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# EUROPE HAS A DIFFERENT FUTURE

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## REFOUNDING EUROPE? STRATEGIC ORIENTATIONS

MARIO CANDEIAS, LUKAS OBERNDORFER, ANNE STECKNER

### MORE OR LESS EUROPE? FALSE DICHOTOMIES

Europe is more than the European Union and the EU more than its neoliberal and increasingly undemocratic-authoritarian form. However, this is the form we have to contend with. Simplistic affirmations of Europe or of 'more Europe' fail to address a justifiable common-sense scepticism. The European level has been repeatedly used as a lever to gut social and labour rights and strengthen the logic of capital and the market – certainly not just since the 2008 crisis but at the latest by the mid-1980s as the project of a European internal market was established.

However, to react merely by defending national achievements is equally unconsidered. Central decisions on policy direction are still taken in the European Council, that is, by national governments, though outside of the national parliaments. The precarisation of labour is indeed facilitated by European decisions, but it is driven by national parliaments, as in the cases of the Workfare programme in Great Britain or Agenda 2010 in Germany. The privatisation of municipal public utilities is sought by the EU, but it was already pushed ahead by cash-strapped municipalities which expected this to bring quick revenues and gains in efficiency. According to EU law, contracts for services have to result from putting out Europe-wide tenders, but no one has forced the municipalities to not offer these services themselves. The German federal government uses Europe's crisis management to assert the interests of the German and transnational export and financial industries. Neoliberal policy is being generalised throughout the EU and is perpetuated by legal means.

In chorus with other right-wing populist parties in the EU, the AfD (Alternative für Deutschland) is promoting the dream of a return to national currency from a right-wing perspective. By invoking 'imaginary communities' (Benedict Anderson)– 'we Germans' without classes or other social contradictions – to overcome the crisis, they are benefitting from the desire for a manageable and influenceable economic and currency area. They paint a picture of an 'imaginary economy' of national economies which have long ceased to exist. On the contrary, transnationalised production networks and liberalised global financial markets now determine the reality.

Within the ensemble of the EU's institutions and agreements the local, regional, national, supranational and international levels are interwoven into a complex nexus. It is true that this situation has in no way led to the overcoming of nation-states. Rather, national competitive states play a decisive role in the process of transnationalisation. However, this transnational quality is overlooked precisely by the demand for an orderly Euro exit, for example; how is the re-regulation of international financial markets to occur on the national level? How can the playing out of national competitive positions be prevented within transnational production nets? How, in view of global markets, should a nationally oriented Keynesian strategy take effect? This would very quickly come up against the transnationalisation of capital flows and power structures. Policies limited to the nation-state level would not suffice even for the defence of social achievements. Socialism in one country was already an impossible undertaking in less transnational times, and it is all the more impossible for Greece under a left government. Exodus is not feasible.

Now not every Euro-sceptic is a nationalist. There is growing discontent with the EU among the population, also within left parties, and this is not dumbly nationalist but tempered by experience. The problem of Europe cannot be dealt with by helpless internationalist sermons. In the last decades, every step in past decades towards European integration was a means to implement neoliberal policies. The EU increasingly resembles an economic lobbying organisation that can hardly be politically controlled by a weak European Parliament or be influenced by civil society. The left is therefore operating within a strategic dilemma, which is encapsulated by Die LINKE's European Parliament electoral programme: 'For Die LINKE there can be no decision in favour of one or the other – we will fight the battles where they occur: in the EU, in Germany, and worldwide. Not because we are retreating to the nation-state level in the hope that wages and social standards can be better defended there. Not because we have illusions about the neoliberal European Union.'

## AUTHORITARIAN CONSTITUTIONALISM

Alongside the Troika requirements for 'assistance loans', which violate civil and human rights (for example, the right to free collective bargaining), there is a new Economic Governance, which deploys various austerity and competition whips, at the centre of Europe's crisis management. In the process, democratic principles and established law are circumvented or violated if necessary. This occurs via the detour of bilateral agreements (for example, in the case of the Fiscal Compact) or via the forcing of secondary law, contrary to European law, into the treaties currently in force (as in the case of the new Economic Governance). In so doing, the executive apparatuses are provided with comprehensive powers to pass resolutions and apply sanctions, while the parliamentary arenas are weakened, both on the national and the European levels. This authoritarian constitutionalism counts neither on law nor consent, and its coercive character is openly manifested not only in southern Europe.

This means that even the room for manoeuvres established in European law is now too restricted for the radicalisation of the neoliberal project. After the rules for a strict austerity policy have been perpetuated Europe-wide and removed from the reach of democratic challenge what is now on the agenda is the Europeanisation of the structural reforms that have been tried in the southern European laboratory. Through the 'treaties for competitive capacity' the Member States are to declare to the European Commission their commitment to deregulate their labour markets, reform their pension systems and reduce their wages (see Händel). The planned as well as now approved instruments of crisis policy go essentially further than the possible free trade agreement with the USA would go. The Commission has declared quite openly that the contemplated treaties aim at overcoming political resistance. The central axis of conflict in authoritarian constitutionalism is therefore not Europe versus the nation-state but the ensemble of European state apparatuses versus (representative) democracy.

## THE STRUCTURAL SELECTIVITY OF THE EU

Every attempt at left-wing reform moreover must deal with the structural selectivity of the EU institutions. Die LINKE, for example, correctly demands a 'new start with a revision of those primary-law basic elements of the EU, which are militaristic, undemocratic and neoliberal', as the political program reads. However, such treaty changes are difficult. The procedure established in Article 48 of the Treaty on European Union provides for the assent of each national state. Through this central role of the nation-states in the Treaty change procedure, interest can essentially only be articulated as national interests and only through national executives. French workers thus are in the same boat as French large-scale farmers and corporations instead of pursuing common interests with German or Austrian wage-dependents. This nation-state bottleneck leads to a horizontalisation of the axes of conflict: The 'Germans/Austrians/Belgians' supposedly must pick up the tab for the 'Greeks/Portuguese/Irish'. Class contradictions, gender hierarchies and other power relations become invisible, and the perpetrators of the crisis remain nameless.

In addition, the complex legal situation is an area for established experts with specialised knowledge: Only the person who knows how to move about in the juridical jungle of the EU can make proposals that fit into the present framework of treaties. This leads not only to a juridification and bureaucratisation of the debate. It also strengthens the executives and excludes the populations from real participation. Beyond this, the veto of any Member State (or its head of state or government) can see to it that even the mildest questioning of the authoritarian-neoliberal integration is quashed. Without the consensus of all Member States there can be no real change in the Treaty. In this way the power of veto of a single government can oppose the great majority of Europe's population. On this basis, no refounding of Europe from below can get off to even a rudimentary start. What does this mean for the strategic orientation of the left?

## CRITIQUE OF AUTHORITARIAN CRISIS MANAGEMENT AND SOLIDARITY

The clear rejection of the management of the crisis was quite successful on the media level and was received in a fairly positive way amongst the electoral base of parties to the left of Social Democracy. It was possible to tie the causes of the crisis to a perspective of solidarity with its victims instead of letting nationalistic interpretations split them.

It still makes sense to use possibilities offered on national terrain against neoliberal and authoritarian measures on a European level, for example, with legal action at the Constitutional Court. In European

courts, especially the European Court of Human Rights, social and democratic rights can be defended within existing law, for example, with lawsuits against the Economic Governance, the Fiscal Compact, the procedures – unfounded constitutionally and in terms of competences – of the EU organs in the framework of the Troika or against the actions of Frontex. All these possible steps are important parts of a left counter-strategy and meet with significant media response.

## CONNECTING THE CRISIS TO DAILY LIFE AND THE MUNICIPALITY

Despite small (communication) successes the issue of European crisis is often hard to convey. Left strategies should be developed less from the point of departure of the great crisis than from the point of view of people's everyday life: How is the crisis and everyday life connected? What do my problems have to do with the demands of many people in the crisis countries? How can a common, solidary perspective be developed out of this? A debt audit is indispensable for the European countries hardest hit by the crisis, so that they can free themselves from the crushing burden of debt. An audit would aim at exposing the illegitimacy of the debts, by asking: Must loans be repaid in the first place, and precisely to those financial institutions recently bailed out by the state? Are not these debts in great part illegitimate and therefore unlawful? What debts should be repaid – and, above all, which not? This should be deliberated in democratic decision-making and consultation processes.

In Germany the problem of the debt can be connected to demands corresponding to the situation at home. An important issue would be the German debt brake. It represents a direct threat to the already precarious financial situation of the municipalities. The population directly feels the restrictions on public expenditures. Numerous conflicts around social infrastructure – from school supply to adequate kindergarten places, local public transportation, the re-municipalisation of waterworks and energy providers, to struggles around affordable housing – are played out at the municipal level. This is where the crisis is most tangibly felt. And many town elections are about to take place.

An example of a Europe-wide connective perspective for diverse struggles around basic social needs would be the work being done around the demand for free social infrastructure for all, that is an unconditional basic social-ecological provision in the areas of energy, water, mobility, internet, etc., as well as free healthcare and education.

## EUROPEAN MOVEMENTS AND TRANSNATIONAL RESISTANCE

The opening of the new ECB skyscraper in 2014 and the reorganisation of the Blockupy protests in Frankfurt could develop important symbolic significance as the point of condensation of transnational organising. More important than the event itself, this mobilisation serves for a Europe-wide exchange on common strategies and actions.

However, this orientation to national and European debt audits from below has up to now not been able to develop the hoped for dynamic. As important as this is, the passions of the many, even in the movements, instead turn around struggles close to everyday precarious life: healthcare, education, food and housing – whether in Istanbul or Berlin, Detroit or Madrid. In Spain the organisations involved in this are the institutional-strategic backbone of the whole mobilisation and can even point to first substantial successes. In our country, too, mobilisations against forced evictions or initiatives, like Kotti&Co and for the right to the city, belong to the hopeful signs of what is otherwise a not very dynamic Federal German protest milieu. But how can the local struggles be tied together transnationally? Common days of action have been a beginning. Blockupy can be used to bring together local and transnational perspectives.

A European Citizens' Initiative (ECI) against forced evictions and expulsion and for affordable housing would possibly be a supporting initiative that could give everyday struggles a European sounding board. The demand for a municipalisation of vacant apartments and for democratically administered social-ecological housing must be tied to clear sources of financing, such as the closing down of tax havens and a Europe-wide harmonisation of enterprise taxes.

Even if the Commission could for the time being insist it does not have competence here, the asymmetry between economic and social integration could be addressed. The first ECI against the privatisation of the water supply was successful and forced the Commission at least to deal with the demands. As a result, it

factored water and basic sanitation services out of the planned European concessions directive. The ECI was preceded, for example, by the referendum against the privatisation of municipal services in Italy (2001) and the referendum on the re-municipalisation of the waterworks in Berlin (2011). Similarly, an ECI against forced evictions and expulsion could be tied to other initiatives on the municipal and national levels.

In so far as such an initiative is not confused with the movement itself but rather accompanies it and is connected to it, it can be a mobilising factor. At present, the trade unions of the German Trade Union Confederation are planning, together with its European sister organisations, an ECI on the implementation of a 'Marshall Plan for Europe'. If this process were to be accompanied by a debate within the ETUC, with each of the unions including those in the crisis countries, which would complete the plan with concrete ideas for its local realisation, this could be a meaningful campaign. Otherwise, it would remain an isolated attempt at carrying out single demands.

