



The euro is structural adjustment for all of us

On 1 January 2013 the EU's European Stability Mechanism (ESM) will come into force to allow eurozone member states, or more accurately their banks, to be legally bailed out with a maximum lending capacity of €500 billion.

report by **Brian Denny**

The ESM will replace the two illegal temporary EU bail-out funding programmes: European Financial Stability Facility (EFSF) and the European Financial Stabilisation Mechanism (EFSM) which stood outside the structures imposed by the Lisbon Treaty.

All ESM bail-outs are conditional on member states first signing a Memorandum of Understanding (MoU), outlining a programme for mass privatisation and 'internal devaluation', ie wage cuts, a massive jobs cull and the effective abolition of the welfare state.

Another precondition for receiving an ESM bail-out, starting from March 1 2013, will be that the member state must have fully ratified the Fiscal Compact. Budget proposals will be analysed and evaluated by the so-called Troika (European Commission, ECB and IMF). This Troika has imposed massive austerity on Greece, Ireland and Portugal.

In Greece this has caused the economy to collapse, the raising of the retirement age, 25 per cent salary cuts and 50 per cent benefit cuts only apply to lower ranking government employees and do not affect Parliamentarians or their families.

Greek oligarchs that effectively rule the country have been allowed to flee the country, taking their money to

Swiss bank accounts.

The Troika is currently negotiating with Spain and Cyprus about setting up similar 'economic recovery' programmes in return for providing support from the ESM.

But this imposed austerity is actually creating greater imbalances in the single currency as poorer and smaller states are driven into permanent economic decline unable to compete with stronger states such as Germany or France.

In other words the ESM, the Fiscal Compact and MoUs are mechanisms to carry out neoliberal structural adjustment – akin to those imposed on African states in the 1970s with disastrous results – inside the Eurozone.

While Britain is outside the Eurozone the Con Dem coalition is carrying out the same austerity programme with the same outcomes, handing the public sector over to private monopolies to enable them to extract profit through public subsidies. This process has already led to the rail industry and now the postal service being transferred over to the carpet baggers of the corporate sector with support from various EU directives demanding mass privatisation, tendering and 'competition'™.

UKIP leader Nigel Farage also supports this agenda, appearing in interviews recently calling for 'deeper' cuts abolition of employment protection rights. The antics of UKIP do little to expose the corporate agenda being imposed across the EU but a lot to legitimise the austerity mantra being wheeled out by unelected eurocrats.

Season's Greetings

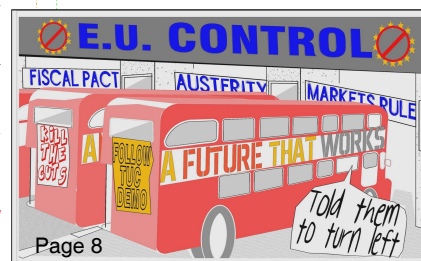


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Nobel Oops!

The Nobel award to the EU ceremony in Oslo was attended by 20 EU leaders, with British Prime Minister David Cameron among a handful who chose to stay away.

The centre-right European People's Party got in the Nobel mood by minting replica medals for its 285 MEPs. However, the medals raised eyebrows in Brussels because an embossed map of Europe included several non-EU countries such as Ukraine, Belarus and Moldova, had a black hole for Switzerland, and omitted EU members Cyprus and Malta.

Democrat Press Pamphlet

Social Europe is a Con



Introduction by RMT General Secretary Bob Crow
Contributors: Brian Denny, Alex Gordon,
Linda Kaucher and Joh Boyd ([Editor])

This could be the ideal Xmas present for that friend or relative you still have to buy for.

Sales of the pamphlet **Social Europe is a Con** are still going well. Well over 500 have been sold so far.

Readers can order copies at £2.50 each post free. Five or more copies are £1.60 each post free.

More EU integration

The EU Commission has published its vision for a "genuine" economic and monetary union (EMU) under which national budgets could be vetoed and a central EU budget would allow transfers for troubled countries.

The process would require two rounds of treaty change – one within the next five years and another more profound exercise in the longer-term.

