



Vladimir Borțun

## The EU is Naked: The *Progressive* Clothes of a *Capitalist* Project

**Abstract:** The purpose of this essay is to deconstruct, from an openly Marxist and politically engaged perspective, the false progressive image that many on the left ascribe to the European Union. I argue that the EU has been from the very beginning and continued to be a project of the capitalist elites in Western Europe, as reflected by its the entire institutional architecture. Moreover, contrary to a widely-held perception, the EU has not been acting as a bastion of the “European social model” against the neoliberal counter-reform but has in fact led that counter-reform in Europe. Indeed, even the seemingly progressive aspects of the EU are mere concessions that either serve capitalist interests too or are simply ineffective. I conclude by showing why the EU cannot be realistically reformed and why the left needs to urgently oppose it in the current context of the crisis of capitalism and the growing popular disillusionment with this system.

**Keywords:** The European Union; The Left; Neoliberal Hegemony; Capitalist Crisis; Social Rights; Austerity; Far Right.

**VLADIMIR BORȚUN**

University of Portsmouth

vladimir.bortun@port.ac.uk

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### Introduction

What is the dominant image of the European Union (EU), both internally and externally? That it emerged in the aftermath of the Second World War to secure peace and democracy in Europe – a project of free and equal nations overcoming their past divisions and uniting forces for the benefit of all. Indeed, the EU has been widely perceived as some sort of guardian and promoter of the so-called “European social model” of capitalism, where the welfare state is strong and social rights are inherently cherished, as opposed to the deregulated, *laissez-faire* version of capitalism that would characterise the Anglo-Saxon world.

This essay argues that, just like in Andersen’s famous story about the emperor’s clothes, the EU is actually “naked” and that its supposed “progressive clothes”<sup>1</sup> are meant to obscure the hegemonic aim of ensuring the *trans-class and trans-national consensus* required to make the EU the highly integrated entity that it is today. I argue that, in fact, the EU has been from the very beginning a project of capitalist elites in Western Europe and their political representatives. The entire institutional architecture of the EU, from the founding



Treaty of Rome in 1957 to the highly-topical CETA and TTIP of today, reflects and reinforces that embedded class character of the EU.

Moreover, the EU proved to be very quick in endorsing the neoliberal counter-reform of the 1980s that started in the US and Britain rather than trying, as many still believe, to provide an alternative, more socially-oriented, route for capitalist globalisation. Indeed, the EU has been one of the main vehicles for American economic domination after the Second World War, ensuring a deep level of integration between American capitalism and European capitalism over the last decades, as reflected more recently in the state management of the 2007-2008 financial crisis that saw the Federal Reserve injecting cash in the US franchises of European banks.<sup>2</sup>

For precisely such reasons, the left and particularly the radical left initially opposed the creation and development of the EU. However, that opposition started to fade away in the 1970s and by the 1980s, all social democratic parties and most radical left parties in the member states had come to fundamentally endorse, albeit to various degrees, the process of European integration.<sup>3</sup> Even today, despite the multiple structural crises faced by the EU – from the eurozone crisis to the resurgence of the far right to the so-called “refugee crisis”<sup>4</sup> – there seems to be a continuous consensus on the left in the support for the EU, apart from a handful of communist and socialist parties openly calling for an exit (although their number might increase in the near future, as discussed in the last section of the essay).

This consensus has been recently illustrated by the debate around Brexit within

the British left and beyond, where most left-wing groups and personalities – even among those positioning themselves on the radical left – called for a Remain vote. Their arguments reflected the entire mythology that the false progressive image of the EU is based on. On the one hand, there were those pointing out at workers’ rights and free movement as progressive aspects of the EU that need to be defended.<sup>5</sup> Indeed, it was said that the EU is the best chance the left has in order to counter neoliberalism and (re)build a “social Europe.” On the other hand, there were those acknowledging the current neoliberal and undemocratic character of the EU while arguing that it is better to try and reform the latter from within than revert to the anachronic (and potentially dangerous) framework of the nation-state. Their main argument was that the EU needs to be saved in order to preserve peace in Europe, even more so in the context of a resurgence of the populist and far right across the continent.<sup>6</sup>

In what follows, I will try, from an openly radical left perspective, to deconstruct these arguments and argue instead that the EU is fundamentally a capitalist project, why it cannot be otherwise, and why the left urgently needs to start building an alternative to both the EU and the re-emerging far right.