By contrast, the movements against forced evictions in Spain – such as the Mortgage Victims' Platform (PAH) – are carrying out their organizing as work towards the broad new formation of the left for more comprehensive society-wide change. Each single concrete success certainly has its individual importance but fizzles out if it does not at the same time strengthen the organizing power of the movement and the capacity to act of masses of people.

## PROPOSALS FOR A PROGRAMMATIC REFORM OF THE EU

The many forward-looking proposals made by left parties for dealing with the European crisis and for the social shaping of Europe could appear still more clearly as elements of a solidary process of the new constitution of Europe: first, by staving off the social and financial misery of people through short-term crisis intervention – at the expense of those who caused the crisis and made profits through it; second, by making an alternative economic path of development possible in Europe, which puts the focus on social and ecological justice; and, third, by putting a long-term vision for the future of European unification on the table.

At the same time, in current EU policy certain changes in the dominant policy are beginning to appear, which open up some spaces for debate. These shifts can be used to gain a better hearing for left proposals and questions, such as: What would cooperative European economic coordination look like? What would be elements of a social-ecological industrial policy in Europe? How could we develop solidary perspectives for the European division of labour?

We should, however, be on guard against false hopes: Left reforms within the EU's authoritarian constitutionalism are hardly realisable due to the above-mentioned selectivity. Instead, sensible-looking reforms tend to intensify neoliberal policy. Thus industrial policy, in the Commission's understanding of it, is reduced to improved competitive conditions and access to markets. Approaches towards a European unemployment insurance to cushion crises are taken over and bound to the flexibilisation of labour markets in individual Member States.

## STRATEGIES FOR A DEMOCRATIC RUPTURE

We do not know how long the current government in Greece can last. For Europe's rulers this is of crucial importance; they fear a precedent being set. If SYRIZA, the alliance of the radical left, succeeds in mounting effective opposition to the draconian competition diktat requiring cuts, there is the danger of a political domino effect. In Greece broad movements have been organised leading to a rise of the left. Projecting unambiguous antagonism did not isolate the alliance politically. On the contrary, it appears to be succeeding in incorporating and condensing the passions and demands expressed in the movements and in broad sections of the population – demands directed against the authoritarian-neoliberal EU and the power of financial capital but in favour of Europe. In an intelligent way SYRIZA is avoiding the dilemmas that often entrap the left in Europe.

The issue then is to use possibilities on the national level in such a way that European relations are set in motion. A democratic refounding of Europe is the goal. It is possible that this perspective will only first open up, or be brought forth, through an occurrence that produces an effective rupture in one country

alone – for example, through a Greek left government that rejects the Troika’s policies of cuts, forces renegotiations and a debt reduction, introduces capital controls, puts through tax reforms, and initiates a social-ecological reconstruction of the economy. The political risk of violating European law should be taken. Other countries will follow. Thus the reform steps begun in one or several countries within Europe can be extended. However, up to now this perspective has only become realistic in Greece. And the ruling strata are doing everything in order to isolate this position politically. Yet the discontent with the policy and institutions of the EU is so great that ruptures with existing rules, a sort of state civil disobedience out of necessity, could certainly find support.

## CONSTITUENT PROCESSES AND A REFOUNDATION OF EUROPE

Die LINKE’s party programme puts forward an ambitious point of departure: ‘We are committed ... to a constitution that is fashioned by citizens and on which they can at the same time vote through a referendum in all EU Member States. We want nothing less than a fundamental change of policy.’

In view of the highly biased EU institutions, the left parties in Europe have to fail if they do not work towards changing the very configuration of the structures and shift the terrain of struggle. Without a fundamental calling into question of the old institutions and the creation of new ones, even a left government in Spain or Greece has no chance. The power asymmetries in Europe are too immense.

Therefore focussing solely on Parliament within the European ensemble of state apparatuses would mean restricting oneself to an almost hopelessly biased terrain. What is needed then is to accomplish a change of terrain and construct democratic counter-institutions. A participatory, local and supra-regionally linked constituent process of consultation and organising in council structures – from neighbourhoods up through the European levels – would have to accomplish the enormous task of condensing the manifold positions of the social left into a common alternative. Numerous social forces in southern Europe and beyond are already holding discussions along these lines. At the end there would be a constituent assembly for Europe, which would at least have to be constituted through general and equitable elections – a strategy which enabled the incorporation of the masses into politics at the beginning of the 20th century.

Such a process would be an important point of condensation in an already initiated dynamic for another Europe. It can be begun without a mandate from the existing institutions. It makes it possible to connect the mobilisation against the headquarters of power and the European ensemble of state apparatuses to the necessary reshaping of these power structures: Enough of this form of the EU as a project of domination! What is needed is to turn the horizontal axis of conflict between national interests, which are enforced by EU institutions, into its opposite: a vertical axis between the subaltern groups and classes in the EU, on the one hand, and the ruling power groups and dominant factions of capital, on the other hand. Such a process could – in contrast to good but unrealisable single demands – have greater effect because it would deal with the whole, and all people can potentially participate in it, asking: What Europe do we want? How do we want to live in it? At the same time it would interrupt the disastrous budget-cutting machine and claim the time, which it would take, for a true refounding of Europe.

However, before this there needs to be an effective rupture at the European level as well. For the time being this cannot be expected at the transnational level. Without displacing the neoliberal governments the potential of a constituent process will fizzle out. Rupture and refoundation are not antitheses; they are interconnected.

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## A HISTORIC MOMENT: THE LEFT AND EUROPE

PIERRE LAURENT

In Europe we are living through an historic moment. The EU is in an existential crisis; all the foundations of European integration, all EU treaties, are being called into question. I will not offer another description of the frightening crisis which our continent is going through; we all know what its effects are. Instead, I will focus on proposing another future for Europe.

Europe's governments, slaves to their dogmas, have a vision for Europe. They are in the process of burying the idea of a Europe of cooperation and solidarity. Increasingly, authoritarianism is robbing people and parliaments of their influence. In the countries subject to the Troika's diktat, draconian measures, which have been forced upon the population like a punishment, have discredited the European model and its representatives. By fishing in troubled waters, the extreme right is trying to use this scepticism for its own purposes. The danger is real: It involves the assertion of an increasingly authoritarian European Union and the return of a 'go-it-alone' outlook in the jungle of globalisation, indeed the return of wars, of national chauvinisms, and racism.

In this situation there are increasingly loud voices pleading for the withdrawal of one or another country from the Euro zone, which will sooner or later lead to its breakup. The debate also runs through the left. It is comprehensible that some such steps are being considered – out of despair and because the diktat of budget cuts appears otherwise to be the only future. Nevertheless, in our view this involves a false, even dangerous path. In the pitiless world in which we live the subalterns would be pitted in still more intense competition against each other and would have to suffer a ruthless economic war. The large enterprise conglomerates and the hegemonic countries would be the only winners of such a 'go-it-alone' trajectory. To facilitate solidarity and cooperation, which are so dramatically absent, a radically different European Union is necessary – a Europe newly founded on a completely different basis.

The situation in Eastern Europe is especially troubling. The populations of these countries are in danger of becoming hostages to the confrontation between the powers – the EU and Russia – and hostages to the confrontation of national oligarchies around the control of resources and markets.

The key points of a new foundation are the following:

- Austerity policies have to be stopped and there must be a return to social and ecological development, to solidarity, and to public services.
- The supremacy of the financial markets has to be smashed by renegotiating debt and cancelling its illegitimate part, and by redefining the role of the ECB so that it contributes to the financing of social development.
- We have to bring forward the realisation of social and human rights in all of Europe; they must gradually be brought up to highest existing standard.
- We have to build fair trade relations between the European countries and with the rest of the world – first of all, we have to stop the project of the Transatlantic Free Trade Agreement.
- A peaceful Europe has to leave NATO, carry out disarmament and work on political, non-military solutions to conflicts.
- Last but not least, the issue is to (re)establish democracy: The population must have the last word on structural decisions in the EU; its sovereignty and that of the parliaments, which have been made farcical, have to be respected once again.

All of us make up this Europe that is seeking to achieve human emancipation with all available means.

### HOW CAN WE MOVE FORWARD ON THIS PATH?

The Party of the European Left (EL) has participated in many alliances of central importance in the 'social and political front in Europe', as we call it. It has intensified its cooperation with social and trade-union movements and pursued a politics aimed at winning new social forces and political protagonists.

We would like to deepen our relations with a whole series of left forces in Europe. I have in mind the Balkans, the Nordic countries, Great Britain, and the countries of the East. We are proposing to alter our stat-

utes such that other parties can become 'partner'-organisations of the EL. In this way we hope to improve our cooperation and increase our attractiveness.

We have worked at a convergence with the São Paulo Forum, the organisations of the Latin American left and of the Mediterranean left. This is all very important. We would like this exchange to lead to practical action for a concrete transformation of Europe, the world, and of human life.

## A SYMBOL OF HOPE

The European left is no longer just a place of political exchange. It is a party practising concrete cooperation, a party of action – and of change.

We are proposing that the EL carries out campaigns that allow people – in a militant and civic way – to pursue common goals. This is what was involved in the European Citizens' Initiative, which we called into existence, for founding a public European bank or a fund for social and ecological development.

It is in this sense that we would like to initiate a large-scale campaign in 2014 against the Transatlantic Free Trade Agreement, together with movements and NGOs. The Free Trade Agreement is just as dangerous for Europeans as it is for people in the rest of the world. Its contents must be made known. We can prevent the signing of this agreement – our Latin American friends have shown us the way with the ALCA Agreement. Nothing has already been decided.

Beyond this, we would like to organise a March debt summit in Brussels. We must also bring these issues and positions into the electoral campaign for the European Parliament. Debt has become an ideological weapon to legitimise a policy of social inequality and the diktat of budget cuts. We want to put a stop to austerity, finance a revival of the economy in a different way, and redistribute wealth more equitably.

Finally, I would like to emphasise that in 2014 – the hundredth anniversary of the beginning of the First World War – we are inaugurating peace initiatives. I am thinking most especially of events to take place at the beginning of the year in Verdun and later in Sarajevo.

We are working for greater political confluence. The EL is proposing that a European Forum for Alternatives be organised each year – as a new public space for all organisations and social forces interested in cooperating with us. The first Forum could take place in fall of 2014, in a new political landscape emerging from the elections.

Needless to say, all our political efforts until May 2014 are directed towards the preparation of the European elections. We see the danger of the radical right. The chair of the Front National, Marine Le Pen, has just travelled to Europe's capitals in preparation for the founding of an extreme right group in the European Parliament. She will attempt to ride the anti-EU wave.

The Social Democrats will be at pains to appear as the bulwark against this danger. In a joint declaration on 23 October in Berlin the German Social Democrats and François Hollande's French Socialists announced: 'We want to create a new confidence in Europe by advocating a change in Europe, for a more democratic, more social, and more sustainable Europe. This is what we would like to present to people as our proposal for the 2014 European elections.' Moreover, in this declaration France's Socialist Party professed their support for Martin Schulz as the chair of the European Commission. But what credibility can the Social Democrats have when the SPD is a stakeholder in the grand coalition under the leadership of Angela Merkel? They are playing people for fools.

We offer a left alternative to this. 'We' are all those who are working to strengthen the United European Left/Nordic Green Left, GUE/NGL. The EL has decided to nominate a candidate for the chairmanship of the European Commission: Alexis Tsipras. This decision is based on the wish to unite Europe and refound it on a democratic and progressive basis.