The 52-page blueprint emphasises the need for the eurozone to be able to "integrate quicker and deeper" than the rest of the EU, with the eurozone now largely seen as paying for being established as a political project without the fundamental economic and financial structures to back it up.

Ideas for the future include coordinating national tax and employment policies, eurobonds, and a eurozone budget managed by a treasury in the European Commission.

European Commission President Jose Manuel Barroso said the "main message" of the document is that both discipline and solidarity are needed for the EMU to survive.

The paper envisages progress in three steps. Within the next 18 months, the EU should set up a banking union and establish a "convergence and competitiveness instrument" - money that member states would use to undertake structural reforms. Countries with a budget deficit breaking EU rules would be obliged to use the instrument.

Within five years, the "convergence instrument" would be built up into a separate eurozone budget that would be funded by own taxes in the eurozone.

This time frame would also see "further budgetary coordination (including the possibility to require amendments to national budgets or to veto them)," says the paper.

Open Letter - for action against the cuts

Over the last two years there have been countless demonstrations against the cuts.

The TUC anti-cuts national demonstrations brought hundreds of thousands of people onto the streets in opposition to austerity - but the cuts go on and what's more, the cuts aren't working.

Despite this there is talk of more cuts for years to come, job losses and the end to councillors' accountability as privateers take over local services. Worse, the cuts aren't necessary.

The national debt is 86.8 per cent of GDP at present, whereas when the NHS and other social provision were brought in by Labour it was about 230 per cent of GDP.

For much of the time over the last hundred years the debt has been more than 100 per cent of GDP.

Furthermore, if the unpaid taxes of the rich were collected it would bring in more than £100 billion per year.

The cuts are a class attack by the government to undo all gains since 1945 and implement a common EU

policy.

It is now clear we need to go beyond demonstrations against these cuts, which are causing untold damage to people's lives and families. Action is needed.

It is local councils that enact many of the cuts on behalf of the Con-Dems, and many of them are Labour. So what can be done?

The communities and labour movement must demand that councils, Labour or not, refuse to implement the cuts and instead put forward needs budgets in the interests of their constituents.

If this was achieved in just a dozen or so councils throughout the country it would transform the political situation and give hope to millions of unemployed, disabled, pensioners, low-paid workers and others.

Local TUCs nation-wide could become the focal point for organising for these demands in all the major cities and towns. Let's start now.

Ron Dorman

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Stand up and take action

The only solution to the eurocrisis from the Euro-federalists point of view is Euro-federalism consisting of a full blown economic, financial monetary and banking union.

Germany has proposed that all the large banks in the eurozone, to start with, are supervised by one person and not the European Central Bank which will supervise smaller banks.

This means doing away with the powers of national parliament and governments hence the blueprint launched by the EU President, Von Romouy.

There is no concern whatsoever by these pumped up politicians and officials who draft blueprints and draft yet more directives to enforce austerity to put this objective in place for all the peoples who are being forced into poverty with lives blighted. This is unforgivable, especially so for young people who are locked into mass unemployment. This applies not only in the eurozone states but in Britain as well.

The call for a banking union is just one of the strands to get around the eurocrisis and at the same time diminish the influence of Britain's powerful financial and banking sector. The City of London is in competition with the financial centres in Frankfurt and Paris.

Currently, finance capital dominates the economy in Britain and policies of the Condem governments. This has been the case for a number of years now and has been the major reason behind the deindustrialisation of Britain. This led to the removal of large swathes of wealth-making industries, especially manufacturing, which produce the necessary wealth for public sector services including the NHS.

The next objective of the euro-federalists is to have a European

Army in place to carry out the EU's foreign policy. This is euphemism for imperialism. It should be remembered that the forerunner of the EU, the European Economic Community, was founded by six broken empires and then joined by Britain.

There are many still around who want to go back to those days of empires even if it is a collective effort. That group will carry out the resources wars of the 21st century. The bigger the collective the bigger the disagreements and bigger the falls. The further consolidation of the European Army with or without Britain includes various EU Battle Groups already in place.

All this is behind the itchy fingers and potential interference in the Middle East and a desire to put down Syria and Iran as well as any progress or moves to democratise other Arab countries.