### **The EU is Not as Much about Peace as it is About Capitalism**

Nobody can honestly deny that securing peace in Europe was indeed one of the goals of establishing the European Steel and Coal Community in 1951, which would later develop into the European Union.<sup>7</sup> But that has less to do with pacifism as such than



with capitalism: as a general rule, capitalists prefer peace to war, as peace is – with some obvious exceptions – more favourable to the maximisation of profits than war. War is a last resort for capitalist elites, that is, whenever the international competition between them over markets and resources cannot be confined in the limits of diplomatic foreign policy. So peace has always been secured, first and foremost, in order to secure and, indeed, increase the rate of profits.

However, the creation of the EU – largely carried out by right-wing political elites, by the way – also represented the realignment of Western European capitalism as a reaction to a range of major transformations in the post-WWII period:

1. The threat of communism in the immediate aftermath of the war, both from the East and from within Western European countries like France and Italy, where communist parties were particularly strong after the war, represented a compelling incentive for integration in Western Europe – in many ways, the EU came about as a counterbalance to the Eastern Bloc, for the benefit of both Western European powers and the American power alike.

2. The balance of class forces that resulted from the war in an economically ruined Europe compelled capitalist elites, fearful of a radical change, to make the historical tactical concession that was the welfare state (which has been rolled back over through the neoliberal counter-reform of the last thirty years) – it was better for the elites to give *something* rather than risk losing *everything*. But the profit losses that the welfare state entailed could be partly compensated for by creating a common European market that would dismantle, as stipulated by the founding Treaty of Rome of 1957, the national

barriers to the free circulation of capital, labour, products and services; and it did.

3. The EU was not only capital's transnational answer to the welfare state but also to the demise of European colonialism – five out of the six founding members of the EU (i.e. France, Germany, Italy, Belgium and the Netherlands) were former or soon-to-be former colonial powers, who found strength in unity (i.e. a deregulated common market) after losing their privileged access to cheap labour, resources and markets in Africa, Asia and the Caribbean.

4. After the Second World War, a strengthened US capitalism, with vast surpluses to export, became the main promoter of global economic liberalisation, as reflected in the emergence in less than a decade of an entire range of US-backed institutions such as the World Bank (1944), the International Monetary Fund (1944), the General Agreement on Tariffs and Trade (1947), the Organisation for European Economic Cooperation (1948) etc. The EU was an important piece in this emerging US-led free trade institutional framework, as American big corporations found it much easier to locate and do business across the newly founded European Common Market than having to deal with different national regulations of different countries. Thus, the EU was from the start a vehicle for the international expansion of US capitalism.

### Preserving the “European Social Model” and Taming Neoliberalism?

Even most of those who agree that the EU is fundamentally a capitalist project tend to believe that the EU stands for a different type of capitalism. They rest upon the assumption that European capitalism is



generally more “humane” and socially-oriented that the *laissez-faire* version of capitalism that prevails in the United States. More than that, they believe that the EU is defending this “European social model” against the neoliberal counter-reform that came from the other side of the Atlantic via Britain since the early 1980s.<sup>8</sup> Indeed, as said at the beginning, many left parties who had previously opposed European integration ended up endorsing it because they thought that social rights and public services could be better defended at a European level than in the neoliberalising national arenas.<sup>9</sup> However, the reality is that, if anything, the EU has been used precisely to undermine rather than defend social rights and the welfare state. The EU is not a bulwark against “Anglo-Saxon neoliberalism” but has been in the vanguard of the neoliberal counter-reform in Europe over the past thirty years.

