish Nationalists, the Greens the trade unions, Another Europe is Possible grouping, and others although little detail was given on what reform would actually mean. In Northern Ireland, Sinn Féin backed the Remain campaign loosely on this basis, although its main focus was on the implications of Brexit for the border. A second argument on the left in England and Wales was that a remain vote would counter the racist right, and that the EU, while having many defects, stood against nationalism and was therefore the lesser of two evils.¹

This article argues that believing that the EU can be changed from within or that it is somehow progressive is not only an illusion but an obstacle to enacting radical left alternatives. The Eurozone's protracted economic crisis, the EU's neoliberal dictats, its shameful and racist handling of the migrant crisis, its growing militarisation will all inevitably lead to further clashes between the EU and its peoples. Therefore, a clear, political understanding of the role the EU plays will be vital for the struggles ahead.

¹Only a small section of the socialist left, including People before Profit in Ireland, called for a Leave vote from a left-wing, anti-racist and internationalist position, although their voice was not much heard in the mainstream media.

²Yanis Varoufakis, *The Global Minotaur: America, Europe and the Future of the Global Economy*, London 2015, p.75.

³Perry Anderson, *The Old New World*, London, 2011, p.17.

⁴Paul Ginsberg, *A History of Contemporary Italy*, London 1990, p.160.

Behind closed doors

It is often argued that the EU has been a counterweight to the free-for all capitalism and global power of the US. The truth is the EEC provided the framework for the European capitalist states to pursue their interests in step with US hegemony. From the end of WW2, US administrations 'cajoled, pushed, threatened and sweet-talked' the Europeans into a union.² They were aided in their efforts by the chief-architect of Europe, international banker and financier, Jean Monnet, who had a 'direct line to Washington' and whose initiatives depended on US support.³ The US needed new markets for its goods, to recreate European capitalism along its own free trade and federalist lines and, at the same time, secure a firm military ally to counter the communist threat.

From the beginning, the EU was never a union of equals. Germany and France provided the core axis. Germany's industrial machine, geared towards exports, was rapidly becoming an economic powerhouse, and European integration provided an acceptable face of Germany's rise. France played a counterbalancing political role as the creator of the strongly centralised European institutions; with nuclear weapons, and originally a member of NATO, it also supplied a strong military dimension. Italy, the third largest European economy, became the model for peripheral countries like Spain and Greece, who would join later. Free movement of capital and labour would deliver industrial development and supply workers for Northern European industries, and lower Mezzogiorno unemployment into the bargain.⁴

The post-war boom allowed European unity to be built, initially, on a Keynesian

economic policy regime of welfare states and managing effective demand in pursuit of full employment,⁵ which lent it the label of ‘social Europe’. In actual fact, the creation of the EEC occurred entirely at the instigation of capitalist elites and their political bureaucracies, with no popular participation. The founding Treaty of Rome had been brokered, not by an elected politician, but by Beyen, a former executive for Phillips and a director of Unilever parachuted straight from the IMF into the Dutch cabinet (the sort of technocratic by-pass of democracy with which we in the EU today have become all too familiar). In 1975, the European Council was instituted as periodical meetings of existing Heads of State. In 1979, the European Monetary System came into force and decreed, following the German Bundesbank regime, that members’ currencies should be tied to a narrow 2.5% band of fluctuation. As Perry Anderson observes, voters across the states were ‘neither a motor nor a break’ on developments as they were never consulted.⁶ The undemocratic and unaccountable nature of the EU was there from the start. There were referenda on new membership, in the seventies and then later, selectively, on some treaties, but by then the corporatized, highly bureaucratic character of the EU was structurally entrenched.

Corporate agenda

In 1972, When Ireland joined the European Economic Community - along with Denmark and the UK - the top-down bureaucracy of this process was hidden behind the rhetoric of the creation of a peaceful and prosperous Europe. The Irish experience of the EU, despite it being one of the smaller, peripheral states, in many ways encapsulated the corporate logic and the ruinously undemocratic outcomes of the union.

At the time of joining, Fianna Fáil and

Fine Gael were united in seeing the EEC as a way out of economic backwardness. Together they had the political weight then to ensure that the referendum was carried by 82% of the population and they took it for granted that Europe was good for Ireland. The Common Agricultural Policy did indeed ensure growth and returns for big farmers and opened the way later for mega-profitable indigenous agribusiness. After the Delors Package of 1988, Ireland - as a so-called Objective One country - became a main beneficiary of regional funds. Later, following the Single European Act of 1986 and then the Maastricht Treaty of 1992, EU funding for projects in transport was granted to member states whose GNP per capita was less than 90 per cent of the overall EU average. The result was that between 1988 and 1992 Ireland benefitted to the tune of £7.2 billion from EU structural and cohesion funds, doing better than other peripheral states such as Greece Portugal and Spain. These subsidies, according to one commentator, effectively amounted to a mini-Marshall plan for Ireland.⁷

The politicians’ enthusiasm for the EU had little to do with notions of a social Europe. Ireland’s position behind European wide tariff barriers and its very low corporate tax regime made it the choice location for many US multinationals. US investment grew dramatically in the 1980’s and 1990’s and in 1997 the IDA could claim that 26% of all greenfield projects established by US firms in Europe were in Ireland.⁸ It was on this basis that the Celtic Tiger was born from a combination of elements, most of which were encouraged by the EU: a burgeoning financial services centre which attracted investment for European banks, a convenient tax haven for global finance, a relatively cheap, skilled, well-educated and English-speaking workforce, a system of social partnership which kept industrial peace

⁵Alex Callinicos, ‘The Internationalist Case against the EU’, *International Socialism* 148. <http://isj.org.uk/the-internationalist-case-against-the-european-union/>

⁶Perry Anderson, *The Old New World*, p.17.