All the above is ominous and needs to be exposed for what it really is. That would help lead many in the labour movement to drop their blind obsession with "Europe".

The best way to help those struggling, striking and protesting against the EU's common austerity policies and restructuring of 'Europe' is to oppose these policies at home here in Britain. That is real solidarity.

The general feeling in Britain is opposed to the EU. This is especially so amongst rank and file trade union members and the wider sections of working class people. The soup kitchens, charity run food banks and mass unemployment are here now not just in Greece.

It is time to stand up, oppose the cuts with action and make clear this austerity emanates from Brussels.



eurocrisis

Czech Republic and European Stability Mechanism

Czech President Václav Klaus will not sign the addendum to the Lisbon Treaty that would facilitate the creation of the eurozone's new rescue fund, the European Stability Mechanism, Klaus said at a meeting with managers organized by weekly *Euro*. "I consider these ramparts a monstrous and outrageous thing, and I will not sign them," Klaus said.

The Czech Republic's Senate has called on Klaus to sign the addendum. The Czech Republic is the last European Union member state that has not completed the ratification process.

Britain has ratified, even though we are not a eurozone member.

Of course, according to the European Court of Justice (ECJ) in its recent "determinations" in the case taken by Independent Donegal MP Thomas Pringle it does not matter whether President Klaus permits ratification of the Art.136 TFEU amendment of the Lisbon Treaty by the Czech Republic or not. The ECJ decided in the Pringle case that the ESM Treaty could be ratified by the 17 Eurozone countries regardless of whether the EU Treaties had been amended by all 27 EU Member States.

The ESM treaty comes into force on 1 January 2013

Postal services

The Communication Workers' Union (CWU) is to hold a ballot amongst postal workers in January with the objective of boycotting private firms' mail.

As the *Democrat* has said for many years and times pointed out, under EU competition rules in the Single European Market, Royal Mail workers have to deliver post on behalf of private firms. These privateers can and do cherry-pick the most profitable areas.

Private companies snap up bulk deliveries* and high-density urban areas. This practice has caused price rises, cuts to public postal service and job losses.

(*Morning Star* 4.12.12)

A CAEF leaflet on postal services can be downloaded from our website under leaflets. Please hand one to your local postie!

* Including those of the Labour Party to which CWU is affiliated. Labour leader Ed Miliband has been asked twice whether or not his party will continue to use the privateers. We will let you know the answer.

CAEF affiliation

The Socialist Labour Party (SLP) is to affiliate to the *Campaign against Euro-federalism*.

Organisations, including trades councils, trade union regions, districts and branches can affiliate for minimum fee of £20 per year. Each affiliate will be sent two copies of each issue of the *Democrat*.

Date for your diary

CAEF AGM
April 27 2013
&
Public meeting
Birmingham

Tax avoidance and evasion

The definition of the European Single Market is 'free movement of capital, goods, services and labour'. It is this EU wide market, including Britain, which allows Starbucks, Amazon, Google, other companies and transnational corporations to move profits out of Britain to avoid taxation. Even the EU tax Commissioner Algirdas Semeta has stated that existing single market rules allow businesses to 'structure arrangements with such jurisdictions via the member state with the weakest response....this does not only erode member states' tax bases but also endangers fair competitive conditions for business.

"In a single market, within a globalised economy, national mismatches and loopholes become the playthings of

amazon.com

Google



United Kingdom

those that seek to escape taxation", he added.

The European Commission estimates that around 1 trillion euros* is lost each year to tax evasion and avoidance in the EU. It goes without saying that the situation is particularly acute at a time when governments across Europe are implementing common EU austerity budgets and attempting to increase taxes to plug budget deficits and rebuild public finances.

The launch of EU proposals to have common tax policies would be another factor in bringing about a fiscal union

especially for the eurozone

* 1 trillion euros is equivalent to £807,000 million. If this were divided up between the whole population of 503 million of the EU it would work out to be £1,604 each.