Probably nothing can illustrate better the neoliberal character of the EU as the Single European Market (SEM), arguably the very core of the EU as an economic union. It was established in 1986, in the aftermath of an international economic recession that was met with measures confirming neoliberalism as the new dominant paradigm in the West, including in the three most powerful member states of the EU, namely Germany, France and Britain. Indeed, it was the British prime minister Margaret Thatcher who provided the political momentum for the inception of the SEM at the 1984 Council meeting in Fontainebleau, where she called for the creation of a “genuine common market” in goods and services.<sup>10</sup> Thus, in 1985 the European Council backed what would become the “constitution” of the SEM – the

*White Paper on Completing the Internal Market* drafted by Lord Cockfield, the European Commissioner for Internal Market and Services at the time and a former economic advisor of Thatcher herself.<sup>11</sup>

More importantly though, the White Paper echoed almost verbatim the proposals made by the European Round Table of Industrialists (ERT) in 1983 for the establishment of the single market.<sup>12</sup> Enough to say that the ERT, which comprises around 50 CEOs of some of the most important European corporations, is still today the most powerful big business lobby group in the EU. It should be no surprise, then, that the SEM entailed the removal of nearly 300 barriers to trade, thus becoming arguably the most deregulated transnational trade area in the world. This has obviously benefitted big companies that can afford entering a transnational market, while small and medium enterprises had to face new, stronger competition.

Indeed, this vast process of deregulation has been guaranteed from a legal point of view as early as 1979. Back then, in the seminal *Cassis de Dijon* case, the European Court of Justice (ECJ) forced the German state to accept the selling of a French liquor that had previously not complied with German regulations, thus setting the legal precedent for business interests overriding state sovereignty in the EU. Therefore, one of the main evils attributed to trade deals like the TTIP or CETA (whose dangers to environment, health, welfare and democracy are notorious by now<sup>13</sup>), namely the prerogative of corporations to sue states through unaccountable investment court systems, has been a core practice for decades in the EU, with the ECJ serving precisely the role of the investment court system.



Liberalisation of products was carried out rather smoothly, on the basis of the so-called “mutual recognition principle,” which means that any product legal in one member state must be recognised as such in any other member state. This basically set the EU-wide regulation for each product group at the lowest standard found in any of the member states, thus implicitly reducing the level of consumer protection. The liberalisation of services, however, proved more complicated, given that many of them were provided by the states themselves as public services. Thus, throughout the 1990s, several directives of the European Commission were adopted in order to push for the deregulation of specific public services, such as railways (1991), telecommunications (1990), electricity (1996), postal services (1997), and gas (1998). This process of liberalisation largely amounted to the privatisation of state-owned companies on the basis that they were infringing upon free competition and circulation of services – one of the cardinal tenets of neoliberalism. But, just like with other neoliberal tenets, this served the maximisation of profits for big business rather than enhancing genuine free competition and circulation of services. Thus, the breakdown of the so-called “state monopolies” did not lead to a free and competitive market but to a private oligopoly in each of those sectors. For instance, the electricity market in the EU is now dominated by merely three companies, one of which being, ironically enough, the state-owned *Electricité de France*...<sup>14</sup>

If the neoliberal consensus in the EU started with the SEM, then it was truly consolidated by the creation of the Economic and Monetary Union (EMU). More commonly known as the “eurozone,”

the EMU commenced with the 1992 Treaty of Maastricht and culminated with the introduction of the euro in 1999. Firstly, the convergence criteria that member states had to meet in order to become part of the EMU, particularly by limiting their public deficit and debt to 3% and 60% of the GDP respectively, practically put public spending into a straitjacket. How could states keep supporting their welfare systems with such restrictions on their spending powers – especially when the free flow of capital guaranteed by the SEM resulted in a “race to the bottom” of members states reducing corporate taxes and capping real wages to prevent big business from moving to “cheaper” countries? No wonder then that the 1990s were marked by substantial cuts in social services and public sector jobs across the EU.<sup>15</sup>

Secondly, the creation of a single currency saw member states ceding monetary powers to the European Central Bank (ECB). Thus, governments were deprived of the only means by which they could avoid budgetary cuts in reducing their public deficit and debt: using the national currency, either by devaluing it in order to boost exports or by simply printing more money. It meant that economies with structural trade deficits (i.e. countries that import more than they export) such as Greece or Spain could now reduce their deficits only by borrowing money from economies with structural trade surpluses (i.e. export-led economies) such as Germany or the Netherlands.<sup>16</sup> Thus commenced a relation of dependency between the Southern “periphery” and the Northern “core” of the EU, which set the ground for the eurozone crisis that started in 2009 and has yet no foreseeable conclusion.