⁷John Brennan, ‘Ireland and the European Union: Mapping Domestic Modes of Adaption and Contestation’, Dublin, 2010. http://eprints.maynoothuniversity.ie/2919/1/JOB_Ireland_and_the_European.pdf

⁸Kieran Allen, *The Celtic Tiger: The Myth of Social Partnership*, Manchester 2000, p.26.

⁹Fintan O’Toole, *Ship of Fools*, London 2009, Kieran Allen, *The Celtic Tiger* pp.21-29.

and wage increases down, and a stable pro-business political climate.⁹ Brussels even gave its blessing to policies that appeared to go against its official line, especially when they encouraged big business. For example, in 1998, it allowed Ireland to continue its very low level of corporation tax. This accommodation to big business and finance led directly to property bubbles, the worst crash since the 1930s, and the world's most expensive banking fiasco. The Irish economy, rather than experiencing a balanced development under the tutelage of the EU, harboured glaring social inequality and resembled a black hole through which mainly US corporation profits literally vanished.¹⁰ In retrospect, the Irish left's original opposition to entry to the EEC because it was a 'bosses' union'¹¹ and a Sinn Féin poster which warned that the EEC would 'put Ireland up for sale' 'for short term investment with guarantee of profits' and which would be to the detriment of the Irish people now sound strangely prophetic.¹²

A neoliberal machine

Under the pressure of global economic crisis and mounting competition from the US and Japan, the rise of unemployment and 'eurosclerosis'¹³ in the eighties, the EU switched from promotion of the welfare state to the liberalisation of markets. The European Round table of Industrialists, who first met in 1983 at the Paris headquarters of Volvo (with Irish business represented by Michael Smurfit and Peter Sutherland) drove forward the preparations for the single market. Its objective was to change the way

Europe was managed. The recovery of profit margins was to be achieved through free markets and deregulation instead of through government policies and social obligations. Central social elements of post war capitalism were gradually revoked and labour markets and social security systems altered in the name of 'flexibilisation' and globalisation. Reagan and Thatcher may have initiated the neoliberal agenda but, by the new century, the EU, through a plethora of treaties, protocols, directives, was outstripping the Anglo-Saxon version.¹⁴

The first key step to the neoliberal regime was the Delors-inspired 1986 Single European Act, whose convergence policies for the peripheral economies was driven by the EU's commitment to market expansion in the shape of the 'four freedoms': the free movement of goods, the free movement and establishment of services, the free movement of workers, and the free movement of capital.

Second, there was the move to reduce public spending and state subsidies, called 'market distortions' under the EU Directorate for Competition. This paved the way for massive state sell-off across Europe, including Ireland. EU Directives were issued to promote the 'liberalisation' for Telecommunications (1990) for railways (1991) for electricity (1996) for postal services (1997) and for gas (1998). The fate of An Post - the break-up of a vital service - was steered through by Irish Commissioner Charlie McCreevy.¹⁵

Finally, and most crucially, the SEA laid the basis for monetary union and marked the beginning of the EU becoming in Wolfgang Streeck's words 'a machine for the liberal-

¹⁰Kieran Allen, *The Celtic Tiger*, Chapter 2. Conor McCabe, *The Financialisation of Ireland*, Coulter Nagel, *Ireland under Austerity, Neoliberal Crisis, Neoliberal Solutions*, Manchester, 2015.

¹¹See 'EEC: Bosses Answer', *The Worker*, No 4, 4th may 1972. <http://www.clirishleftarchive.org/workspace/documents/thework72.pdf>

¹²Poster in 1972 anti-EEC campaign, Sinn Féin 'For Sale by Private Treaty : Oppose the Common Market'. Dublin: Sinn Féin. <http://catalogue.nli.ie/Record/vt1s000551244>. The poster, not much heeded at the time, was issued by 'Sinn Féin, Gardiner St', the forerunner of the Workers Party. 'Sinn Féin, Kevin St' at the time became today's Sinn Féin.

¹³'Eurosclerosis' was the term given for economic stagnation and low growth rates.

¹⁴Official EU policy documents are now stuffed full of neoliberal-speak, more so than their equivalents in the US. See Marnie Holborow, *Language and Neoliberalism* London 2015.

¹⁵Kieran Allen, *Reasons to Vote No to the Lisbon Treaty*, Dublin 2008, pp.15-16.

¹⁶Wolfgang Streeck, *Buying Time: The Delayed Crisis of Democratic Capitalism* London 2014, p.105. See chapter three for a blistering account of the conversion of the EU into a vehicle for the liberalisation of European capitalism.

isation of European capitalism'.¹⁶ The engine of this machine was the European Central Bank, established in June 1999, whose role effectively hollowed out democracy in the EU. Modelled on the Bundesbank, the ECB as stipulated in the Maastricht Treaty of 1999, ensured that currencies in the then European Monetary Union would be tied together under a rigid fiscal lock-in system, called the Growth and Stability Pact. No member state would be allowed to run an annual deficit above 3% of GDP or accumulate a total debt greater than 60%. The only option for economies which fell behind was so called internal devaluation - i.e. wage-cuts. The economy was conceived as a free standing market and taking precedence over everything else enacted, according to some, what the founder of ordo-liberalism, Hayek, had only dreamed of.¹⁷ A decade later, Ireland, as we know, was treated to the full force of the ECB when on 19 November 2010, its then President Jean- Claude Trichet, pointed 'a loaded gun' at Former Minister for Finance Brian Lenihan threatening to cut off all funding unless Ireland immediately bailed out its banks.¹⁸ This bullying was repeated with even worse effects in Greece three years later.