For the EL this candidacy is a powerful symbol of hope for Europe. Greece served as the guinea pig for austerity policy. But Greece resisted and is still resisting. SYRIZA understood how to bring together the diverse social forces against the barbaric Memoranda, against authoritarianism and for Greece's recovery

within a Europe of solidarity. The voice of Alexis Tsipras is the voice of hope and resistance against an ultraliberal policy and against the threat of the radical right. This candidacy could bring numerous citizens and political organisations together.

Pierre Laurent is Chair of the Party of the European Left (EL). This is the abridged version of his opening address to the Congress of the Party of the European Left, Madrid, 15 December 2013.

## **MOVE FORWARD. CHANGE HAS ALREADY BEGUN**

### **ALEXIS TSIPRAS**

We live in extraordinary times. Europe has arrived at a critical crossroads, and there are two directions that can be taken: Either we decide to stay put or we move forward. Either we make our peace with the neoliberal status quo and act as if the crisis can be solved with the same policies that caused it, or we act with the European left and take the future into our own hands. For neoliberalism is endangering the existence of people everywhere in Europe, and, with this, democracy is under threat, especially through the strengthening of the extreme right.

Those who claim that the 'medicine' administered has led to curing the crisis are hypocrites, because for millions of people the dream of Europe has turned into a nightmare. Eurobarometer polling results show that we are dealing with a significant crisis of trust in the EU and that the popularity of the ultra-right parties is growing.

It was us, the European left, who, before the establishment of the Eurozone, correctly warned of the weaknesses, flaws and destabilising disequilibria of this project. But the Eurozone exists. We have an economic union and a common currency, and the immediate alternatives are not one bit better. Exiting the Eurozone would not help any of the crisis countries. On the contrary, it would create new problems – an unstable currency, a possible run on the banks, inflation, capital flight and mass emigration. For this reason alone Greece, for example, should not voluntarily leave the Eurozone. The exit of Greece or of another crisis country would be a catastrophe for all of Europe, because as soon as one country quits the currency union, the markets and the speculators would immediately react and ask which country will be next. This is a process which once begun would be unstoppable.

Our interest as Europeans is different: We want to change the Eurozone. And this places three tasks before us: First, we have to develop new ideas in relation to Europe; second, in respect to this we have to carry out a different crisis-management policy; and, third, we must of necessity change the EU's institutions, indeed its whole foundation. We have to carry out this political battle on two fronts: at home, on the one hand, and in Brussels, Frankfurt and Berlin, on the other.

This is because the European establishment has used the debt crisis as a welcome opportunity to reshape the economic and political post-war European order according to its wishes. For this reason they also reject our proposal to call a European debt conference to be oriented to the London International Conference on German External Debts in 1953, and at which a final and sustainable collective solution for the problem could be worked out.

### **STRUGGLE WITHIN EUROPE ...**

Let us think for a moment about what happened in the past. It is 27 February 1953. The Federal Republic of Germany is smarting from its debt burden and is in danger of dragging the other European countries with it into the maelstrom of the crisis. The creditor states, Greece among them, are seriously worried about their own future. It is only in this situation that they understand what is clear to all, in contrast to today's neoliberals: The policy of 'internal devaluation' – what this means is a reduction of wage costs – does not serve to allow the debt to be paid. Quite the contrary.

At a special summit in London, 21 countries agree to adjust their claims to fit the actual economic performance capacity of the indebted countries. They forgive 60 percent of the German debt, grant the country a

five-year payment moratorium (from 1953 to 1958) and postpone the repayment deadline by 30 years. In addition, they introduce a kind of sustainability clause, according to which Germany need not use more than 5 percent of its export revenues for servicing the debt. These resolutions were thus the exact opposite of what the Treaty of Versailles demanded in 1919, and it laid the basis for the successful economic development of the Federal Republic after the Second World War.

The Coalition of the Radical Left (SYRIZA) is asking for nothing different. We should get busy reversing all the many mini-Versailles Treaties that Federal Chancellor Merkel and her Finance Minister Schäuble have imposed on Europe's debtor states. Let us therefore be inspired by that great day in Europe's recent history, on which its leadership gave proof of such extraordinary foresight. The various aid programmes for southern European countries have failed. They have left behind a bottomless pit – as usual, it is the simple tax-payers who have to pay the bill.

Now the political elites in Europe – who willingly let themselves be made hostages of Frau Merkel – are insisting that these measures, which have only worsened the problems in the southern countries, be extended to the entire Eurozone. We think, on the contrary, that Europe needs a 'New Deal', in order to get the problem of unemployment under control and generate sufficient funds for the financing of our countries' future. If it is to survive, Europe needs more redistribution and solidarity.

These are the pillars of the new Europe to which we are committed and for which we are fighting. It should replace the present Europe that is only spreading fear and horror among the poor, while it lets the assets of the rich grow. In Greece, the Memorandum has brought about a humanitarian crisis unparalleled in the post-war era. It is a disgrace for European civilisation. Two million Greeks are no longer in a position to meet their basic needs; there is lack of money for proper meals and for heating. Recently, a girl in Thessaloniki died of smoke poisoning because her family could not pay the electricity bill and she tried to heat the apartment by means of a wood-burning oven she installed herself. In Athens and other large cities it has by now become an everyday phenomenon to see well-dressed men and women rummaging in garbage bins for food. A currency union that leads to a division amongst its Member States and within its societies and that is responsible for growing unemployment, with an increase in poverty and social polarisation, must either be reshaped or will collapse. Reshaping it means a fundamental change.

### ... AND AT HOME

Let us, however, not forget the other causes of Greece's financial crisis. Nothing has changed in Greece as far as the waste of public funds is concerned. Nowhere in Europe, for example, is the construction of a kilometre of road more expensive than here. The privatisation of highways allegedly serves to 'pre-finance' other segments, but their construction has been shelved because the pockets of the 'investors' are being filled.

The growing inequality can therefore not be simply dismissed as the side effect of the crisis. Greece's tax system is an expression of clientelism which binds together the country's elites. Thanks to innumerable escape clauses the system is as porous as a sieve, in which the many exception provisions and perks are specially tailored to the oligarchs. Since the end of the dictatorship, this arrangement has rested on an informal pact between the entrepreneurs and the two-headed hydra of the two-party system consisting of Nea Dimokratia and Pasok. This is one of the reasons why the Greek state has up to now not collected the so urgently needed tax revenues from the well-to-do, preferring to cut wages and pensions instead.

However, the political establishment – which, incidentally, barely survived the last elections only because they could successfully fan fears of an exit from the Eurozone – still has a second elixir of life at its disposal: corruption. Breaking up the secret agreements made between the political and economic elites therefore is one of the priorities of a popular government led by SYRIZA. We are also demanding a debt moratorium, so that a fundamental transformation can be brought about in Greece.

The transformation of Europe is moreover much more than a long overdue demand; rather it involves an existential question. In Greece the transformation process has already begun. SYRIZA is only a step away from taking power. The current Greek government is trying to impress the EU by playing the role of the 'model pupil'. But even this has not brought results. Let us take as an example the assurance that Greece's debt burden will be reduced. The debate on this issue was delayed a whole year due to the wish to wait

until after the federal elections in Germany. Now they explain to us that we need to remain patient until after the May 2014 European Elections. The rulers of Europe will only give us a hearing if we have brought about a political transformation in Greece and the discontent with austerity policies are expressed in an increase in votes for left parties in the upcoming European elections.

## **FORWARD TO ANOTHER EUROPE**

The upcoming European election offers us an opportunity to begin a true dialogue with people in Europe – above all with those who have the impression that no one is interested in their fate. We are counting on every single one of you. We are relying on solidarity in order not to be alone when we take the first decisive steps in our administration – because in a government led by SYRIZA there will be a rejection of all the policies of funding cuts. We will present a viable plan for the promotion of the Greek economy, but – and this is still more important – we will also submit a realistic plan for the conversion to another Europe. What we need in Europe is the broadest possible front against the prevailing course, and a solidarity movement for the rights of wage dependents, both in the North and in the South. What we need, if the European left is to gain strength and wants to be part of the everyday life of common people – are the most comprehensive social and political alliances possible. The European elections this May offers a historic opportunity to create the conditions for this transformation. If there is an attempt to turn back the wheel of history it is up to the left to lead Europe to a better future.

Alexis Tsipras is the lead candidate of the Party of the European Left for the European Parliament and consequently for the office of President of the European Commission.

## **WHAT TO DO ABOUT THE DEBT AND THE EURO?**

### **A MANIFESTO**

Daniel Albarracín, Nacho Álvarez, Bibiana Medialdea (Spain), Francisco Louçã, Mariana Mortagua (Portugal), Stavros Tombazos (Cyprus), Giorgos Galanis, Özlem Onaran (Great Britain), Michel Husson (France)

### **A FALSE DILEMMA**

This crisis reveals that the previous neoliberal project for Europe was not viable. The social and popular alternatives to this crisis require a daring refoundation of Europe, because European and international co-operation are required for the reconstruction of the industrial pattern, the ecological sustainability and the employment structure. But as such a global refoundation seems out of reach in the immediate relationship of forces, the exit from euro is proposed as an immediate solution in different countries. The dilemma seems to be between a risky 'exit' from the eurozone and a utopian European harmonization emerging out of the workers' struggles. In our view, this is a false dichotomy and it is important to work for a viable political strategy for the immediate confrontation. Any social transformation implies the questioning of dominant social interests, their privileges and their power and it is true that this confrontation takes place primarily within a national framework. But the resistance of the dominant classes and their possible retaliatory measures exceed the national framework. The strategy of leaving the euro does not necessarily concentrate on this effort for a European alternative and in this sense, a strategy of rupture with "euroliberalism" is required in order to generate the means for an alternative policy. This text is not about the program for this rupture but rather concentrates on means to implement such a program.

### **GETTING RID OF THE FINANCIAL MARKETS AND MANAGING THE DEFICIT.**

In the short term, as an immediate measure, a left government should find ways to finance the public deficit outside the financial markets. The European rules forbid some of them and this is the first rupture. Technically, there is a wide range of possible measures which are not new and have been used in the past in various European countries: a forced loan on the richer households; the prohibition to borrow from non-residents; the obligation for banks to a quota of public bonds; bold taxes on international transfers of dividends and capital operations, etc. and of course a radical fiscal reform.

The simplest way would be to have the deficit financed by the national central bank, as it is the case in the United States, Great Britain, Japan, etc. It is possible to create a special bank allowed to refinance itself with the central bank, but principally devoted to buy public bonds (the ECB has done the same in practice).

Of course this is not mainly a technical issue. It is a political rupture with the European order. Without such a rupture, any heterodox policy would be immediately thwarted by an increase in the cost of the financing of the public debt.

However, this first set of immediate measures does not reduce the burden of the accumulated debt and of the interests on this debt. The long-term alternative is then the following: either an everlasting fiscal austerity or a policy of cancellation of the debt and an immediate moratorium on the public debt. After this moratorium it should organize a citizens' audit to target illegitimate debt, which corresponds for instance to four elements:

- The past "fiscal gifts" to richest households, corporations and "rentiers";
- The "illegal" tax privileges: tax evasion, tax optimization, tax havens and amnesties;
- The bailouts of banks since the burst of the crisis;
- The debt created by the debt itself, through the snow ball effect created by the difference between interest rates and GDP growth rates, as damaged by austerity and unemployment policies.

This audit leads the way for the imposition of a swap of titles of the debt canceling a large part of it, as required. This is a second rupture.

But the sovereign debts are also totally intermingled with the private banks. That is why the bailout of a country has been in general a bailout of banks. A third rupture from the neoliberal order is needed: the control of international movements of capital, the control of credit and the socialization of banks. This is the only rational mean of untangling the skein of debts. After all, this has been the option taken in Sweden in the 1990s (nevertheless followed by their reprivatisation). These are means for a social transformation. How can we get there?