Thirdly, the ECB itself is rather paradigmatic for the process of European integration as a whole: supposedly neutral, the ECB actually follows quite religiously a certain ideology, in particular the neoliberal dogma of price stability (which mainly favours big capital). This policy entailed keeping inflation at low levels, which in turn led to low economic growth rates, as higher inflation could have stimulated aggregate demand while higher budget deficits could have allowed for more public investment.<sup>17</sup> Moreover, the ECB – which is coincidentally located in Frankfurt – was largely modelled on the German Federal Bank (renowned for its tight monetary discipline), thus enforcing the idea that the EU is not only a project of big capital but also crystallises the hegemonic ambitions of Germany and, more generally, of the Northern “core” over Southern and Eastern “peripheries”; which brings us to the next point of this essay.

### **Neither Fully European, Nor Truly a Union: the Imperialist Character of the EU**

The EU is often given as a prime example of peaceful international cooperation and unity between countries that used to be once at war. But the European unity embodied by the EU is simply the relative unity of European capitalist elites who realised that they can all benefit from a deregulated common market. But that unity is inherently limited, as competition between capitalists is inherent to capitalism. That is why Europe can never be truly united under capitalism, for international unity goes only as far as the common interests of capitalist elites go.

Moreover, as said already, the EU is not truly a European project, but a project of big capital from the European “core,” that is, from the North-West of Europe: Germany, France, Britain, Scandinavia, Benelux, (Northern) Italy. The dependency relation outlined earlier, between the Northern core and the Southern periphery, was brought to the surface by the eurozone crisis that started in 2009. Born out of the aforementioned contradictions of the very design of the EMU, the crisis saw Southern member states such as Greece, Spain and Portugal bailing out the banks, mainly Northern European banks, through austerity measures demanded by the EU. Austerity was the way by which capitalists, and particularly capitalists from North-Western Europe, dealt with the crisis without sacrificing their profit rates, which resulted in the *socialisation of costs* – more simply put, ordinary people were forced to pay for a crisis they had nothing to do with.

However, austerity has failed dramatically, inflicting a severe social crisis that affected the most vulnerable groups in society, with huge unemployment rates across the Southern periphery, particularly among the youth, and with levels of poverty never witnessed since the end of the Second World War in a country like Greece.<sup>18</sup> More than that though, austerity is increasingly proving to be a bankrupt strategy for capitalists themselves, as the shrinking of public spending and the long-term policy of low wages have decreased people’s purchasing power, which in turn inevitably affects the rate of profits. In a nutshell, austerity was employed to protect profits, but its inescapable effect has been the stagnation of profits, if not worse. That is why capitalists would rather keep their



money in tax havens such as Panama rather than investing it in an economy where the demand is low and short-term profits are not guaranteed. In other words, capitalists are on strike, an investment strike, which means that there is no foreseeable prospect for the eurozone to escape its current stagnant growth rates.

This lack of prospects for economic revival is even deeper in countries in which austerity is there to stay despite its complete economic and social failure. In 2015, the Greek people gave the new left party Syriza two democratic mandates to break with the austerity consensus, firstly by electing them into government and then by overwhelmingly rejecting in a popular referendum the offer made to the new Greek government by the Eurogroup (the informal and yet very powerful gathering of the finance ministers of the eurozone). But democracy amounts to little in the EU when it clashes with the interests of big capital, crystallised in this case by its objective need to keep the austerity consensus going. As the President of the European Commission himself, Jean-Claude Juncker, said at the beginning of Syriza's mandate, "there can be no democratic choice against the European treaties."<sup>19</sup> Of course not, for one country breaking away from the austerity consensus could have a devastating domino effect for those (still barely) benefiting from austerity.