Totally unaccountable

Official 'Eurosystem' literature plainly lays out the role of the ECB. It states that the ECB has 'a clear and unambiguous mandate' to maintain price stability', and that this is now 'an overarching objective to the EU as a whole'. The ECB is 'granted full independence from political inference in the fulfilment of this mandate'.¹⁹ Politics thus becomes engulfed by neoliberal doc-

trine. The ECB's extensive power directs policy across the other co-institutions of the EU, they too removed from democratic control.

One of the main institutional players, the European Commission, from the 1990's drove through the privatisation of the public sector using competition law.²⁰ The Commission, the *de facto* executive of the union, is an unelected body composed of functionaries designated by national governments and selected by the President of the Commission (whose present incumbent, incidentally, is Jean Claude Juncker, under investigation for granting sweetheart tax deals to Amazon and McDonalds during his time as prime minister of Luxembourg).²¹ Another key institution is the Council of Ministers, a configuration of meetings between departmental ministers of each member state, and whose decisions, arrived at by qualified majority voting (by which the bigger countries get more votes) become law. Perry Anderson describes the Council as a 'hydra-headed entity in virtually constant session in Brussels, whose deliberations are secret... sewn up at bureaucratic level and whose outcomes are binding on national parliaments'.²² Then there is the European Court of Justice in Luxembourg composed of judges appointed by the member states who adjudicate on the legality of the directives of the Commission. The ECJ, often understood as the upholder of individual rights, acts also as protector of the 'free market' as the recent ECJ ruling that the Irish government should impose a 25% VAT rate on tolls levied on all state-owned motorways. Finally, there is the European Parliament, the only elective body of the EU and where, it is often assumed, all these decisions are put under democratic

¹⁷See Chapter Three, Wolfgang Streeck, *Buying Time Buying Time: The Delayed Crisis of Democratic Capitalism*, London 2014.

¹⁸'The ECB letter was a gun stuck in the ear of the Government - leading economist', *Irish Independent*, 6 Nov 2014 <http://www.independent.ie/business/irish/the-ecb-letter-was-a-gun-stuck-in-the-ear-of-the-government-leading-economist-30723102.html>

¹⁹European Central Bank, the Monetary Policy of the ECB, Frankfurt 2011. <https://www.ecb.europa.eu/pub/pdf/other/monetarypolicy2011en.pdf>

²⁰True to form, in July of this year, the Commission ruled that Ireland is signed up to the Water Framework Directive and that Irish water charges would have to be imposed.

²¹Simon Bowers, 'Jean Claude Juncker cannot shake off Luxembourg's tax controversy', *The Observer*, December 14, 2014 *The Guardian*, <https://www.theguardian.com/world/2014/dec/14/jean-claude-juncker-luxembourg-tax-deals-controversy>

²²Perry Anderson, *Old New World*, p.22.

scrutiny. The reality is that the European Parliament has no control over the budget, no real say over appointments and meeting variously in Strasbourg, Luxemburg and Brussels, is not even deemed worthy of a permanent home. The European Parliament, lacking any real legislative control, has been described as a ‘symbolic façade’ not unlike the monarchy in Britain.²³

In a damning account, *Ruling the Void* the late Irish political scientist, Peter Mair, lays bare the appalling democratic deficit of EU. The institutions are made up of people who have risen from national governments, but whose elevation to European-wide roles extends their influence but removes them from democratic control. Phil Hogan, Irish politician discredited at home over his imposition of Irish water charges has served, since 2014, as European Commissioner for Agriculture and Rural Development, showing how EU top jobs make a handy escape from the people’s verdict. Mair explains how ‘any opposition regarding the institutionalisation of Europe is voiced within the European channel where no relevant competence lies’.²⁴ So we may see stirring speeches in the European Parliament but they cannot influence the decisions taken by the EU bureaucratic elites. This gives rise not only to a serious democratic flaw at the level of the EU but also, because EU directives are then applied to member states, a filtering back of unaccountability to the member states themselves. When EU policy is rejected in referenda - as, for example, in the Lisbon Treaty poll in Ireland in 2008 - the EU, with ‘notoriously meagre’ concern for electoral mandates, simply asks voters to vote again until they get the right result.²⁵ In the case of Greece, the wishes of the voters are trampled on by the EU machine with their own government becoming its whipping boy.

Mair’s verdict on the EU is that it is has been constructed as a protected sphere, safe from the demands of the voters and

as such, amounts to ‘a remarkable under-politicisation of the Europeanisation dimension’.²⁶ The revolving door between investment banking and top EU positions, such as Mario Draghi, from Goldman Sachs to ECB president or Jose Manuel Barroso from Commission President to Goldman Sachs, is further proof of how much the untouchable interests of finance dominate. Short of exiting the institutional cage of the EU, it is difficult to see how any one member-state could ever go against the EU nor how, in its rigid institutional form, any redirecting of policy could occur.

Social Democracy and the EU

The Labour Parties of Europe bought heavily into the EU and its creation of a single currency. They assumed, according to one account, that the EU would herald ‘the advent of a kinder, gentler capitalism in which the power of the multinationals would be matched by the transnational organisation of labour that would recreate the shared prosperity of the post-war golden age’.²⁷ Meanwhile, many top positions in the EU have often gone to Labour Party politicians. The first President of the ECB for example was Wim Duisenburg from the Dutch Labour Party, the present President of the European Parliament is Martin Schulz from the German SPD and the aforementioned Jose Manuel Barroso, most identified with taking a hard line against any relaxing of austerity, was from the Portuguese PPD/PSD-Social Democratic Party.

The EU’s adoption of neoliberal policies coincided almost exactly with the Social Democratic parties’ own neoliberal conversion. The agenda was set in 1983 when the French Socialist Party government under Mitterand abandoned their initial Keynesian programme, prompted by his finance minister at the time, Jacques Delors, who two years later would become President of

²³Perry Anderson, *Old New World*, p.23.