1 trillion is a million million

Divisions within the EU

The Netherlands Dutch Prime Minister Mark Rutte said, "What we want to do is to have a debate at the level of the 27 [EU member states] over whether Europe is not involved in too many areas which could be done at the national level...The British want to repatriate competences to the UK, and they already have a list. We, the Dutch, do not want a regime of exceptions – but a debate and decisions by all 27.

"Europe needs [Britain] for at least two reasons: a banking and financial system ... The role of the Dutch is to make sure that Britain stays aboard."

EU Budget The inconclusive EU Budget negotiations in November consisted of Mr Cameron once again play-acting. This was largely for the benefit of the growing number of eurosceptics in his own party and back-bench MPs. It is also to try and stem the switch by voters from the Tory party to UKIP.

An aim of the Euro-federalists is to have a much bigger EU Budget which is part of the financial and banking union for the eurozone in an attempt to solve the eurocrisis.

Spain - Catalonia Independence is on the agenda for Catalonia in addition to the long term aim of the Basque region. The crippling EU austerity policies bear heavily on local regions which have forced economic issues to the fore to regain local autonomy and break up centralisation both from Madrid and Brussels.

Palestine Differences within the EU over recognition of Palestine as a nation-state surfaced in the run up to the vote at the UN. Germany tried very hard to gain a unified position of EU Member States to oppose or abstain from the vote. In the end only Britain and Germany abstained and all other Member States voted for Palestine.

European Army

Luftwaffe, Weimar Five, EU military HQ, EU Battle Groups

Luftwaffe & Weimar Five

German government advisors are pleading for the creation of a joint German-French air force. In light of an alleged "deterioration of EU military efficiency," the "two major nations" in Europe are "required to take the leadership," according to a position paper published by the German Institute for International and Security Affairs (SWP).

"Clear signals" must finally be given and "concrete proposals for security policy cooperation" presented, rather than non-binding declarations of intent. For example, a fusion of the air forces of Germany and France would provide a good opportunity for promoting military as well as arms industry cooperation. Experts in Berlin have been complaining for some time that desperately needed cooperation of the arms industries throughout the EU still hasn't really materialised, despite persistent political appeals.

Aside from the advantages for the arms industry, this plea for the creation of a German-French air force is aimed at the recent French-British military cooperation, considered in Berlin as a means to prevent a German predominance of the EU's war policy. It is clear that practical measures have now been taken to split the British-French alliance. The latter includes 'sharing' an aircraft carrier which is key to air dominance as happened in military action against Libya and would be important in any military action in Syria which is of special interest to France.

The thrust to form this joint German-French air force stems from a meeting of the Weimar Five consisting of German, France, Poland, Spain and Italy. These EU Member States fully support an EU Military HQ in Brussels. This group of five want to see an expansion of the European military-industrial-complex to provide the European Army.



The proposal to set up an EU military HQ was vehemently opposed by Britain. Such an HQ is seen as a competitor to NATO and weakening US influence as Britain's military partner across the world. In real terms it is the US military machine which protects Britain's vested financial and capital investments out-

side these shores. The US Pentagon has made clear it is not happy about the prospect of an EU military competitor outside the control of US military commanders.

A German-Italian conference in Rome organized by two influential think tanks discussed the importance of Britain for the EU. According to the report, the Germans thought that Britain must stay in the EU because without the British military there could be no European Army strong enough for what they want including the EU's foreign policy. The Italians are said to be of the opinion that the British military is in a bad state and that the EU might cope very well without it. The report from a German perspective suspects that the Italians only want to be with Germany and France as part of the "big three" of the EU again, something they will not be as long as Britain remains a Member State. This is further proof that an intensive debate on the topic of the European Army and EU foreign policy is currently taking place.

The Peace and Neutrality Alliance (PANA) of Ireland has published a pamphlet on EU Battle Groups. This 28 page publication can be found at PANA's website www.pana.ie

It was a former President of the EU Commission, Jacques Delors, who stated that a European Army is required to fight the resources wars of the 21st century. CAEF published a pamphlet on this subject and has the intention of placing this on the CAEF website.

More recently the German Chancellor said that the eurocrisis would provide opportunities including that of further advances towards a European Army.