Thus, the Syriza government was literally blackmailed into accepting a third bailout that will bring about even more cuts and privatisations, with the alternative being a shockingly hasty exit from the eurozone that would have probably entailed the collapse of the Greek economy. Of course, the exit from the eurozone is the

only way out of the neoliberal straitjacket imposed by the EU, but such an exit should not be on EU's terms and would have to be thoroughly planned, by preparing a genuine economic alternative and by building up the popular support needed for such an alternative, which the Syriza government failed to do. In any case, the neo-colonial treatment of Greece, which speaks volumes of both the pro-business and undemocratic nature of the EU, was perfectly summed up by Yanis Varoufakis, the Greek finance minister at the time, when he revealed in an interview what he had been told by his counterparts in one of the Eurogroup's meetings (quite blatantly controlled by Germany's Wolfgang Schäuble): "You're right in what you're saying, but we're going to crunch you anyway."<sup>20</sup>

But the EU is also engaged in more traditional forms of Western imperialism. Perhaps not many EU supporters are aware of the so-called "economic partnership agreements" between the EU and countries from Africa, the Caribbean and the Pacific (ACP). Following the Cotonou Agreement of 2000, the EU imposes certain conditions to the APC countries who wish to be granted aid and access to the EU's internal market. These conditions amount to neoliberal policies such as liberalisation of markets, elimination of tariffs on goods, and the deregulation of investments. It goes without saying that such policies substantially affect local manufacturing and agricultural sectors because of the influx of subsidised goods from the EU. Indeed, they deprive APC countries of a major source of revenue due to the removal of tariffs and virtually give a "freedom pass" to European multinationals operating there.<sup>21</sup> This economic imperialism alone should



shatter any illusions one might have in the benevolent, internationalist character of the EU.

But then there is the elephant in the room: the utterly disgraceful mismanagement of the largest humanitarian crisis in Europe since the Second World War. Despite all its material wealth and claims to be a “normative power,” the EU has not come up with a satisfactory and consistent solution to the “refugee crisis” that has been developing at and within its borders. On the contrary, its militaristic approach in the Mediterranean, where it cut its rescue missions, has allowed thousands of refugees and migrants to die at sea in the last couple of years.<sup>22</sup> The luckier ones still had to go through hell in trying to avoid barb wires, police brutality and far right violence (only showing, by the way, what kind of hell they must be running from). This appalling incapacity to adequately address this humanitarian crisis stems precisely from the fact that the EU is not this internationalist entity seeking democracy and peace, as many perceive it, but a transnational profit-making mechanism in the service of the economic elites.

### What about the Good Things about the EU Then?

Of course, there seem to be some positive aspects about the EU, such as free movement of citizens, subsidies for farmers, research grants or the European Employment Strategy. But let us see the forest from the trees: all these have been concessions within the limits of a fundamentally capitalist project and their obvious role was mainly to secure the relative political and popular consensus for that project. That is

how capitalism works – it buys off the social peace it needs to keep making profits, just like some gangsters give handouts to the people in the neighbourhood in order to secure their tacit loyalty. In times of economic prosperity, these concessions can grow to the extent that the system might seem truly reformable. However, crises are inherent to capitalism and whenever a crisis comes about, concessions make way to reveal the true nature of the system in all its naked ferocity – the maximisation of profits for a handful of people; and the eurozone crisis has been a painful illustration of that.

Moreover, in the case of the EU, many concessions are, to a certain extent, pro-capital policies in disguise, such as the subsidies for farmers, of which 80% go to only 20% of the “farms” in the EU, including agro-industrial multinationals like Nestlé or Campina.<sup>23</sup> But the most obvious example is freedom of movement, which has its inherent benefits for ordinary people but was first and foremost set up to facilitate *social dumping*: the transfer of cheap labour from one member state to another. Thus, freedom of movement has been used by capital to pay lower wages and limit workers’ rights, once again with the explicit institutional backing of the European Commission (see the 1996 Posted Workers Directive) and of the European Court of Justice (see the 2007 “Rosella” and “Laval” cases<sup>24</sup>). Any left worthy of its name should address this problem straightforwardly rather than avoiding it for the fear of being labelled as “racist.”