²⁴Peter Mair, ‘Popular Democracy and the European Union Polity’, European Governance Papers C 05-03-2005, p9. http://edoc.vifap01.de/opus/volltexte/2011/2455/pdf/egp_connex_C_05_03.pdf. See also Peter Mair, *Ruling the Void; The Hollowing out of Western Democracy*. London, 2013

²⁵Peter Mair, *Popular Democracy*, p.6.

²⁶Peter Mair, *Popular Democracy*, p.10.

²⁷Larry Elliot and Dan Aitkinson, *Europe isn’t working*, London 2016, p.8

the EU Commission. New Labour under Tony Blair and the German SPD's *die neue Mitte* (the new centre) government from 1998 dropped the emphasis on 'a social Europe' and promoted the European Union under 'the four freedoms', which did not include the freedom for workers to go on strike.²⁸ On the eve of the 1998 European elections, Blair and Schröder issued a joint 'Third Way' statement, calling on social democrats across the continent to accept the logic of 'modernization' and adapt to changing conditions. It soon became clear, as Streeck puts it, that social democracy far from reforming capitalism was being re-formed by capitalism itself, and had become neoliberalism's chief enabler. It was the SPD government under Schröder which introduced the Hartz IV law reforms, which slashed workers' wages and led to a sharp increase in German inequality, and became the template for 'structural reforms' and EU austerity today.²⁹

Other sections of the left also had illusions in the European Union but for different reasons. The so-called Eurocommunists during the 70s and 80's, from which Syriza emerged, saw the EU as a means of distancing themselves from the former eastern bloc and of showing their commitment to peaceful coexistence with the capitalist west. Some in the forerunner of Syriza, Synaspismos, were sympathetic to the Third Way and what was termed quaintly the 'cosmopolitan democracy' of the EU.³⁰ The official trade union movements, headed by the ETUC, confronted with globalisation put its

faith in the EU's Social Chapter. But, as they retreated into 'social partnership' arrangements, in pursuit of 'a culture of responsibility for performance in the labour market', the EU became, in the words of a former British trade union leader, 'the only show in town'.³¹ Irish trade union leaders' enthusiasm for the EU did not cool, despite the fact that employment and social policy concerns became virtually absent from EU monetary and competition policies.³² It is true that SIPTU withheld backing for the Lisbon Treaty, first time around, but only as a bargaining chip to persuade the Government to legislate for collective bargaining. They rushed to back Lisbon 2, claiming that ratification of the Treaty had the potential to improve workers' rights.³³

In the past, much was made by the Labour Party and others about how the EU has been a progressive force for Ireland, particularly in the area of women's rights. This forgets that the EU has been able to bend its rules to allow member states to continue along their own, sometimes conservative, social policy path. For example, a protocol was added to the 1992 Maastricht which prevented Irish women from using any aspect of EU law to gain information about or access to abortion facilities. Rights in these areas had to be won by Irish people themselves, mobilising on the streets over the X case in the same year. The various EU directives - from the Equal Pay Directive of 1975 to the EU Gender Equality Recast Directive of 2006 - have spectacularly failed to close today's gender pay gap of 16% across the EU.

²⁸Joan Birch and George Souvlis, Interview with Wolfgang Streeck, 'Social Democracy, Last Rounds', *Jacobin* June 2016.; <https://www.jacobinmag.com/2016/02/wolfgang-streeck-europe-eurozone-austerity-neoliberalism-social-democracy/>. Streeck's condemnation of social democratic illusions in the social market are all the more strident in that he was once - a decision regretted by him now - an official advisor to Schröder.

²⁹In Germany, the wage share after the announcement of Agenda 2010 fell drastically from what was already a low level to the lowest level for more than 50 years. See Oliver Natchwey, 'Die Linke and the Crisis of Representation' *International Socialism*, 124, 2009 <http://isj.org.uk/die-linke-and-the-crisis-of-class-representation/>

³⁰See Chapter 2, Kevin Ovenden, *Syriza Inside the Labyrinth*, London, 2015, and also Alex Callinicos *Against the Third Way*, Cambridge 2001. p.99.

³¹Ron Todd, General Secretary of the TGWU, quoted in Elliot and Aitkenon, p.38. For ETUC preference for a partnership approach see the conclusion of the *Industrial Relations in Europe Report* published by the European Commission, 2014. ec.europa.eu/social/BlobServlet?docId=13500&langId=en

³²For details see Chapter Four, Roland Erne, *European Unions: Labor's Quest for a Transnational Democracy*, New York 2008.

³³Martin Wall, 'SIPTU backs Lisbon Treaty', *Irish Times* September 3 2009. <http://www.irishtimes.com/news/siptu-backs-lisbon-treaty-1.845712>

In Ireland, women still earn 14.4% less than men, a figure that has actually risen since 2010. Furthermore, EU directives on childcare provision have had no impact on the laissez faire, unregulated childcare situation in Ireland.³⁴ Delivery of reform via the EU is a long waiting game.

Voters ignored

When concrete proposals on the direction of the EU are put to the vote, the Irish - like populations elsewhere - have become less and less keen on the EU. The SEA and the Maastricht treaty were approved with almost 70% of the votes cast for the Yes side. By 1998, 62% voted for the Amsterdam Treaty. By the time of the Nice (first) referendum, in 2001, while the turnout was only 35%, it was rejected. Then, in 2008, after a campaign in which the entire Irish establishment and the EU liberal enthusiasts rallied behind the Lisbon Treaty (which both Taoiseach Brian Cowan and foreign Minister Micheál Martin had not bothered to read) the No vote gathered 53% of the votes cast. Furthermore, rejection was strongest in working class areas.³⁵

Already the French in May 2005 and then the Dutch in July of the same year had rejected an attempt to introduce an EU Constitution (an 'absolutely unreadable' 500-page document)³⁶ which set out the dictates of 'free and undistorted' competition, the deregulation of the labour market, and the privatisations of public services. Its rejection, twice, sent shock waves through the EU establishment. Some cosmetic changes were

made - removing flags and symbols - and the document was brought back re-packaged as the Lisbon Treaty. Ireland was the only country to hold a referendum on the new Treaty. Then, when Ireland voted no, the government, under pressure from the EU, asked the people to vote again. In the aftermath of the collapse of Lehman Brothers and the beginning of the financial collapse, the Government ensured Lisbon 2 was shunted through. Clearly EU Treaties and democracy do not mix.