EU news

Binge drinking

The European Commission has sent a nine-page legal opinion to the British Government warning that minimum prices are illegal – and that the Treasury should increase duty on alcoholic drinks if it wishes to raise the price.

This 'legal opinion' is an EU diktat and an example of interference of the EU in the affairs of Britain.

Water bills



Plans to force water companies to remove traces of pharmaceuticals found in rivers, lakes and seashore waters used in commonly used pills are being drawn up by the European Commission. Estimates of such an exercise are £20 billion over 20 years. This would push up household annual bills for water and sewerage services by £40 to around £420.

Whether or not such EU legislation is necessary it should be decided by Britain's government not by the unelected and unaccountable Commission in Brussels. In addition the cost should primarily be borne by the private water companies.

What they said

"Nobody is profiting from Europe more than Germany," German finance minister Wolfgang Schäuble told the Bundestag on 30 November when asking for approval for the new Greek 'adjustment' package. He admitted that it took a while to realise that "decades of failure" in Greece could not be fixed in two years.

Humanitarian catastrophe

A German civil and human rights activist has filed charges at the International Criminal Court at the Hague in the Netherlands for suspected crime against humanity. These charges are in addition to several Greek citizens making charges against the ECB, European Commission and IMF troika.

The main charges are that the Greek health system has been damaged and that starvation is taking place which have caused a humanitarian catastrophe. This includes the reduction of employers' contributions to social insurance, cuts in pensions and wages, withholding of medicines, hospitals short of finances and a great deal more.

The plaintiffs allege that the troika and German government knew what would happen and that the austerity policies imposed were predictable and deliberately accepted.

(sources can be found at various websites)

Acronyms

CDS

Credit default swap

EDA

European Defence Association

EDITB

European Defence & Technological Industrial Base

EUATC

European Air Transport Command

FAC

Foreign Affairs Council

EEAS

European External Action Service

A full list can be found on www.caef.org.uk

Exclusive report by V N Gelis

Greece: A nation state in its EU death throes?

Having fought an election on the platform that 'there is money' PASOK's US-born leader, ex-Premier George Papandreou, fiddled the books and ensured the Greek budget deficit became larger than it was for Eurostat so that Greece could enter the IMF's bailout programme.*

Three years down the track, the aim of this subterfuge becomes increasingly clear: to create a new, tax-free, 'offshore', non-unionised region of the EU in the geographical territory that was Greece.

After 30 or so years of EU membership and a decade of Euro membership, for the last five years of which Greece has been in recession, GDP has collapsed by 25%, unemployment is officially around 25% (56% for youth, 33% in the private sector), soup kitchens and suicides (3,000 so far) are the only growth areas of the economy and the centre of Athens is starting to resemble parts of Detroit.

The last package of cuts—which cut wages by 50% for those still lucky to be employed and pensions by at least 25%—have the aim of dragging wages down to euro 300 and pensions to euro 100. The 'minimum' wage has been reduced. In the private sector, where workers are begging for work for as little as euro 10 a day for 12 hour shifts, 6 days a week, the minimum wage now stands at euro 580. Unemployment pay, which only lasts for a maximum of 12 months, stands at euro 360 with no housing component. This means that Greece is fast on the road to matching parts of Asia in wages so as to become the EU's role model for the future of the new regions the EU wants to create, which are to be run from the centre with new EU gauleiters in every ministry and every public institution

(hospitals, universities and council offices administration), who will dictate budgets and cuts and have overall control, thus superseding both the Greek constitution and all local decision making.

As if to rub salt in the wounds, Greece has had the arrival of Germans, which is of course deliberate and conscious, to ensure the wounds of old (occupation of the Third Reich which led to 6-700,000 Greek deaths) are repeated in a new form.

The purpose is the total fire sale of all public assets, bigger in form than anything that has hit the Western world—including in countries which are or were the poster boys for neo-liberalism, Chile and the ex-USSR—with the eventual aim being the takeover of all public services in a deregulated, post-unionised, contract-based, private company paradise where workers will be employed only if willing to work for less and less.

The process by which the Greek nation state is to be torn apart involves a changed electoral system under the Kallikratis Plan now being implemented. The plan created 13 regions of Greece with their own separate tax and spending powers and merged councils and town halls subordinate to the 13 regional governors who will decide policy directly for each region.