Then there is what we could call pseudo-concessions – apparently progressive EU policies that are utterly ineffective. Perhaps the prime example is the European





Employment Strategy, which only gives recommendations to member states on tackling unemployment. But unlike the public deficit and debt thresholds mentioned earlier, which member states get penalised for not complying with, those recommendations are not binding at all, thus practically leaving each member state to deal with unemployment on its own.<sup>25</sup> But how can they do that effectively when the EMU has limited their public spending powers in the ways described above? And when the free circulation of capital and labour, which enables companies to move their business wherever the taxes are lower or to import cheap labour from abroad, compels states to decrease their taxes and deregulate labour legislations? It is like taking the fishing stick off the fisherman and then ask him to go to catch some fish.

### **Just like Capitalism, the EU Cannot Be Reformed**

Many people on the left might generally agree with some or even most of the points raised so far, but still believe that the EU can be reformed and put to the service of us all. They do not give much detail of how that might be achieved politically, but merely suggest, at best, that what we need is more left-wing governments, most crucially in Germany, in order to change the balance of forces and thus move the EU away from its neoliberal and undemocratic policies.<sup>26</sup> This is an old argument that most on the left have been putting forward for the last thirty years or more. It rests on the wrong assumption that the EU is a neutral playing field, where the policy agenda and decision-making process depend on the existing balance of political forces.

In fact, as I have been arguing throughout this essay, the EU has been founded, shaped and developed in the service of big capital. Thus, those neoliberal and undemocratic policies are not simply a result of the past or present balance of forces, but stem from all the treaties, directives and policies that have forged the legal and institutional architecture of the EU over the last sixty years. The EU is not just another good idea that went wrong and can be redressed; it is a bad idea that went very well, so far, for the capitalist interests for which it was created (although the ongoing eurozone crisis has put that under question, a question that does not seem to have a satisfactory answer on the behalf of the establishment). The EU cannot be structurally reformed, and to believe the opposite is nothing but the expression of the old illusion that capitalism can be structurally reformed.

But let us imagine, for the sake of the argument, that the capitalist character of the EU could be changed by changing the balance of forces. That could be achieved only by modifying the two fundamental treaties of the EU – the Treaty on the Functioning of the European Union and the Treaty on European Union. The only way to modify the treaties is through unanimity in the Council of the EU, while the secondary legislation can be modified either by the Commission – the undemocratic body that has pushed the most for neoliberalisation in Europe and whose current president, Jean-Claude Juncker, is one of the main architects of corporate tax evasion in the EU – or again by unanimity in the Council. The Council is made of the executive governments of all member states. That means that we would need 28 left-wing governments ready for change in



order to reform the EU in a progressive direction!<sup>27</sup> And by “left” we mean forces to the left of the right-wing social democracy embodied by the likes of French “socialists” or German social democrats. For let us remember that, at the turn of the century, 13 member states out of 15 had social democratic governments, and yet there was no significant move towards any kind of “social Europe.”

### Epilogue: What is the Left to Do?

I have tried in this essay to debunk from a socialist and anti-capitalist perspective the arguments that the left itself brings in support of the EU. The fact that this perspective is still rather marginal within the broader left in 2017, after decades of neoliberal, undemocratic and neo-colonial policies on the behalf of the EU, only shows how deep the ideological self-colonisation of much of this left runs and how strong the cultural hegemony of neoliberal capitalism still is, despite its decade-long crisis. How exactly the left’s deluded endorsement of a capitalist project came about and has survived for such a long time deserves a separate investigation of its own. But I can recall an episode from *CSI Las Vegas*, where a serial abductor and murderer tells the detectives questioning him that the best way to subdue your victim is by giving them some shred of hope, and they will do whatever you want. This is what happened, essentially, with the EU and the left, where the hope has been the promise of a “social Europe” that would oppose the neoliberal counter-reform, a promise which never came true but on the contrary: the EU proved to be at the forefront of that counter-reform.