The anti-capitalist movement, of which opposition to these treaties was part, seldom targeted the EU itself. Indeed, some anti-capitalists, such as the influential autonomist Toni Negri, declared themselves in favour of a strengthened EU on the grounds that it could counter US dominance, protect the world from rampant globalisation and make 'crap nation states disappear'.³⁷ Many more saw the main battle as curbing the recent excesses of globalisation - the power of the corporations, tax havens, climate change, erosion of workers' rights, the war on Iraq - which were seen not as systemic to capitalism, but as a neoliberal distortion. Susan George, a leading member of the French organisation, Attac, tasked the movement with curbing the unfettered market and returning to the 'progressive traditions' of the Enlightenment which defended the common good.³⁸ The European Social Forum directed its fire on the IMF, the World Bank and the WTO passing over the enabling role of state institutions, seen as immovable 'boulders' which had to be worked around.³⁹ In the Social Movements

³⁴See Centre for Social Educational Research report, *An Accessible Childcare Model*, Dublin, 2005 for how Ireland has lagged behind in this area. <http://www.dit.ie/cser/media/ditcser/images/accessible-childcare.pdf>

³⁵Daniel Finn, 'Ireland the Left and The European Union', in Colin Coulter and Angela Nagle *Ireland under Austerity, Neoliberal Crisis, Neoliberal Solutions*. Manchester, 2015, p.249-50.

³⁶Italian politician Giuliano Amato's words, quoted in Kieran Allen, *Reasons to Vote No*, p.6.

³⁷'Oui, pour faire disparaître cette merde d'Etat-nation' Interview with Toni Negri by Christian Losson and Vittorio De Felippis, *Liberation*, 13 May 2005. http://www.liberation.fr/france/2005/05/13/oui-pour-faire-disparaitre-cette-merde-d-etat-nation_519624

³⁸Susan George, *We, the Peoples of Europe*, London 2008 pp.75-83

³⁹The boulder image was one used about the state by prominent anti-capitalist Naomi Klein but it could equally apply to how many activists saw the institutions of the EU. 'We are up against a boulder. We can't remove it so we try to go underneath it, to go around it and over it.' quoted in Chris Harman, 'Anti-capitalism, Theory and Practice', *International Socialism* 2;88, Autumn 2000. <https://www.marxists.org/archive/harman/2000/xx/anticap.htm>

⁴⁰William F. Fisher and Thomas Ponniah, *Another World is Possible*, London, 2003, p.349

Manifesto, published in 2003, for example there was no mention of the defects of the EU.⁴⁰ Ironically, the movement's very effective highlighting of western capital beating down the global South with punitive debt repayment conditionalities made little mention of similar emerging developments in the EU. The slogan 'Another Europe is possible', while evocatively popular, skirted round the political question of the EU. The depth and scale of the crisis today and the degree of political string pulling by the EU no longer allows us such luxuries.

Fortress, racist Europe

Perhaps more than anything else, it has been the terrible spectacle of thousands of refugees drowning the Mediterranean which has showed up the moral bankruptcy of the EU. The European Convention of Human Rights is supposed to act as the conscience of the EU but recent events would show that the principles of human rights count for nothing when it comes to the EU's treatment of refugees. 2016 has been another murderous year for migrants trying to reach Europe. There were no less than no less than 3,034 deaths by the end of July. In just one week of that month, 39 bodies were washed up on Libya's shores. According to UNCR, last year a million people made the journey to Europe, many of whom are unaccompanied minors.⁴¹ This appalling humanitarian crisis has been met in the EU with squabbling and bargaining over numbers. The EU treats these refugees as if it had no part in their making. The top three nations from which maritime refugees to the EU come are Syria, Afghanistan and Eritrea, countries that the EU has either actively participated in, or supported, being bombed. The European Commission only talks of 'strengthen-

ing the protection of the EU's external border', 'stemming the flows', 'developing sustainable reception capacities in the affected regions' and stepping up 'implementation of the Return Directive' are its priorities.⁴² This directive, known by human rights activists as the 'shameful directive', abjectly fails to respect migrants' dignity and human rights, criminalises them, and calls for measures, such as prolonged 'pre-removal' detention and a ban on re-entering the EU.⁴³ The EU's record on its treatment of refugees will surely go down as the dark stain of this century.