## **A LEFT GOVERNMENT IS NECESSARY**

In order to develop these three main ruptures that are required for resisting the financial blackmail, a left government must be in place. Although the social and political conditions for a strategy of convergence and fight for such a government widely vary according to the countries, all Europe focused on the possibility for Syriza to win the elections and to constitute the axis for such a government in Greece. At the time and afterwards, Syriza led a campaign on the essential themes we stand for in this manifest: a left government is an alliance to cancel the memorandum and to restructure the debt protecting the wages and pensions and the social services of health, education and social security.

For this effective policy against the debt, a left government, provided it has the required popular support, must be ready to use whatever democratic means necessary to confront the financial interests, including measures of nationalization of strategic sectors and a direct confrontation with the Merkel government, the ECB and the European Commission.

## **FOR A STRATEGY OF UNILATERAL RUPTURE AND EXTENSION**

In contrast with the neoliberal vision of competition, progressive solutions are based on cooperation and will work even better if they are generalized to a larger number of countries. For example, if all European countries reduced working time and charged a uniform tax on capital income, such coordination would avoid the backlash that the same policy would undergo if adopted in only one country. To pave the way for cooperation, a left government should follow a unilateral strategy combining:

- 'good' measures unilaterally implemented as, for example, the rejection of austerity or the taxation of financial transactions;
- accompanying plans for protection such as capital controls.
- The political risk of challenging European Union rules to implement these initially nationally-based policies should be acknowledged. The idea is to extend these policies on a European scale to allow these measures to be adopted by member states, for example, in the extension of fiscal stimulus, or a European

tax on financial transactions.

However the political confrontation with the EU and other European states' elites, in particular the German government, cannot be avoided and thus the threat of exit from the euro is not excluded as a viable option.

This strategic scheme acknowledges that the refoundation of Europe cannot be the precondition to the implementation of an alternative policy. The eventual retaliation measures against a left government must be neutralized through counter-measures that effectively involve resort to protectionist measures if needed. But the strategy is not protectionist in the usual sense since it defends a social transformation emerging from the people and not from the interests of national capitalism in its competition with other capitalists. It is, therefore, a 'protectionism for extension', whose very logic is to disappear once the social measures for employment and against austerity have been generalized across Europe.

The rupture with the European Union rules is not based on a petition of principle, but rather on the efficacy, fairness and legitimacy of measures that correspond to the interests of the majority and are equally proposed to neighboring countries. This strategic challenge can then rely on social mobilization in other countries and hence build a relation of forces that can challenge the EU institutions. The recent experience of the neoliberal rescue plans implemented by the ECB and the European Commission has shown that it is quite possible to bypass a number of the provisions of the EU Treaties, and that European authorities do not hesitate to do so for the worse. As a consequence, we reclaim the same capacity for measures for the best, including the imposition of capital controls and other instruments for the defense of the wages and pensions. In this scheme, the exit of the euro is a threat or a weapon of last resort, as we pointed out previously.

This strategy relies on the legitimacy of progressive solutions that arise from their highly cooperative class nature. It is a cooperative strategy of rupture with the current EU framework because it is undertaken in the name of another model of development based on a new architecture for Europe: a larger European budget financed by a common tax on capital that finances harmonization funds and socially and ecologically useful investments. A popular strategy for a left government must be ready to do whatever necessary for this democratic fight.

The manifesto was initiated by Michel Husson, Economist at the Institut de recherches économiques et sociales (IRES) in Paris, Member of the Scientific Council of Attac. The other authors are left scientist and organic intellectuals active in different European social movements and parties. You can find a complete version of the manifesto here: <http://tinyurl.com/euro13>.

## **A MEDITERRANEAN BLOC? SOUTHERN EUROPE IN SEARCH FOR AN ALTERNATIVE**

**ARMANDO FERNÁNDEZ STEINKO**

Along with Portugal, Greece, Italy and Ireland, Spain is among the countries hardest hit by the financial crisis, the so called PIIGS countries. Their political, economic and social systems have been subjected to a structural transformation whose full consequences are not yet discernible. While Ireland can be considered a special case, the other four countries share many common traits and have passed through similar historical developments. Nevertheless, Italy does exhibit some particularities. As a founding member of the European Community (EC) it has more negotiating power than the other southern European countries. Its economic, political and institutional modernisation took place throughout three decades within a regulated capitalism and for more than two generations the country has been embedded in political and social pacts. The social pact involved a system of political freedoms and individual rights, a (minimal) balancing of the interests of capital and labour and the redirection of a part of the productivity increases toward the expansion of the domestic market and the boosting of the population's level of consumption. Moreover, the pact rested on an equalisation of the conditions of life within Italy through public investment in infrastructure (tax-financed transport routes, healthcare and educational institutions, etc.) as well as on the creation of industries and service sectors which were in a position to absorb the labour power set free by the gradual

and regulated dissolution of the traditional sectors. It is especially the rural population that profited from this policy, which in the framework of European agricultural policy came to enjoy lasting resource transfers, which made it possible to 'ensure a fair standard of living for the agricultural population' (see Article 39.1.b of the Treaty of Rome). The gradual opening to the world markets made possible the emergence of a dynamic and innovative export sector which could develop thanks to the chronically undervalued lira and a trade policy pursued by other founding members of the Community (such as France and Germany) in the decades of 'regulated capitalism'. This export capacity ensured that Italy's balance of payments remained square for four decades, even after the 2008 crisis, and this despite the fact that public debts in Italy are now at 160 per cent of gross domestic product.

Capitalist modernisation in Greece, Portugal and Spain (henceforth PGS) took other paths. The three countries passed through a process of catch-up Fordism and did not come to enjoy those pacts which reined in capitalism after 1945. By the time they entered the EC (Greece in 1981, Portugal and Spain in 1986) these pacts had shrunk in importance even in the founding states, and with the treaties of Maastricht the about-turn accelerated in the whole continent. The belated access to a contained capitalism at a point in time when regulation was being jettisoned in the entire western world enormously increased the social and economic costs of entering the EC.

## TOWARDS A MEDITERRANEAN BLOC?

It is because of this historical development in the current political and economic conjuncture that the PGS find themselves in their present situation. The collapse of their social systems could lead to the formation of new opposing majorities who are contesting austerity policies. However, it is decidedly improbable that the three countries, each one acting on its own, can successfully resist this policy. This suggests the need to construct a common bloc. This bloc could lend the necessary political and economic weight to force a retreat from austerity policies, to couple debt payment to economic growth and to set in motion public investment programmes in order to generate employment in the framework of social and ecological conversion. In the event that there is no agreement with the big exporting nations and austerity policies are continued, only one bloc of states in the south could have a realistic chance of existing outside the current EU: a European-Mediterranean bloc.

1 | Considering the volume of its foreign debts, it would put its member countries in a much better negotiating position. The threat of a stop in payments could bring the European and global financial system to the brink of the abyss. This scenario implies high costs for the PGS but would be still more dangerous for the creditors of the central countries, and they would probably try to avoid such a risk.

2 | The united PGS would have more power to force an international creditors' conference, such as the 1953 London conference. This led to a multilateral agreement which coupled Germany's payment to the USA, Great Britain and France of its accumulated foreign debts, dating from World War One, to economic growth and the development of productive forces in the Federal Republic. This concession was not due to an outburst of humaneness amongst the western powers but had to do with West Germany having attained a critical significance after 1945 within the new military strategy targeting the socialist camp. The German argument was that without a renegotiation of the debt West Germany could not honour its military obligations and that an economically weak Federal Republic in a dire condition would tarnish the image of capitalism, causing the whole western camp to suffer. The German 'economic miracle' would have been impossible without this conference, in which approximately 14.6 billion Marks of the Federal Republic's foreign debts were waived. Singly, the PGS could never today exert the necessary power to force such a conference, as the Federal Republic of Germany could after the war. However, since for the Atlantic Alliance they occupy central geostrategic positions their coalition could have an impact similar to that of the socialist states in the 1950s.

3 | Germany, the new hegemonic European power, is condemned to continuing to tie its currency system to the weakest economies of the south in order to devalue the Euro in favour of its own exports, to guarantee the repayment of loans, and to prevent the threatening implosion of the Eurozone. In other words, Germany needs the PGS. If the latter were to band together and develop a common strategy they could pose a threat through the creation of their own currency: the 'Eurosud' (southern Euro). This step would have positive and negative consequences which would need to be thoroughly assessed. At any rate, the disadvantageous effects could be coped with more easily when acting as a bloc rather than separately.

Such a break would, on account of the rapid appreciation of a hypothetical 'Euronorte' (northern Euro), in any case lead to the end of the export strategy currently pursued by Germany. This would bring the social consensus, such as is shared by parts of the trade-union movement, social democracy, and the Greens, to collapse. It is likely that the German elites would make the needed resources available, even if there is no more Euro, in order to avoid such a scenario.

4 | Nonetheless, it would be a mistake to believe that the south would be economically better off because of this – however much the north needs the south. In fact, the south is in danger of sliding into a socially disastrous situation. In the current situation it is at least highly improbable that Germany or other export nations would make resources available for the PGS to develop their own productive bases in order to sustainably finance the political and social consensus of their young democracies. Only the shifting of the relations of force in Europe would create some hope. A new European division of labour would have to be defined to make a solidary politics possible; money-policy means would have to be determined for a gradual equalisation of productivity; and the basic rules governing the economic relations between the European states today would have to be re-examined. It is unlikely that this will occur without the most important beneficiaries of such a policy shift, i.e., the PGS, acquiring the necessary bargaining power.

5 | An alternative production model becomes possible only if some of the pillars of what we call the 'Atlantic project' (see below) are called into question. In the PGS, but not in the rest of the EU countries, the parties representing the Atlantic consensus are currently suffering a massive loss of support. This parallelism of development among the countries of the south makes common political action possible. The situation created in Italy after the February 2013 elections also points in this direction.

6 | Apart from the strategic significance of the Mediterranean, the PGS could deploy their privileged relations to Latin America (Portugal and Spain) and to the Arab world and Russia (Greece) as a pawn. This too can only work after mutual consultation.

## THE PROBLEM OF ASYMMETRY

The elites of Portugal, Spain, and Greece were committed to the Atlantic project in the last 30 years. Since the outbreak of the crisis in 2008 – and already before then – they repeatedly gave priority to the interests of a minority and thereby effectively annulled the consensus of a democratic transition. Their policy is not aimed at protecting their societies from the big European exporters and the planet's rentier bourgeoisies but in carrying out the interests of capital still more ruthlessly than before – indeed both domestically (redirection of public funds in order to bail out banks without getting anything political in return, deflationary policy in prices and wages, 'internal devaluation', etc.) and externally (increased trade aggressiveness, the favouring of multinational enterprises, latent currency wars, etc.). Their declared goal is to force this policy on other states, which are thereby to become more vulnerable than they. Germany policy of the last 15 years is being reproduced – creating jobs to the neighbours' detriment and strengthening the political legitimacy of their own governments. This dynamic puts the two most vulnerable economies of the south (Portugal and Greece with their 22 million inhabitants) in a particularly difficult position and reduces the possibility that the larger country of Spain (with its 47 million inhabitants) can be part of a solidary bloc in the south. In many areas Spain is a direct competitor of both countries and disposes over a bigger economic potential than they do, which fuels the hope of its adopting the German model at the cost of the smaller and weaker countries like Portugal and Greece (Italy's position is similar to Spain's in this respect). However, Spain lacks some of the conditions which would have to obtain if the German path were to be copied:

1 | It does not have enough time on its side. Unemployment could stabilize at the level of 25 per cent, and there is talk of uncontrollable social unrest breaking out, not least because of the corruption scandals in the governing conservative party.