Nevertheless, the perspective outlined in this text is becoming today increasingly popular within the more radical circles of the European left. Thus, while some (like TUSC in the UK or the Spanish Communist Party, once one of the main representatives of the “EuroLeft”) are calling for an immediate exit from the EU, others (particularly within the left-wing currents of Podemos and the Portuguese Left Bloc, but also in traditionally pro-EU parties like Die Linke) are proposing a strategy of disobedience with the EU’s treaties that would allow time for the preparation of an exit plan.

Briefly put, such a plan would entail, firstly, the introduction of capital controls and the nationalisation of banks. Then, as a new currency is set in, the state would have to temporarily organise the distribution of basic goods such as food and medicine to ensure that the basic needs of all are met. While the initial weakness of the new currency would affect savings and small businesses, it would also boost exports. Indeed, after a few months of recession, the economy would be revived by large public investments on the behalf of a state now freed from the neoliberal straitjacket imposed by the EU.<sup>28</sup> Indeed, that would be a great opportunity for taking the economy under public democratic control and put it to the service of all. It is true, an exit would be no easy job, but it could open, at least, the prospects for genuine economic growth and restoration of social rights, which is not at all the case as things stand now in austerity-ridden countries like Greece or Spain.

However, some of those on the left who do concede that the EU is not only neoliberal and undemocratic but also



utterly unreformable believe that this is not the right time for the left to call for an exit, given the resurgence of the populist and far right across the continent.<sup>29</sup> As compelling as this argument might sound, that alarming resurgence builds on the people's disillusionment with a capitalist system in crisis, a system embodied by the EU, the political elites supporting it and the big business benefitting from it. It is the neoliberal policies and undemocratic character of the EU that have partly alienated vast sections of the working class all across Europe, including Britain. It is the structural unemployment, low wages and sell off of public services that the EU and neoliberal capitalism in general have tirelessly promoted which sit at the core of people's growing Euroscepticism.

The fact that this Euroscepticism is often expressed in nationalist and even xenophobic terms is mainly because it is the nationalist and xenophobic narrative that has become, with inestimable help from the media, one of the prominent forms of expression of anti-establishment anger. So, yes, it is the far right that might have mainly benefitted so far from the crisis of the EU and of the capitalist establishment in general. But that has less to do with a supposed popular appetite for the false alternative that this right represents than with the mainstream left's failure to put forward a class-based narrative against the EU and thus become the alternative that people are looking for. Instead, this left is defending the very status quo it should oppose, pleading for its reformation from within – an old plea that has failed systematically and always will.

Indeed, if we really want to draw parallels with the 1920s and 1930s, then let us

remember that fascist parties came to power during another structural crisis of capitalism largely because the left had failed to truly confront capitalism when it had the chance. Both the reformist social democrats and the Stalin-controlled communist parties of the time failed to pose a genuine alternative to capitalism and to prove their readiness in taking power to implement that alternative. That is what made the fascists in Italy, Germany and elsewhere look truly “revolutionary” and give people the illusion that they were the only “radical alternative” to the status quo. We all know what followed and yet so many on the left today seem to not have understood the lesson of that historical tragedy. Amidst the ongoing crisis of the capitalist EU and of the growing popular dissatisfaction with it, do we want to let the far right present itself once again as the only “alternative” out there? Or should the left become that alternative that people are waiting for and that the world in general objectively needs? The EU must be opposed, therefore, not despite but precisely *because* of the far right.