It is striking that when it comes to refugees, EU rules, normally so strict, can be easily bent. Last year, Germany and Austria unilaterally suspended the existing Schengen Agreement and closed its borders to refugees. In direct contravention of the UN 1951 Refugee Convention, the EU is pursuing a policy of exclusion. Flouting the agreed principle of non-refoulement (i.e. forbidding the return of refugees to a place where their lives would be at risk) the EU now returns asylum seekers and migrants to transit countries of regions of origin before they reach countries where they could make a claim for refugee status. Even pathetically low targets of refugees are not met or are quietly shelved. Under the Resettlement Programme, Ireland pledged to accept 4,000 refugees with particular emphasis on families and unaccompanied minors. As reported in September this year, only 300 refugees had been received in Ireland and only *one* of whom was an unaccompanied minor.⁴⁴ Our Tanaiste, Frances Fitzgerald, is cruelly oblivious to the reasons which make refugees flee: she refuses to improve Ireland's disgraceful Direct Provision system, because to do so would act as a 'pull factor'.⁴⁵

To make matters worse, the EU's em-

⁴¹<http://www.unhcr.org/news/latest/2015/12/5683d0b56/million-sea-arrivals-reach-europe-2015.html>

⁴²European Council Conclusions, October 2015, <http://www.consilium.europa.eu/en/press/press-releases/2015/10/16-euco-conclusions/>

⁴³Anneliese Baldaccini, 'The EU Directive on Return: Principles and Protests', *Refugee Survey Quarterly* (2009)28 (4): 114-138.doi: 10.1093/rsq/hdq002

⁴⁴<https://www.oco.ie/2016/09/ireland-has-assisted-in-relocation-of-only-one-unaccompanied-minor/>

⁴⁵<http://www.irishexaminer.com/ireland/changes-to-direct-provision-would-create-pull-factor-for-asylum-seekers-343410.html>

brace of neoliberalism has ensured that the policing of migrants is a profit-making venture. The EU has outsourced policing of its external borders on to Frontex, a semi-autonomous agency, which runs a series of 'push-back' operations in the Mediterranean including the forcible removal of many of those who arrive in Europe or their imprisonment in detention centres. Frontex operates in a secretive corporate security world and this year received €114 million with another €9.5 million for deportations. Ireland contributes to Frontex, financially and operationally. Frontex sees itself as a business enterprise which sends its staff to migrant centres in 'migrant hotspots', such as Lampedusa, where migrants are 'debriefed' in order to gain information about the people smugglers.⁴⁶ Of course, Frontex's focus on smugglers, oft echoed by the UK government and others, conveniently deflects from the causes of migration - war and terror - for which the western powers are responsible.

Confronted by the EU's hostility to refugees, many thousands of people have done what they can to help. They have visited refugee camps, sent clothes and provisions to Calais welcomed refugees as they arrive. On the island of Lesbos despite being ravaged by austerity and economic collapse, local fisherman rescue people from the sea and local people feed children arriving on the beach. These spontaneous acts of generosity, perhaps more than anything else, show how wide is the gulf which now separates the EU bureaucracy from the people.

The policing of the EU's external border contrasts with the EU internal migration system, the so-called EU freedom of movement, frequently celebrated as one of the EU most progressive principles. The right have focused on this aspect of the EU to whip up anti-immigrant hatred and their racism must be opposed. But those who have an idealised notion of the EU's freedom of movement should also recognise its roots, not in multiculturalism, but in the pursuit

of profit. From the post-war 'guest workers', from Turkey and Italy who worked the factories and mines of Germany, Belgium and the Netherlands, to the freedom of movement arrangement today the EU's major concern is labour shortages, not lofty principles. Lack of available skilled labour means that Germany needs to add 400,000 skilled immigrants to its workforce every year to maintain its economic strength.⁴⁷ Furthermore, it is the effects of the EU permanent austerity measures which have forced workers of newer member states to leave their country to work in the economies of northern Europe. No less than 3 million Polish workers been forced to emigrate to work in other countries leaving behind 400,000 'Euro-orphans'.⁴⁸

This emptying out of populations stems from uneven capitalist development within the EU. Like in mass emigration from Ireland to Britain in the 19th century migrant labour could be sucked into industry through the political and economic control that Britain had over Ireland, although no-one called it 'freedom of movement' then. Today, freedom of movement and no borders across Europe must be defended against racist notions of border control and against state repression of migrants. We stand with all those who are forced to move from one part of Europe to another to earn a living and with those who enter Europe seeking refuge from war and persecution. The priority must be to show solidarity to our fellow workers to assist where we can with the organisation of migrants into trade unions, to fight against low-pay, to defend migrant workers in our jobs and to build a strong and visible anti-racist movement.

Post-Brexit

The Russian revolutionary Lenin described politics as concentrated economics. The Brexit vote is an expression of what people have suffered since the crash of 2008 and an indication of the degree of politi-

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⁴⁷Anthony Advincula, 'Labor Shortage: Germany Needs More Immigrants', *New American Media* January 4, 2015. <http://www.alternet.org/world/labor-shortage-germany-needs-more-immigrants>

⁴⁸See Jan Symanski, Polish migrant worker speaking at a Lexit rally in London on 13 June 2016. <https://www.youtube.com/watch?v=212ULdpyff8>

cal uncertainty and instability that the economic crisis has brought in its wake. Divisions within ruling parties and ‘the coming together of strange bedfellows’, as noted by Wolfgang Streeck, always occurs in times of systemic disintegration and radical uncertainty.⁴⁹ But politics has ‘its own language, grammar and syntax’,⁵⁰ and is not always easy to read. This has certainly been the case for the politics of Brexit in Britain, but also in Ireland, but reading its political significance is important for our understanding of the EU.