2 | Today there are several Latin American governments that are defending the interests of their populations and have therefore put limits on the aggressive strategies of Spanish multinational corporations in Latin America. This has led to a reduction of the profit transfers from the Spanish multinationals active on the continent back to their headquarters in Spain as well as to a drop in their stock market quotations.

3 | The opening of alternative markets in India, China or in the Gulf States has led to an improvement of Spain's trade balance. However, this improvement is due less to an increased competitiveness based on

productivity increases than to the collapse of domestic demand. Thus the growth of exports has not created new employment, and it is unlikely that Spanish firms can succeed in doing so in the future in the way that German firms have – the aggressive export-oriented model has its limits.

4 | Social, environmental, and city-planning standards are already very low in Spain, such that their further reduction – as has been proposed by the PP government – can hardly lead to a new growth cycle propelled by the real estate sector. Substantial effects on employment, such as had occurred from 1997 on, are therefore equally unlikely.

5 | The crisis is also aggravating the problem of the country's internal cohesion. In rich regions like Catalonia there is a growth in support by the impoverished middle strata for independence. In view of such a situation it is doubtful that governments can further aggravate social conditions in order to implement a German model. The political room for manoeuvre for unpopular measures is limited although nationalistic dynamics can provide some respite to them or even bloc the building of a progressive bloc in south Europe.

Against this background there are reasons to expect that Spain, as the richest of the three countries in resources and size of population, could also have a strategic interest in a Mediterranean bloc, in order to force a change of policy in Brussels and Berlin. If this bloc were to develop, public opinion in Italy could also tilt in favour of a 'Eurosur' (Italy is an exporting nation whose competitive capacity could be increased through the devaluation of its currency). On the other hand, the danger, felt above all by France, that this situation could lead to Germany's going it alone is calculable. A German solo action, which would severely erode the European integration and an exclusive orientation towards the markets of the emerging countries, is hardly capable of enjoying consensus in the country itself – the German past weighs too heavily, and the uncertainties of such an adventure are too great.

For this proposal not to stay at the level of mere voluntarism one would have to show that the three countries in the south have gone through similar developments and are facing common problems better or more realistically solved together in a bloc. In this sense the central question is not whether to exit or not to exit from the Euro. The issue is more fundamental – which, however, takes nothing away from the importance of currency and finances. It will involve how, with what, and with whom an employment and economic structure can be created, which could durably finance a just, democratic and sustainable social and political order. This requires a common analysis of the historic development of social realities within our three South European countries.

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## **THE TSIPRAS LIST A EUROPEAN PERSPECTIVE TO OVERCOME DIVISIONS IN THE ITALIAN LEFT**

**FABIO AMATO**

The Italian left seems hopelessly divided and has practically disappeared as a parliamentary left in recent years – with the exception of *Sinistra ecologia e libertà* (SEL, Left-Ecology-Freedom), which, as a coalition partner of the centre-left government, has assumed responsibility for the neoliberal budget-cutting policies in the wake of the crisis. Hopes are being fuelled now by the attempt to overcome our national problems of left fragmentation through an expressly European perspective: the establishment of a 'Tsipras List against austerity' in the upcoming elections for the European Parliament.

Crisis and anti-politics

What is the background? Seven years of economic recession, a doubling of unemployment to a now offi-

cial 13 percent (but much higher in reality), youth unemployment over 40 percent, the precariat increasingly more precarious, the rich increasingly richer, and a level of social inequality only found in a few other areas of Europe – this is the result of the implementation of a programme of social anti-reforms in Italy, which has further weakened the already fragile social state, with cuts in the pension system, the health system, education, and the municipalities. These are measures approved across party lines by the social democratic Partito Democratico (PD) and Berlusconi's centre-right alliance.

It was predictable: These anti-reforms have not reduced the country's high level of sovereign debt but have instead made it grow to 132 percent of GDP. For years now, debt servicing is the biggest item of the state budget. Its growth is the consequence of the development of interest rates, the shrinking of GDP, and the lack of economic growth. And yet there is hardly any discussion in the public on alternatives to austerity and to the neoliberal model, or on sensible positions about the functioning and role of the EU, on the common currency, or on debt. The discussion still centres around Berlusconi as a person, who has now been condemned by the court of last appeal, and the reform of the electoral law. The dominant forces, which attack each other in talk shows, all give their blessings to the prescriptions of the ECB and the implementation of the budget cut policies. They voted for the incorporation of the debt limit in the Constitution and for the notorious Fiscal Compact that condemns Italy and other southern European countries to ever steeper cuts whose only effect is to divert the burden of the crisis to the social sector, increase unemployment and make the already weak domestic demand shrink further and foster more years of economic downturn. As I write, the government is approving more privatisations, including that of the postal service.

Against this background it is no accident that Beppe Grillo's populism has achieved mass influence. His speeches against the political caste fall on fertile ground. A majority of Italians believe that by reducing the salaries of politicians and of public party financing (which have in fact been reduced a few months ago as the result of an initiative of Grillo's), the main evil of the crisis can be dealt with. The increasingly anti-political mood, from Berlusconi to Grillo, is destroying democratic culture. This development is going in the direction of questionable first-past-the-post voting system laws, of parties continuously losing their character as political organisations and becoming dependent on charismatic leaders and polling results reflecting the ebbs and flows of public opinion. Italy is the European country that has moved nearest to US-style media democracy. This picture includes the diminishing importance of other social organisations, such as critical journalism and trade unions. In contrast to Greece, Spain or Portugal, Italy's unions were not able to react strongly to the crisis. There is little more than sporadic outbreaks of rage on the part of the population, which lack organisational and political perspective. One cause of this is the elimination of a left alternative in parliament, of the only force that tried to put the social question at the centre of its political agenda. This short overview of the political situation should make clear what the background is against which the inner-left debate is being carried out in the run-up to the European elections. It is a debate which is being revitalised through the nomination of Alexis Tsipras as lead candidate (for the office of President of the European Commission) of the Party of the European Left (EL).

## AGAINST FRAGMENTATION

A number of intellectuals of diverse political shades, from the Marxist to the liberal left, have come together to call for the formation of an electoral alliance to support this candidacy in the name of the defence of the European idea, of a critique of the neoliberal austerity policies, and of the Fiscal Compact. Among them are famous intellectuals and artists such as Barbara Spinelli and Andrea Camilleri. It is a positive sign, even if the call itself is in danger of using the predominant anti-political culture by only calling on scholars, philosophers, artists and civil society in general, disassociates itself from parties – even from EL – and omits any mention of the social victims of the crisis. Nevertheless, the announcement by the EL of Tsipras' nomination opens up possibilities for overcoming the divisions within the party-organised left as well as between intellectuals, civil society, and left parties.

Rifondazione Comunista immediately announced its readiness to build the broadest possible electoral alliance and a collective movement on the basis of the EL's programme and support for the candidacy of Alexis Tsipras. It is now necessary to remove all impediments and avoid all pitfalls, and in a democratic process, starting with our base and an anchoring in the population, to include all those forces ready to back the political goals of a left list against austerity, whether they are organised forces or individuals, movements or initiatives – together with mutual respect. Tsipras' name in itself symbolises an outlook. Now the issue is to give the list a clear and definite orientation and content: anti-neoliberal, in struggle

against the neoliberal policies of cuts, based on a critique of the EU's undemocratic and authoritarian-technocratic power mechanisms and of its neoliberal foundations – an orientation critical of capitalism.

SEL, which would be an important potential partner of such an electoral alliance, is in a difficult situation in this regard. Some time ago the party decided in favour of a strategic alliance with the social-democratic PD and participation in its centre-left alliance. It has officially entered the acceptance process of becoming a member of the social-democratic Party of European Socialists (PES). However, it now has to face its rank and file which is not happy with the move to support Martin Schulz as lead candidate. And this is occurring against the background of painfully worsening poll results. SEL is carrying on a game of ambivalence and would like to occupy the space between Schulz and Tsipras. Concretely this means that in the EU Parliament they would vote for Tsipras but enter into the party of European social democrats and keep their relationship to the PD in Italy. However, there is no space between Tsipras and Schulz. Either one opposes austerity and the grand coalitions implementing it in Italy, Germany and Europe, or one supports them along with austerity. The dramatic nature of the crisis does not permit a tactical manoeuvre. The voters have little understanding for politicians' games and see these as dishonest cunning. It is still unclear whether a broad alliance can come about with SEL's participation.

If it is credible, however, a left anti-austerity list could develop its own power of attraction and win back votes from the non-voters, from Grillo and from disillusioned PD voters. However, to do this it must put forward a clear alternative in the 'spirit of cleavage' ('spirito di scissione'), as Antonio Gramsci once called it, for a different, a social-ecological Europe.

Fabio Amato is a member of the National Secretariat of Rifondazione Comunista.

## **EUROPE AND THE NEW LEFT IN CROATIA**

**STIPE ĆURKOVIĆ**

With its EU accession on 1 July 2013 an epoch came to a close, one in which the most important issue for Croatia was: 'Become Europe again!' In equal measure, nationalists, anti-nationalist liberals, and Social Democrats invoked Europe after the disintegration of Yugoslavia, in order to win acceptance for their politics. The perspective of EU membership and the promise of prosperity associated with it served to legitimise neoliberal structural reforms and the consequent dismantling of social rights. The shared narrative of a 'return to Europe' de-politicised the public debate and portrayed every act of deregulation as 'administrative necessity' on the path to integration. Objections could be construed and refuted as a misguided populist endangerment of a broadly shared final goal: 'Europe'.

### **CONDITIONS FOR A LEFT CRITIQUE**

Under such conditions there was a lack of left critique of the neoliberalisation and capitalist restoration of the social fabric. Even in their self-conception, 'left' intellectuals and NGOs only incorporated the motifs of the criticism of capitalism into their political repertoire at a later stage. Only in the course of the strongly left-oriented student movement of 2009 did the critique of neoliberalism begin to gain a certain currency in parts of the media and the public. Student fees – the immediate issue of the protests – could not be abolished. However, from the student movement a lively network of organisations and initiatives often explicitly critical of capitalism arose, which significantly influenced parts of the existing NGOs and other protagonists of civil society, journalists, and intellectuals. This constellation is commonly known as the New Croatian Left. Alongside the student movement it was above all organisations and initiatives against gentrification and the fencing in of public space, which were part of the political context of this New Left's genesis. Many of them by now work with other civil society protagonists and, in part, feminist NGOs in articulating a broad platform against the privatisation projects of the Social-Democratic/liberal coalition in power since December 2011. Cooperation with trade unions is in part still fragile, due to their susceptibility to the ideology of social partnership, corporatist offers to include them, and to their short-sighted cleaving to sector-specific interest politics. Although drastic curtailment of labour rights were legitimised with reference to demands from Brussels and the hoped for EU accession, many trade union functionaries still expect from EU membership a general improvement of the underlying socio-economic conditions and thus also of the living conditions of their own members.

However, the effects of the financial and world economic crisis, as well as the prospects of the ongoing budget-cutting policies have considerably dampened the enthusiasm for EU accession in these last years. Despite the massive pro-EU campaigns of the entire political class (including the opposition), the public and private media, the Catholic church, generals interned in the Hague, large NGOs, well-known intellectuals and artists, the employers' associations and trade unions, only 43.5 percent of eligible voters were motivated to go to the polls for the referendum on accession. However, a majority of 66.3 percent of those who did vote on 22 January 2012 for accession.

