

Tantalizing on Europe

Anita Pollack on going beyond a critique of Euroscepticism

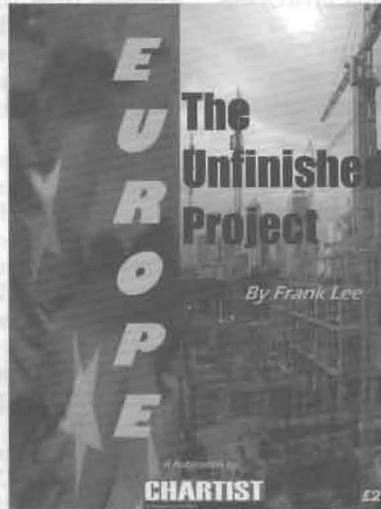
EUROPE: THE UNFINISHED PROJECT
Frank Lee
(Chartist Publications £2)

As a contribution to the current debate about Europe in the face of the upsurge in Euroscepticism, Frank Lee's pamphlet provides a useful critique and is also reminder of the importance of Germany in the EU. His work is essentially an economic discourse pointing out that the difficulty facing countries such as Ireland is not a crisis of the eurozone, but of sovereign debt. Having set the ground, however, it grinds to an abrupt halt. Billed as a counterblast to Euroscepticism, it could have developed much further. Not so much an unfinished project, as an unfinished pamphlet?

Lee says the EU has reached a critical juncture, relating this to the economic crisis. However another aspect must lie in the growing antipathy on the part of the public to the European 'project' itself. His tantalizing comment that the EU project cannot continue in its present form, is followed by no alternative roadmap.

The Maastricht Treaty's prioritization of monetary stability above growth is cited as contributing to the Eurosceptic's armoury. It was indeed a highly controversial Treaty. My own book traces some of the differences in the UK polity. For instance the Tribune Group of Labour MEPs produced a pamphlet in favour (Building on Maastricht: A Left Agenda for Europe) whilst the Tribune Group of MPs were against, calling for pie in the sky – 'no ratification without renegotiation' (The Left and Europe). The main stumbling block for the UK was the Tory government's opt-out of the Social Chapter. Arguments in the UK focussed on limits on public spending. In Germany, however, with their history of inflationary crises, the stability mechanisms were strongly supported.

The overly swift enlargement in 2005 by ten countries plus two more in 2007, was a shock to the system, being costly but undertaken with an insufficient budget. It was a decision made by the elites, never the subject of much public debate, sowing seeds of future discontent. The political



elite were obsessed with the need to consolidate democracy particularly in the former Soviet block states, by 'bringing them on board the European train'. Enlargement opened borders to a low paid workforce, fostering a negative perception of immigration. The knock-on effect was rejection in France and Netherlands of the ineptly named Constitutional Treaty, which blocked some much-needed reforms to decision-making until the Lisbon Treaty was finally cobbled together and pushed through.

During the Blair years, the neo-liberal wave washed away the popular Delors-style social aims of the previous decade. Tangible advances such as the Working Time and Agency Workers' Directives were held back by the forces of 'modernization'. Why did the financial and economic crisis not create an opportunity for left and centre-left parties? Henning Meyer, senior visiting Fellow of Global Governance at the LSE, (*Political Insight*, Vol 1 No 2), says: 'The inability of social democrats to take advantage of the weakening of neo-liberalism showed that...the centre-left was

unable to present a viable alternative'. The third way project exported from Britain to Germany and elsewhere has been criticized as failing to connect with citizens. Inequality as an issue took a back seat. The left is still struggling to find an answer.

Lee correctly asserts that the economic crisis also affects countries outside the eurozone, but there has, nevertheless, been a concerted attack by the financial markets on those economies. Reactive bailouts by EU member states are no substitute for a better coordinated and balanced strategy. Pursuit of austerity alone cannot be a winning policy. There is another danger here though, as eurozone countries attempt to develop a permanent mechanism for economic governance. That is the slide towards a two-speed Europe.

How to press ahead, then, from the current 'no man's land'? A common agenda for economic recovery and inclusive growth needs wage coordination, fairer forms of profit sharing, continued regional transfers and action against 'social dumping. As long ago as 2007, Roger Boyes, then *Times* Berlin correspondent, writing in the *New Statesman*, said: 'If the EU is to assert its political primacy it has to build on the principle of intercommunal and international solidarity.' These are key to regaining public support.

Social justice and economic efficiency are interdependent in the globalised modern world. The left and centre-left in Europe need to make stronger arguments for equality, transparency and sustainability, taking sustenance from Amartya Sen who suggests that 'development has to be more concerned with enhancing the lives we lead and the freedoms we enjoy' (shades of the revolutions we are now seeing in North Africa). The struggle, as Lee says, must go on.

Anita Pollack was Labour MEP for SW London 1989 – 99 and is author of *Builders or Wreckers? A History of Labour MEPs 1979 – 99*.

ISBN 978-0-9556202-3-2, John Harper Publishing.
www.johnharperpublishing.co.uk