The vote to leave in Britain while an expression of different things, was widely recognised as being ‘a roar against the elites’, including those of the EU. The wide ranging Ashcroft post-referendum poll found that support for Brexit, in the working class especially, reflected a fear of falling living standards, and political powerlessness in general, but also a defence of ‘the principle that decisions about the UK should be taken in the UK’, an issue cited above the question of immigration.⁵¹

There has been much debate about whether the vote was about the EU at all, and if it was not mainly a symptom of the racism seething under the skin of British social life.⁵² I will not deal here with the differing interpretations, as they have been discussed fully elsewhere.⁵³ Nevertheless, from the point of view of a political understanding of the EU, it is important to say that the reaction to Brexit from those on the radical left, and others, across Europe was to welcome the vote. This approach was summed up by veteran campaigner against EU treaties, Eric Toussaint from Belgium, who saw the Brexit vote as a rejection of

the neoliberal EU and as laying ‘the basis for future exits around Europe on a radical left basis’. Similarly, Zoe Konstantopoulou, former Syriza president of the Greek parliament, compared the Leave vote to the ‘Oxi’ referendum in July 2015 that rejected EU austerity.⁵⁴ In Ireland, People Before Profit TD Brid Smith expressed a similar sentiment when she said, welcoming the vote, the Brexit vote has shown that the EU’s recent treatment of Greece and Ireland shows its primary concern is not the welfare of citizens or refugees but the welfare of the banks and the bond holders’.⁵⁵

The vote certainly did cause shocked consternation among the EU elites and looks set to usher in a further period of uncertainty for our rulers. Such a situation will see shifts and lurches from the left and the right. The challenge for socialists will be to give voice to the anger against neoliberal austerity and not let it go in a right-wing racist or fascist direction. This year, in France while Le Pen’s Front National may have been able to capitalise on the anti EU feeling at the end of June, only a week earlier thousands of trade unionists and socialists had taken to the streets to oppose Hollande’s and EU-backed Work Law. Even when the racist right is strong, their rise is not guaranteed and the battle is not over.

In the North of Ireland, the response to Brexit and the EU has been on a different political terrain. The DUP who had called for a Leave vote used the outcome, predictably, to reinforce their unionist stand. Sinn Féin, on the other hand, had campaigned for a Remain vote. The strongest vote for Remain in Northern Ireland was in Foyle, where 78% backed EU membership,

⁴⁹Wolfgang Streeck, ‘The post-capitalist interregnum; the old system is dying but a new social order cannot be born’, *Juncture* Vol 23, Issue 2, p.68

⁵⁰This description of politics was by the French Marxist Daniel Bensaïd. See his piece, ‘Leaps, Leaps, Leaps, Europe Solidaire, Sans Frontières’, <https://www.marxists.org/archive/bensaïd/2002/07/leaps.htm>

⁵¹Ashcroft, Lord. 2016. *How the United Kingdom voted on Thursday... and why*. [online]. [Accessed 4 August 2016]. Available at <http://lordashcroftpolls.com/2016/06/how-the-united-kingdom-voted-and-why/>

⁵²Laleh Khalili ‘After Brexit: reckoning with Britain’s xenophobia and racism’. In: *After Brexit: the Verso Report*, London, 2016

⁵³Charlie Kimber, ‘Why did Britain vote Leave’, *International Socialism* 152 Autumn 2016, pp.21-43

⁵⁴Quoted in Charlie Kimber, ‘Why did Britain vote Leave’, p.24

⁵⁵<http://www.peoplebeforeprofit.ie/2016/06/people-before-profit-alliance-press-statement-on-brexit-vote/>

followed by West Belfast at 74%. The Remain vote won both in Northern Ireland and Scotland with 56% and 62% respectively. The Irish result raised the same question as in Scotland: the problem of the union. It brought into sharp focus the injustice of the six counties in Ireland being tied to the UK.

After the poll, Sinn Féin's Martin McGuinness expressed the view that Brexit represented 'a snub' to the Belfast Agreement of 1998 and represented 'a major setback' for the political process in Northern Ireland.⁵⁶ Sinn Féin had opposed Brexit, but when Brexit prevailed, it created a constitutional crisis which provided them with the opening to make the case for a united Ireland. They immediately called for a border poll on Irish unification as not for the first time, England's difficulty was Ireland's opportunity.

To take advantage of a post-Brexit situation however, demanded that Sinn Féin tone down its criticisms of the EU. Sinn Féin, it should be remembered, had been prominent in opposing earlier EU treaties: Nice in 2001, and Lisbon, 2008 and 2009. Their grounds for opposing the Lisbon Treaty was 'a bad deal for Ireland', it gave 'the EU too much power' and reduced 'our ability to stop decisions that are not in Ireland's interests'.⁵⁷ Indeed Sinn Féin is often described as Eurosceptic. However, coming up to the Brexit vote, in June 2016, Gerry Adams announced that 'Sinn Féin's approach to the European Union would be one of 'critical engagement'. 'Where measures are in the interests of the Irish people, we support them. Where they are not, we oppose them and campaign for change'.⁵⁸

It is deeply ironic that Sinn Féin should say these things now. Only a year earlier Greece's attempts to change the direction

of the EU had not only spectacularly failed but had also converted the Syriza government into the worst austerity-implementers. The Greek debacle had proved beyond doubt that the EU was an austerity cage from which no member state could escape. Also, Sinn Féin has been identified, in the South, with the anti-austerity movement, and this included being opposed to EU-imposed austerity. Alignment with the EU must have come as a surprise for many of their supporters in the South, all the more so that 'critical engagement' with the EU was not elaborated on in Sinn Féin's brief statements. Enlisting membership of the EU as a means to assert national sovereignty when the EU has recently crushed economic self-determination for its peripheral states, conveniently brushes aside the fact that the EU's surveillance regime resembles a colonial structure itself.

Conclusion

In Ireland, like Britain, the capitalist class is divided over Brexit, which has added to the sense of crisis. Like the Remainers in the British government and among most of the ruling elite, the Southern government saw Brexit as extremely risky and hoped it would not win, although their tone throughout was deliberately more low key. Once the vote happened, the minority government was keen to contain any sense of crisis attached to Brexit and stressed that full contingency plans were in place.