Finally, how could that alternative look like? Obviously, it would not mean reverting to the self-sufficiency of the nation state, which is neither possible, nor desirable. The alternative can only be internationalist and would entail the formation of a united front of left-wing governments, who would come to power precisely based on breaking away with austerity, with the EU and with neoliberal capitalism in general, particularly in the Southern periphery. As the revolutionary upheaval would spread across Europe, more left-wing governments could come to power in other countries and subsequently join such an alternative Europe – a truly united, socialist



and internationalist Europe, where the economy would be put at the service of all of us and where a genuine democracy would enable people to participate directly in the decision-making process. It might sound like a utopia, I know, but it is certainly more realistic than trying to curb

the resurgence of right-wing nationalism by defending the very capitalist status quo that has made that resurgence possible in the first place. The true realists today are not those who merely want to reform the system, but those who are ready to overcome it and build a better one.

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## NOTES

1. Due to the limited scope of this paper, the multi-faceted building process of this false image of the EU and the roles played in that process by the EU institutions, national political actors, business, lobbyists, trade unions, NGOs, mass media, and academia shall not be discussed here. The present paper merely aims to provide the starting points for a deconstruction of the EU's progressive image from a Marxist point of view.

2. Leo Panitch, Sam Gindin and Scott M. Aquanno, "American empire and the relative autonomy of European capitalism," *Competition & Change*, vol. 19, no. 2, 2015, pp. 113–128.

3. Richard Dunphy, *Contesting capitalism? Left parties and European integration*, Manchester, Manchester University Press, 2004.

4. The commas are meant to indicate that there is no genuine crisis of refugees in Europe, given the small number of refugees relative to the scale and wealth of the European Union (in Lebanon, for instance, which currently hosts over 2 million refugees, we can talk indeed of a refugee crisis). The element of crisis stems from the EU's failure to provide a unitary and satisfactory plan to help people fleeing war, persecution and famine.

5. *The Guardian* editorial, "The Guardian view on the EU referendum: keep connected and inclusive, not angry and isolated," *The Guardian*, 20 June 2016, <https://www.theguardian.com/commentisfree/2016/jun/20/the-guardian-view-on-the-eu-referendum-keep-connected-and-inclusive-not-angry-and-isolated>.

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7. The European Steel and Coal Community would become the European Economic Community in 1957 and then finally the European Union in 1993, but for the sake of brevity I will simply refer to all these stages of European integration as "the EU".

8. Luciana Castellina, "The European Community: Opportunity or Negative Conditioning? The Impact of the Integration Process on the Left," *Socialism in the World*, no. 66, 1988, p. 26–33; Lawrence Wilde, *Modern European socialism*, Aldershot, Dartmouth Publishing, 1994; Sam Aaronovitch and John Grahll, "Building on Maastricht," in Peter Gowan and Perry Anderson (eds.), *The Question of Europe*, London, Verso, 1997, pp. 178–202.

9. Richard Dunphy, *op. cit.*, pp. 4–5.

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11. Indeed, 13 of the 16 European Commissioners for Internal Market and Services from 1958 till today have been members of right-wing parties, which is rather telling of the ideological character of the EU.



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14. Christoph Hermann, *op. cit.*, p. 76.
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17. Christoph Hermann, *op. cit.*, pp. 77-78.
18. Joseph Stiglitz, "Europe's austerity zombies," on CNBC website, 30 September 2014, <http://www.cnbc.com/2014/09/30/europes-austerity-zombiescommentary.html>.
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22. Kate Ferguson, "EU leaders 'killing migrants by neglect' after cutting Mediterranean rescue missions," *The Independent*, 17 April 2016, <http://www.independent.co.uk/news/world/europe/eu-leaders-killing-migrants-by-neglect-after-cutting-mediterranean-rescue-missions-a6988326.html>.
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25. Christoph Hermann, *op. cit.*, pp. 81-82.
26. See the website of the Another Europe is Possible campaign group, <http://www.anothereurope.org/>.
27. Danny Nicol, "Is another Europe possible?," on the website of the UK Constitutional Law Association, 29 February 2016, <https://ukconstitutionallaw.org/2016/02/29/danny-nicol-is-another-europe-possible/>.
28. Costas Lapavistas, "The case for Grexit," *Le Monde Diplomatique*, July 2015, <http://mondediplo.com/2015/07/02greece>.
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