## EU CRITICAL BUT NOT ANTI-EU

Parts of the New Left used the referendum as an opportunity to intervene in public discussion. Under the controversial name of 'Democratic Initiative Against the EU' they published critical analyses and polemics, in which the promises of salvation propagated by official circles and the mainstream media were compared with the actually existing European Union. Even if such arguments critical of the EU circulated only within a relatively narrow spectrum of intellectuals, journalists and activists, the campaign nevertheless influenced this milieu (and some of the smaller trade unions) in a lasting way. For the first time, publicly effective criticism was made of the anti-democratic and authoritarian developments and the neoliberal orientation of the EU. In addition, the hope that had been widespread in left-liberal opinion that the EU would serve as a bulwark against the renewed emergence of an aggressive Croatian nationalism, was called into question with counter-examples from other EU Member States, leading to the conclusion that membership in an EU marked by competition for the interior market would, in weaker countries such as Croatia, instead strengthen local nationalist patterns of thought. Precisely the combination of a prolonged economic crisis and local nationalism favoured a turn to politically explicit nationalist projects with xenophobic features – this, they argued, should be understood by Croatian citizens simply because of their own experience with the dynamics of Yugoslav disintegration.

The New Left had no illusions that they could significantly influence the outcome of the accession referendum. They had another sense of what could be accomplished by a specific kind of intervention in the public debate: The idea was that an attempt to formulate criticism of the EU from the left would prevent anti-EU positions from being monopolised by the political right. At the same time, it was a matter of preparing the ground for the future confrontations that could be expected after the EU illusions finally fell away.

The goal of EU membership, so fervently promoted over the last decade, was achieved in the summer of this year. And with this, 'Europe' is dropping out of the ideological repertoire as the consensus-building long-term goal. It is no longer so easy to contain social contradictions by referring to supposed automatic solutions. The EU finance ministers have already decided to open deficit procedures against Croatia. New debates are on the agenda.

For the left this represents at once an opportunity and a danger. A Hungarian scenario along with a 'Croatian Orban' is not out of the question. The growing strength of an organised left in Slovenia, such as the Initiative for Democratic Socialism, shows that another evolution is possible. At the same time the Croatian left is still in its infancy and faces serious difficulties: It lacks an organisational structure to enable long-term strategic action and which could serve as a centre of gravity for the movements and the broader public. There is also a lack of plausible positive counter projects to neoliberal crisis management. In view of the new reality of EU membership, these must be worked out in close cooperation with the European left. Here a certain responsibility lies with established forces such as DIE LINKE in Germany for the future development of the left in peripheral countries like Croatia. Such parties are important counterparts and points of reference.

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## TIME OF MONSTERS, A TIME TO BE BRAVE

WALTER BAIER

The upcoming elections for the European parliament are the first opportunity for European citizens to simultaneously and jointly deliver a political verdict on the policies conducted by the governments and institutions during the capitalist crisis. This verdict – that much can be predicted – will be characterized by deep disillusionment, embitterment and also by protest in many ways. In some countries a significant rise of populist, nationalist, right-wing extremist and neo-Nazi parties is to be expected. This phenomenon is not simply an expression of a social pathology but the consequence of the crisis and the austerity policies implemented all over Europe under the shadow of the crisis.

It is false and manipulative when the Social Democracy which has in the past borne major responsibility for the implementation of exactly this policy now wants to present itself as a protecting shield against the threatening growth of the extreme Right. Many surveys have shown that mass unemployment, precariousness and cut-backs of the social welfare state are driving people into the nets of the Right. If that applies it is first and foremost necessary to change both these conditions and these policies and that is what the European Left stands for, the left of the Left, the radical Left or whatever we call our parties.

But there is something else which could distinguish the upcoming elections for the European parliament from those of the year 2009. An election prognosis published recently predicts that the parties united in GUE/NGL, i.e. the parties of the Left, will be able to strengthen their position in the European parliament. On principle one should be sceptical with regard to election prognoses. Still, it is true that our Left could achieve gains in recent elections in the Czech Republic, Germany, Luxembourg, Greece and Spain. This means that the chance exists. A substantial strengthening of the left of the Left in the European Parliament is possible. Contrary to 2009 the result of the elections could not only be a decline in the voter turnout rate and a development in favour of the Right. Since at the same time a weakening of the Greens and the Liberals is expected, a political polarisation between left and right could become apparent in the upcoming elections. The political map of Europe would then take a different shape and the preconditions for the struggle of social movements and trade unions would be more favourable. It is with courage and with optimism that we want to strive for this possibility becoming reality.

There exists a wonderful and often used quote by Antonio Gramsci, saying that “the crisis consists precisely in the fact that the old is dying and the new cannot be born”. More rarely the following sentence is quoted: “In this interregnum a great variety of morbid symptoms appear”. One such morbid symptom is nationalism. In the current state of crisis nobody is able to predict what the future of the European integration will be like.

Deciding for opting out of this integration process is the democratic right of each and every people. And we cannot preclude that as a consequence of the contradictions existing within the ruling elites the Euro will break apart. But let me say one thing: We did not ever come across a convincing argument that such a breaking up of European integration would be a favourable scenario for the populations and the working classes. Not only would that not change anything about the power relations established by transnational companies and financial markets. It also does not seem realistic to us to merely deal with them with the instruments available on the level of national states. It is no positive perspective to chase the countries of the South and the East into a deflation process regarding the reduction of their costs of production. And finally also the scenario of the traditional imperialist contradictions among European powers undergoing a revival does not constitute a positive perspective for the Left.

Therefore we do not believe that the destruction or dissolution of the European Union represents a positive alternative, but we think that we have to lead the struggle for another Europe and a different direction of European integration. That is wherein our responsibility lies also with regard to mounting nationalism. It is possible to discuss the relation between European integration and the national state in theory and in an abstract manner. But there are two truths which I want to emphasize:

Firstly, the EU is a multinational entity, an institutional framework with several levels of power and the Left has to fight its struggle on all these levels. And secondly, one national state is not like another national state and it makes a difference if we speak about the national state and its reinforcement in Portugal, Greece, Spain, Italy, Austria or Germany.

What I want to say is that at this historical moment of time we have to bear a great responsibility. The Left has to tackle three tasks: We must develop credible political alternative, we must form broad political fronts uniting social movements, trade unions and political activists. And we must change the political balance of power on both the European and the national state levels. To do that the upcoming elections to the European Parliament are an important occasion.

Walter Baier is coordinator of Transform! - the political foundation connected to the Party of the European Left. Speech at the IV. EL Congress, 13-15 December 2013, Madrid.

## **SOCIAL EUROPE? THE ONGOING DISMANTLEMENT**

THOMAS HÄNDEL

The politics of statements that declare social goals has a tradition within the EU. Already in 2000, the Lisbon Strategy approved by the European heads of state and government asserted 'full employment' and 'clear progress in overcoming poverty and social exclusion' to be central goals of the EU. A dozen years later the European Commission self-satisfiedly summed up: 'Through its measures the European Union is contributing to the reduction of unemployment the improvement of the quality of employment.' By 2020 new employment-policy measures in the EU's current strategy are to raise the active population's employment rate by 75 percent, and the number of potentially or really impoverished people, and of those threatened with social exclusion, is to drop by at least 20 million. The measures are to be closely supervised in conjunction with the EU Member States 'so that employment and social-policy considerations do not fall behind economic ones'.

### **THE REALITY IS DIFFERENT**

- By now there are no more Member States in which the proportion of those employed through normal permanent work contracts make up even half of all those working. The proportion of those employed between 18 and 64 years of age has dropped in the 27 (now 28) EU Member States from 65.8 (2008) to 64.3 percent (2011).
- By contrast, unemployment in Europe has hit record highs. In November 2013, in the countries of the Eurozone alone, there were circa 19.24 million working-age men and women without employment, which means almost a half million more unemployed than the year previously. Youth unemployment reached a European average of almost 24 percent – peaking in Greece (54.8 percent) and Spain (57.7 percent).
- Precarity is eating away at society like a cancer. Atypical – i.e., mostly precarious and poorly paid – work has increased Europe-wide between 1990 and 2010 by 80 percent. At the same time, the wage level has sunk drastically. In Germany alone, it can be assumed that almost a third of those employed are living below or near the OECD poverty line – even though many of them are working. More than a quarter of Europe's population – 125 million – are living in poverty or are at risk of poverty.

In Europe there is a silent consensus on the part of the power elites: Economically 'useful' people are to be sought and cared for – worldwide. 'Serviceable' people from the EU are, through the 'dismantling of protective measures', to be 'flexibly' moved to where they are needed. Those who have 'fallen out of' the labour market will be employed precariously in one way or the other, and the economically 'superfluous' are to be 'maintained' in the cheapest way possible. A large part of the population is no longer needed for the economy. This balance sheet reflects the bankruptcy of the much vaunted European social model.

### **CAPITALISM WITHOUT DEMOCRACY**

Since 2013, a 'Competitiveness Pact', which in the end applies to all EU countries, has been projected. The economic policy of the Member States is to be more strictly coordinated, the labour markets further deregulated, and thus the international competitiveness of enterprises increased. Already in 2011 the Commission asked for a 'reform' of labour-protection provisions 'to reduce the excessive protection for those employed in permanent contracts and to facilitate a certain degree of protection for those outside or at the margins of the labour market'. At the core of the Competitiveness Pact is to be the unfettered application

of the principles of the market-radical economic model, even in labour and social policy. Financial stimuli for the Member States are to encourage them to implement the new treaties. Only the governments can call the shots; the rights of the European Parliament are not even mentioned.

Current topics of debate are the raising of the pensionable age to above 67, further work-time flexibility measures, the revising of on-call times, the increase of maximum working hours, and the extension of the opt-out clause (circumventing the 48-hour limit) – all this is on the wish list of BusinessEurope, the European employers' association. Up to now, wages, labour rights, wage agreements, and democratic rights have been dismantled in 18 of the 27 Member States – almost always using the approach and language of the European Central Bank or the Troika.

## THE STRUGGLE AROUND THE EUROPEAN POSTING DIRECTIVE

An example is the struggle around the European Posting Directive, which since 1996 was to have protected employees from wage and social dumping. It lists a series of conditions, which have to be complied with in the posting of labour forces to another Member State; these conditions include minimum rates of pay, minimum labour standards, work protections, work security, non-discrimination, minimum holiday requirements, maximum working hours, and minimum rest periods. Annually, there are a million people in the EU, who are posted from one Member State to another, and their numbers are increasing. In the meanwhile, the Posting Directive is increasingly circumvented. Phantom companies send predominantly eastern European employees to work in other Member States and mostly employ them there through sub-contractors. Increasingly, they are declared as pseudo self-employed people to place them outside the protections of the Posting Directive, which are limited in any case. They then have no claim even to the minimum standards of the target country. This is an issue above all in the construction and meat industries. Minimum wages – if there are any in the first place – exist only on paper in many instances. Now the 'freedom of movement for workers' is to be transformed – in the sense of a right of the individual – into a forced migration of economically useful labour forces – a limited and ruthless European labour market is the goal. Instead of extending the Directive to the pseudo self-employed, controls will be harder to operate, and general accountability is going to be cancelled, which would facilitate dumping.