The employers' organisation, IBEC, declared that Irish jobs would be further under threat and there would be a 'full-blown currency crisis' which would hit Irish exports 'very hard' and 'things could get much worse'.⁵⁹ Some sections of the Irish establishment interpreted Brexit as a diplo-

⁵⁶McGuinness saw the calling of the vote as placating the 'UKIP racists and the looney right'. Martin McGuinness, 'Remain must mean remain: why we need an all-Ireland response to Brexit'. *The Irish Times*, 19 August 2016. <http://www.irishtimes.com/opinion/remain-must-mean-remain-why-we-need-an-all-ireland-response-to-brexit-1.2760915>

⁵⁷Sinn Féin, *Ireland Deserves Better: an Alternative Guide to the EU*, 2008. <http://www.sinnfein.ie/files/2009/LisbonAlternativeGuide.pdf>

⁵⁸Gerry Adams, 'Irish Government and Fianna Fáil must respect the vote in the north'. *An Phoblacht / Republican News*, 29 June 2016 <http://www.sinnfein.ie/contents/40575>

⁵⁹Fiona Redden 'Irish jobs under imminent threat due to Brexit fallout'. *The Irish Times*, 2 August 2016, <http://www.irishtimes.com/business/economy/irish-jobs-under-imminent-threat-due-to-brexit-fallout-1.2741540>

matic and military disaster. A former officer in the Irish army, and a security specialist, saw Brexit as representing not only a threat to the Good Friday Agreement but also as posing 'profound and grave implications for British and European security, defence, peace and stability'. Brexit would place European defence in France and Germany's hand and leave Ireland no longer serving under Britain's EU battlegroup, out on a limb.⁶⁰

The more finance-orientated sections of the Irish ruling class were more opportunistic. David McWilliams, for example, judging Brexit as representative of 'a nasty, flag-waving, petty, imperial England in a post-imperial world' jumped at the opening that it created for Ireland. Inc. A post-Brexit Irish International Financial Services Centre could take advantage of England's 'self-inflicted misery' and Dublin become the new London, and 'a magnet for global capital'. His claim, in an outpouring of praise for British free marketeers, was that Ireland with people 'speaking the same language and 'to all intents and purposes ... quasi-British' could become the antidote to the Brexit mentality, 'a safe harbour in all this chaos with free, unfettered access to Europe'.⁶¹

Causing further disarray, the *Financial Times* commentator Wolfgang Münchau, has said that the Apple ruling has shown that Ireland is 'a failed business model'. For Münchau, Ireland's low corporate taxes and tax avoidance for foreign investors is unsustainable, and the combination of Brexit, the long-term loss of its business model and the ongoing crises in the Eurozone could see Ireland following the UK out of the EU. 'Those in favour of EU membership should give some thought to what could go wrong. They

might otherwise end up in the same place as the over confident Remain supporters in the UK - bitter and without influence'⁶²

A ruling class which is split and anxious about Brexit means that there will be no certainty for this weak minority government, already under pressure from the anti-austerity movement.

But this is not the time to line up with the Southern Irish establishment alongside the EU. Nobody wants to see the reimposition of a hard border between North and South. All hard borders, including those within the EU, are against the interests of working people. But simply arguing for a united Ireland within the framework of existing institutions - whether the North-South structures or under the aegis of the EU - ignores what is going wrong across this island and promises little change. Austerity measures under The Fresh Start Agreement have allowed poverty to increase, making Northern Ireland one of the eighth poorest regions of Northern Europe.⁶³ Southern Ireland's refusal to close the tax loopholes for corporations or tax the rich has denied the poorest in society a basic right to a house, to a national health service, to equal access to higher education, and has made the South a society with the fourth worst inequality gap in the EU, a divide that has widened with austerity imposed by the EU.⁶⁴

The radical left is in a unique position in Ireland to make the case that tying ourselves to the EU offers only more austerity and more directives to privatise our public services. The miserable crumbs from the recent Budget in the South has highlighted how much the EU sets the rules. The small €1.3 bn 'budgetary adjustment' allowed to us by EU fiscal rules is nothing compared to the €28.5 bn which has already been spent

⁶⁰Tom Clonan. 'Thanks to Brexit, the fragile peace in Ireland is under threat'. <http://www.thejournal.ie/readme/brexit-security-impact-tom-clonan-2844168-Jun2016/>

⁶¹David McWilliams, 'Brand Britain is ours for the taking'. *The Sunday Business Post*, 3 July 2016 <http://www.businesspost.ie/brand-britain-is-ours-for-the-taking>

⁶²Wolfgang Münchau, 'Ireland may have to consider leaving the EU', *The Irish Times* Monday October 10, 2016 <http://www.irishtimes.com/business/economy/wolfgang-m%C3%BCnchau-ireland-may-have-to-consider-leaving-eu-1.2823535>

⁶³http://inequalitybriefing.org/graphics/briefing_43_UK_regions_poorest_North_Europe.pdf

⁶⁴<https://www.unicef.ie/2016/04/14/new-unicef-report-shows-growing-inequality-among-children-in-high-income-countries/>

on the bank bail-out, on what the EU calls servicing 'sovereign debt'. This debt enslavement, which will leave us with poor and more privatised public services for decades, is a direct result, as explained above, of the EU neoliberalisation machine.

No one can foresee where the next clashes will come, nor what struggles will pit us yet again against the forces that are determined to make the working class pay for this protracted crisis. But we do know that the EU will be on the other side. Clarity about whose interests the EU institutions serve can only help us in the battles ahead and put us in a position to offer real alternatives.

We have to break with the idea that Ire-

land must stick to the EU at any cost. This only provides the Troika, as Greece proved, with a stick to beat countries into line. The socialist left should put forward its own demands: a write-down of the debt, the nationalisation of natural resources, a reversal of privatisation, the right not to be bound by the rules of the fiscal compact, regardless of whether these are acceptable to the EU. These simple demands go against what the EU stands for in its current form. Therefore we should also be in favour of a new Europe, not one based on austerity and enforcement of market madness, but one based on democracy and control of capital.