## FIT FOR GROWTH

On the other side, there is an attempt within current legislative procedures to recruit 'economically useful' seasonal workers from third countries – naturally at the most minimal labour standards possible. By means of 'Konzernleihe' (employee leasing within an enterprise conglomerate) highly 'economically useful' qualified workers from their countries are to be recruited, which Member State enterprises will then hire under 'favourable' employment conditions and then, after a brief period, lend Europe-wide – according to the labour conditions of the initial receiving country. Unemployed 'economically useful' youth are recruited from crisis countries through EU subsidies, which indeed helps the individual worker but not their home countries in rebuilding their economies.

## A GOOD BEGINNING AND AN OLD IDEA

Even with the current majorities in the European Parliament it is possible to formulate an alternative policy. In the Parliament's Committee on Employment and Social Affairs we were able to organise a majority for positions contrary to the market-radical policy of the European Commission and of the majority of national governments in the Council. The Committee is demanding 'social minimal standards in order to stop social inequities', and 'living wages with a minimal income, with which to prevent poverty despite employment'. The Committee wants 'to guarantee a social basic insurance, access to fundamental health services, and existential social security', and it demands the 'introduction of a social protocol on the protection of fundamental social and labour rights'. It calls for 'equal pay and equal rights for comparable work for all'. 'Posted employees [should] be paid in accordance with regulations and not used for unfair competition.' Also demanded is 'a stable level of domestic purchasing power' – wages and pensions are not to be economic variables but the income that people need to live.

A good beginning – but no more than that! A strong left group in the European Parliament can try to make information available early on about the Commission's plans and open specific public spaces for criticism and alternatives. However, for implementing resolutions, such as those mentioned above, it is not only

other majorities in the EU Parliament which are necessary. The French left has revived an old idea: 'Assemblies for the renewal of the EU' should be called in all of Europe. We need a concept of a Europe of cooperation and solidarity, with good jobs, high social standards and security, and the middle-term goal of equivalent living conditions. Parties, trade unions, associations, networks and movements – everyone who wants to put Europe on a better footing, politically, socially and democratically, are invited. It is high time that we take Europe into our own hands.

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## **BREAKING THE NEOLIBERAL SPELL EUROPE AS THE BATTLEGROUND**

SANDRO MEZZADRA AND TONI NEGRI

The lack of any direct electoral interest puts us in the best position to acknowledge the relevance of the upcoming 2014 European Parliament elections. It is easy to foresee high abstention rates and a significant success of "Euro-skeptical" forces (united by the rhetoric of a return to "national sovereignty", and by the hostility towards the Euro and the "Brussels technocrats") in the majority of the affected countries. Things don't look good to us. We have long been maintaining that the existence of Europe is a fact, and that both from the point of view of normative frameworks and from the point of view of governmental and capitalist action the integration process is well beyond the threshold of irreversibility. In the crisis, a general realignment of powers – around the centrality of the ECB and the so-called "executive federalism" – has definitely modified the direction of the integration process, but it did not call into question its continuity. The single currency itself appears today stronger when viewed from the Banking Union's perspective: contrasting the violence with which the Euro expresses the capitalistic command is mandatory, but whoever thinks of going back to the national currencies does not see the real ground on which class struggle is fought. Sure enough, today's Europe is a "German Europe", its economic and political geography is re-organizing itself around precise power and dependence relations that reflect themselves at monetary level, too. But only the neoliberal spell can bring people to mistake the irreversibility of the integration process with the impossibility of modifying its contents and directions and of activating within the European space the power and the richness of a new constituent hypothesis.

Breaking this spell, which in Italy is intensified by the genuine constitutional dictatorship under which we are living, means to re-discover the European space as a space for struggle, for political experimentation and invention; as the grounds on which the new social composition of workers and the poor will possibly open a perspective of political organization. If the struggle takes place at the European level, it will definitely have the chance of directly striking against the new capitalistic accumulation regime. The issue of wage and the issue of income, the definition of rights and dimensions of welfare, the topic of constitutional transformations related to single countries and to the European constituent issue can, today, only be addressed at a European level. Outside of this sphere there is no such a thing as political realism.

It seems to us that the right-wing forces completely understood that the irreversibility of integration marks the perimeter of what is today politically thinkable and practicable in Europe. Around the hypothesis of a substantial deepening of neoliberalism an hegemonic block is taking shape, a block which presents significantly heterogeneous variants (from the not only tactical openings to Social Democratic hypothesis of Angela Merkel, to the violent conservative and repressive turn of Mariano Rajoy). Even the right-wing forces that present themselves as "anti-European" (or at least their more politically "astute" components) play this option at the European level, trying to broaden the spaces of national autonomy existing within the EU constitution and playing out on a purely demagogical level the resentment and rage that have spread among the population after years of crisis. Here, the reference to the nation shows its true nature: the transfiguration of a sense of impotence into racist aggressiveness, the defense of particular interests imagined as corner stones of a "community of destiny". On the other hand, the socialist left, even when it is not

directly part of the neoliberal hegemonic block, has a hard time to effectively distinguish itself from such a block, and to put forth innovative programmatic proposals. The candidacy of Alexis Tsipras, leader of Syriza, to the presidency of the European Commission acquires an undeniable relevance in this situation, and in many countries it meant a positive opening of the debate within the left, although in other nations (Italy in the first place) the interests of small groups or "parties", incapable of developing a fully political European discourse, seem to prevail.

If this is the state of the art, why do we think that the European Elections, coming up in May, are so important? Firstly, because both the relative reinforcement of the powers of the parliament and the indication given by the parties of a candidate to the presidency of the Commission turn this electoral campaign into a moment of European debate, where the different forces will face the need to define and describe at least a draft of a European political program. We see this as a chance of political intervention for those who struggle against both the neoliberal spell and its corollary, according to which the only possible opposition to the current form of the European Union is the anti-European "populism". We do not exclude in principle that this intervention could find further interlocutors among the forces moving in the electoral competition. But what we are thinking about is most of all a movement intervention, capable of taking roots within the struggles that, although with different forms, in the last month took place in many European countries (starting to involve even Germany with growing intensity). Today re-qualifying a discourse of political program is crucial, and this is possible only from within the European space, and against it. This is no time for conducting a sociological enquiry into the "technical composition of the class" (maybe in the shadow of a forcone, or pitchfork), while waiting for the messianic apparition of the adequate political composition. Neither can we expect to see any winning social movement that has not interiorized the European dimension. It would not be the first time, even in the recent history of the struggles, to see movements forced to retreat from great local experiences into jaded sectarian closures. It is necessary to immediately reconstruct a general horizon of transformation, to collectively elaborate a new political grammar and a set of elements of a program that could aggregate strength and power within the struggles, opposing to the deviations such as we witnessed in Italy over the past few weeks (where, not by chance, we saw the national flag being used as unifying symbol). Here and now, we repeat, Europe seems to us as the only space where this is possible.

One point is particularly relevant. We are bound to be affected by the violence of the crisis for a long time to come. Looking ahead, we don't see any "recovery", if by recovery we mean a significant reabsorbing of unemployment, the reduction of precariousness and a relative rebalancing of incomes. Nevertheless a further deepening of the crisis does not seem possible. We are talking of a scenario, here, not of the actual reality, and moreover of a scenario of relative capitalistic stability. From the point of view of the labour force and of the forms of social cooperation, this scenario features as starting points a growing precariousness, the mobility inside and from the outside of the European space, the downgrading of relevant portions of cognitive labourers and the formation of new hierarchies within the cognitive realm, which were all outcomes of the crisis. More generally, the scenario of relative stability that we are referring to shows the full hegemony of a capital whose fundamental operations are by their nature extractive, in that they combine the persistence of the traditional exploitation with an action of withdrawal from social wealth (through financial devices but also assuming as a preferred ground of valorisation "commons" such as health and education, among others). The social movements understood that it is on this ground that it is possible to develop struggles capable of hitting the new accumulation regime, as they showed in Italy on October 19th.

In this scenario, it is obviously necessary to look at the specificities of the developing struggles, to analyse their heterogeneity and to measure their effectiveness in political, social and territorial contexts that are obviously profoundly heterogeneous. But it is also necessary to pose the question of how they can converge, multiplying their "local" power, into the European framework. In the meantime, the identification of new elements of program can be shaped as a collective writing of a series of principles concerning welfare and labour, the tax system and mobility, forms of living and precariousness, about everything that is related to what is expressed by the social movements in Europe. We are not thinking of a grassroots charter of rights, something to be proposed to some institutional assembly: it is, rather, a collective exercise in programmatic definition that, as the writing of the "Charter of Lampedusa" is beginning to show in these weeks with reference to migration and asylum, can become an effective tool of organization at the European level. All this without forgetting that this work can bring to light crucial inputs, useful from this very moment in the construction of coalitions made up of local and European movements, grassroots trade

unions and cooperative forces, forces in movement.

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## **SPECTRE ON THE LEFT**

**BERND RIEXINGER**

The right wing in Europe is on the rise. In France, Marine Le Pen's Front National will possibly score its best results in the upcoming elections to the European Parliament; the True Finns achieved almost 20 percent two years ago and Denmark's Folkeparti 12 percent; Golden Dawn is now the third strongest force in Greece. In Germany – aside from the NPD, which is relevant at most on a regional level – a right-wing populist party has emerged, the Alternative für Deutschland (AfD), even if its development is unclear from a substantive and organisational point of view.

On 22 October 2013, Theo Sommer, the former editor of *Die Zeit*, spoke in that newspaper of a 'spectre' haunting Europe, indicating the rapid rise of populist and nationalist extreme right parties. In the sentence to which Sommer was alluding, Marx and Engels described a situation in which the rulers – the governments, the church, the police – were allied in the smear campaign against 'communism' in decrying all possible 'left opposition parties'. In the intense defensive battle, the two founders of Marxism saw confirmation of the potential of these counterforces to really come together and overthrow the dominant structures. This is often forgotten when the metaphor is applied to the new spectres of our time.

During a speech, Florian Philippot, one of the vice-presidents of the Front National, asked the public: 'Do you really know that they are all talking about you? That you are at the centre of their attention? That the political class is obsessed with you? For they see you as France's biggest problem, you – the Front National and Marine Le Pen!' (quoted from *Die Zeit*, 17 October 2013). From the fears of the established parties, he drew the hope that the future belongs to the right.

Do the right-wing parties in Europe pose a threat? In contrast to Jobbik in Hungary, most of these parties do not involve neo-Nazis. They eschew a 'National Socialist' foundation myth and the glorification of former fascist 'leaders' – except when the goal is to provoke reactions to convince people of the existence of an alleged 'domination of political correctness' in public debate. Their strategies build on those of the 'New Right', which seek a refounding of right-wing movements. They consciously draw on left terms and concepts – clearly their self-designation is meant as an answer to the 'New Left' – and are initiating a kind of Kulturkampf. They appeal to ethno-pluralism, that is, to the preservation of the ethnic consistence of populations. In this conception, racism becomes a kind of 'self-defence of the people'; the cause of racism is supposed to be the 'foreigners'. At the same time, the right-wing parties espouse 'national self-determination' in Kurdistan, the Basque country and in similar conflicts. At present, ethno-pluralism is presented as 'resistance to globalisation', immigrants and refugees are combated from the point of view of 'self-defence'.

## **THE NEW RIGHT'S INTELLECTUALS**

The New Right refers to thinkers of the 'Conservative Revolution' such as Carl Schmitt, the German expert in constitutional law, and Oswald Spengler, and to theorists of neoliberalism such as Friedrich von Hayek. The latter is usually portrayed as a liberal, but his campaign against social planning and 'socialism' – and by this he meant any variety of Keynesian policy – also comprised central features of democracy. Thus he proposed a bicameral system in which the legislating upper house is composed of people who have 'already proven themselves in everyday life', can only be elected by people over 45 years of age, and remain in office 15 years without being re-electable – thus removing the incentive to try and win the population's approval. He favoured a 'liberal dictatorship'; in this light he viewed the elected government of Salvador Allende in the early 1970s in Chile as a totalitarian dictatorship. Neoliberalism – even its violent implementation in Chile as the realisation of 'freedom' – and right-wing politics go together. The AfD in Germany lives at this intersection – for example, already several years ago, Konrad Adam, a member of its steering committee and a former columnist for the *Frankfurter Allgemeine Zeitung*, considered the possibility of

denying suffrage to 'inactive' people and 'pension recipients'. It is still unclear in which direction – market-radicalism or right-wing populism – AfD will develop. But both directions are dangerous.

Many of the right-wing populist parties of the 1980s were trailblazers of neoliberalism in the fight against the welfare state and social democracy. They aimed for the 'liberation of the economy', 'de-nationalisation' (Front National), a 'radical deregulation of the framework of competition' (FPÖ) and 'liberalist federalism' (Lega Nord). In the 1990s the constellation changed; social democratic parties largely abandoned the defence of the welfare state and – as Gerhard Schröder did in the FRG and Tony Blair in Great Britain – conceived their policies within a neoliberal framework. They changed from the welfare state to 'workfare', which means that transfer payments are tied to compulsory labour. In Germany, the introduction of the Hartz Laws not only worsened the condition of the unemployed but reached deep into the middle stratum to endanger the living standard of employees, greatly accelerating the threat of social decline as a result of unemployment. The labour regimes themselves are changing – stress has increased, the spread of leased temporary work is making people insecure and the raising of the pensionable age to 67 and over means a de facto pension cut for older people who are pushed out of factories and offices. The low-wage sector is being expanded to become the largest sector in industrialised countries.

It became possible to formulate a 'neoliberal narrative', which could win over new sections of the population. Many people were slow to realise what this would mean on the social level. At first it seemed as if it would only affect the 'others', the unemployed and precariously employed. At the same time, there was hardly any political force that made the costs of neoliberalism and globalisation a subject of discussion, and thus a large gap in political representation arose. There was no spectre in sight that challenged power; the rulers had too little to fear.

Today right-wing populist parties are experiencing a boom in Europe, although with new focuses. They are using the gap in representation to portray themselves as representatives of wounded social interests and are tying their populism against globalisation, against Europe, and against the 'elites' and bureaucrats to racism, with a mobilisation against the poor in the individual countries and in Europe. They are presenting themselves as 'true workers' parties', which defend the interests of the employed. These parties are seizing on the fears growing out of social polarisation and displacing the confrontation away from the class question. They are apparently defending the 'middle', the 'normal people', the 'Volk' against those drawing 'income without performance': recipients of social welfare, asylum seekers, politicians, and executives. When they refer to the 'honest and hard-working people' they are also addressing those pushed by politics to the margins but addressing them as the 'middle'. However, their support does reach deep into the middle segments of society.

In the crisis, with the intensification of budget-cutting policies and the resultant social misery, opportunities for right-wing parties have grown. They exhibit a similar pattern of criticism of the EU: On the one hand, they mobilise against the Roma and others perceived as socially needy, and on the other, against the EU elites and bureaucrats. Distinguishing themselves from the upper strata and from the lowest, they give themselves the aura of resistance and of political alternative.

## FEAR AND INSECURITY

With the swing of the Social Democrats towards neoliberalism, the general impression arises of the pointlessness of politics; the political as such has been delegitimised. This is completely realistic in view of the lack of alternatives to neoliberal policies within the party spectrum and the growing power of capital, which has deployed the threat of relocating plants abroad and virtually abolished enterprise taxes and forced the reduction of 'fringe benefits'. The perception of the ineffectiveness of politics is related to class position. It is strongest with those who have or earn the least and are most severely affected by social dismantlement and low wages. On the other hand, for those few – the rich, those with assets, and entrepreneurs – who see their interests addressed by the prevailing policies, the effectiveness of politics, despite all the neoliberal criticism of the (social) state, is evident – and all of them vote. Studies of this phenomenon call it 'asymmetrical demobilisation'. The right-wing populist parties give the impression that they are 'tackling what others ignore', and thus they form an anti-pole to the broad perception that politicians 'just talk but do nothing'. If nobody is sure of how to fight 'globalisation' in order to defend one's own social interests, they make an offer: racism, regionalisation, and nation.

It is nothing new that the right is trying to milk discontent and fear for its own purpose, on the one side, and the wish for a more just world, on the other. Historic fascism already tried to pilfer many of the left's cultural forms – songs, demands, and demonstrations – and use them under antithetical auspices, as occurred in German fascism, 'racialising' these forms and bringing them away from the class-political standpoint. This makes their strategy no less dangerous and presents the left with a particular challenge: It cannot let itself be drawn into a competition for the pithiest slogans. At the centre of its politics must be the guiding principles of working out the causes of discontent and fear and struggling for solidaristic alternatives. These causes are the social polarisations, the privatisation of life risks, socialisation via competition and rivalry, the fact that our society is organised according to possibilities of realising profit, not according to a good life. Here the right-wing parties have no alternatives to offer. Never in any government participation by one of the right-wing populist parties – in Austria, the Netherlands, or Italy – was an alternative to neoliberal policy realised, that would have improved the living conditions for employees, pensioners, or the unemployed. On the contrary, their distancing from the poor has further impaired their social protections. This 'spectre' does endanger the established parties but not the economic order.

## DON'T COPY THE RHETORIC

Nevertheless, the left must also speak a clear language and name its enemies and those responsible. To formulate no alternative to the prevailing (European) policy would also weaken the left. The deceptive commonalities and false boundaries of the right wing must be countered by those which point to the actual responsibilities and the true antagonism. When the AfD writes that 'the Greeks suffer, the Germans pay, and the banks are cashing in' – nothing is correct, except at the most that the banks are cashing in. 'The' Germans are by no means paying; many Greeks are suffering but not all. Above all, those 'below' are paying for the wealth of those 'on top', which has grown in the crisis. The privatisation of basic services in Germany as in Greece – to a much greater extent – exposes most people to existential danger, which could be avoided through a strengthening of the public sector. Left responses to right-wing populism cannot therefore simply seek to use a similar rhetoric to draw voters from the right to the left. All experience shows that this strengthens the right, not the left – it makes the right's positions look legitimate. Instead the left must shift the terrain on which the confrontation takes place – away from the populations pitted against each other and towards the issue of redistribution from top to bottom, towards the battle for better wages and a strengthening of the public realm. The EU institutions are undemocratic, the imposed budget-cutting policy disempowers parliaments, and the primacy of the economy is emptying out democracy – the left has to defend democracy and fight for its expansion. And if this cannot be achieved within capitalism the left has to direct its gaze towards alternatives to capitalism, towards its transformation. These issues ought to be at the centre of left politics. The left has to paint the 'spectre' of a new just world on the wall.

In contrast to other European countries, Germany had no successful right-wing populist party at the beginning of the first decade of this millennium. The Deutsche Volksunion and the NPD had only regional significance; they did not succeed in casting off the reek of atavistic politics and their connection to violence and right-wing terrorism. Traditionally, the established parties (especially the CSU) have tried to drain the spectrum to its right by absorbing the contents and demands of these parties, for example in the current agitation against 'poverty immigration' to the EU. With the party DIE LINKE a new political force has been established that has made an issue of the social and economic costs of neoliberalism, the crisis and the workfare regime and has gained a hearing in parliament and in the public arena – more strongly than its predecessor parties PDS and WASG could. 'Good morning, spectre!', Rainer Rilling and Christoph Spehr wrote in 2005: 'The spectre of a new hard-hitting party project to the left of the SPD and Greens has awoken and is haunting Europe'. The social protest of the movement against the Hartz Laws, which exposed the cracks in neoliberalism's hegemony, now had a political expression. The founding of the party DIE LINKE was met with a broad and significant popular response. It seldom enough occurs in history that left forces find a way to come together instead of dividing. The symbolism of this party was able to bring together its two source parties, West and East, as well as, for example, people from the trade unions, from the women's and ecology movements, and left intellectuals to create something new that was more than the sum of its parts. For the first time, the opportunity for a common left project emerged.

DIE LINKE put a brake on the right-wing instrumentalisation of the social dislocations resulting from the Agenda 2010 policies. It stood in the way of the attempt to use the 'suffering and rage around the experienced exclusions and humiliations once again for the denigration of others – immigrants or poor people. It was the megaphone for movements and for resistance and functioned to drive forward and systematise

the movements – naturally not alone but with other centres of organisation and self-organisation', as the Party Development Paper describes it.

## BREAK UP HEGEMONIES

The problem that the rulers are not being combatively confronted with the enormous social costs of neoliberalism has not, however, been resolved with the emergence of this organisation. It is true that there is now the possibility of lending expression to discontent through the election of a left party. However, there are also parties to the left of social democracy in other European countries, and this alone has not been able to halt the rise of the right there. It is precisely in Germany that experiences of forcing political and social progress through collective protest and resistance are thin on the ground. There is little trust in the SPD and the unions and little practice in dealing with one's own power and little confidence in what can be accomplished with it. The ruling bloc appears immovable; feelings of powerlessness are widespread.

Experience of successful action and political effectiveness need to be appropriated first. This is only possible in real confrontations. DIE LINKE must understand that contributing to such experiences is one of its tasks. We cannot give people confidence that 'we will fix things' simply because we will deliver convincing speeches in parliament. We could not fulfil this hope – nor does it even correspond to our understanding of politics. Hegemony is not changed first and foremost in parliament. However, changed relations of forces can represent themselves there, and parliamentary work can be a useful resource in regard to inquiries, research, and access to the media – all of which are very important areas in the winning of hegemony. However, without a change in the social relations of force no real successes can be obtained in parliament.

For the ruling bloc, lack of left representation protects its hegemony – even if this does not occur through assent but because alternatives are made unthinkable. Many people share left demands, but they do not believe that they can be realised. The Party Development Paper concludes: 'Against this, DIE LINKE has to demonstrate its use value concretely and do it repeatedly. In so doing it stands by the side of people, not on a pulpit over it. We cannot just contend the connections behind the issues; they must also become an object of educational and discussion processes in which it becomes possible for people to produce common interests [...]'.

DIE LINKE has to instigate confrontations and must be present in social movements, trade unions, municipalities, and organise itself and others. When the struggle against the privatisation of the local hospital or for the re-municipalisation of water is successful, one's view of the world changes. Whoever has participated in a successful strike knows how quickly what seems like an unalterable constraint turns out to be alterable. Also in terms of Europe DIE LINKE has to strengthen the counterforces from below. A Europe of solidarity can only be constructed from below, with the movements and citizens' initiatives, trade unions, social associations, and left parties coordinating their work. Local resistance is important; we have to set more in motion, precisely in Germany. In this, internationalism and transnational solidarity must be a given for left parties, trade unions, and all progressive forces and be translated into concepts and practical politics. Left parties can become bearers of Europe-wide campaigns whose goal is to struggle against positions that see the essential contradiction as lying in the enmity between nations and peoples, and make clear that the contradiction instead is between above and below. Their opportunities are perhaps better than we think when we are mesmerised by the rise of right-wing parties. SYRIZA, Izquierda Unida, the Italian "Tsipras List", and the many activists participating in the first European general strike of 2012, the huge social mobilisation and networks of solidarity in the European South etc. – maybe there soon will be a left spectre again that haunts Europe.

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