Germany recently proposed allowing German companies to employ Turkish citizens in Western Thrace (Greece) by allowing the relatives of those expelled in 1923 under the Treaty of Sevres to settle there, thus creating a new Kosovo in Greece. Proposals have also been placed on the table by the Troika to abolish Greece's standing army.

Depending on the resources each region has, privatisation lists are being

"Despite over 20 General Strikes...the ruling elite proceeds apace to impose EU directives as though they are confetti..."



drawn up. Assets are to be sold to transnational corporations for peanuts. For example, Skouries, in Thessaloniki, sold the rights to a Canadian gold mining company for a few million euros, it was then listed for hundreds of millions in a foreign stock exchange.

Despite over 20 general strikes—a genuine mass movement of occupation of city squares in the summer of 2011 involving millions of Greeks in over 30 cities—the ruling elite proceeds apace to impose EU directives as though they are confetti and to drive down lower than even the minimal alleged 'EU social charter'.

This is permitted because there is no minimum barrier for standard of living, health care or education. The enforced integration of Europe aims at creating one European government. This can only be accomplished by the abolition of the nation states, the centralisation of the banking system (three or four, controlled from the centre, will remain in Greece).

Thus, the formulation and implementation of policies of indigenous national development cannot occur. The implementation of the Bolkenstein directives ensured illegal immigrants worked on the building projects for the Olympic Games and that Greeks never got a look-in. Over euro 10 billion are exported to

other countries via Western Union outlets as there are no capital controls.

Now that 95% of all building work has collapsed we have just the public sector left, which is the target of the large transnational corporations.

We have arrived at the stage where it has become clear that, instead of Greece's entry into the EU heralding development mirroring that of Germany, it has become de-industrialised and has lost nearly all its agricultural production due to EU directives and open borders in the importation of agricultural goods with zero tax, setting it on a path leading in the direction of Bangladesh. The perpetual race to the bottom has only one outcome. The effect will be to create the EU's first direct colonial region as the shining path for all others to follow suit—Portugal, Ireland, Spain.....

*** Goldman Sachs helped the Greek government to mask the true extent of its deficit with the help of a derivatives deal that legally circumvented the EU Maastricht deficit rules. At some point the so-called cross currency swaps will mature, and swell the country's already bloated deficit.**

In other words Greece's debt was deliberately covered up with help from Goldman Sachs over a ten year period from 1998 to 2008.

Goldman Sachs

EU Connections

Mario Monti Prime Minister of Italy who heads a technocrat government which replaced Berlusconi and is an international adviser to Goldman Sachs.

Mario Draghi Current Governor of European Central Bank and former managing director of Goldman Sachs International.

Lucas Papademos A former Prime Minister of Greece and had run the Central Bank during the controversial derivatives deals with Goldman Sachs when Greece hid the size of its debt.

Petros Chrisodoulou Began his career at Goldman Sachs and was head of Greece's debt management agency.

Otmar Issing Was a board member of the Bundesbank and Executive Board of the European Central Bank and an international adviser to Goldman Sachs.

Antonio Borges Is a former head of the IMF's European Department and former vice chairman of Golden Sachs international.

Peter Sutherland Was a former Attorney General of Ireland is a non-executive director of Golden Sachs International.

Karel van Miert Is a former EU Commissioner for Competition and former International adviser to Goldman Sachs.

Mark Carney Is the next Governor of the Bank of England. He was employed at Goldman Sachs for 13 years and became managing director of investment banking. He worked on South Africa's post apartheid venture into international bond markets and was involved with Goldman's with the 1998 Russian financial crisis.

Further examples welcome

Labour movement

Watch Your Language

'International Community'

This phrase is being bandied about without any regard to the real situation. It is often used in the context of going to war or bullying particular nation-states.

Most times there are only a few nation-states included in the International Community such as the attack on Libya.

Britain's Foreign Secretary Hague is very fond of using the term especially and currently in regard to Syria. Not included in the Community is either Russia or China and certainly not Iran.

CAP money

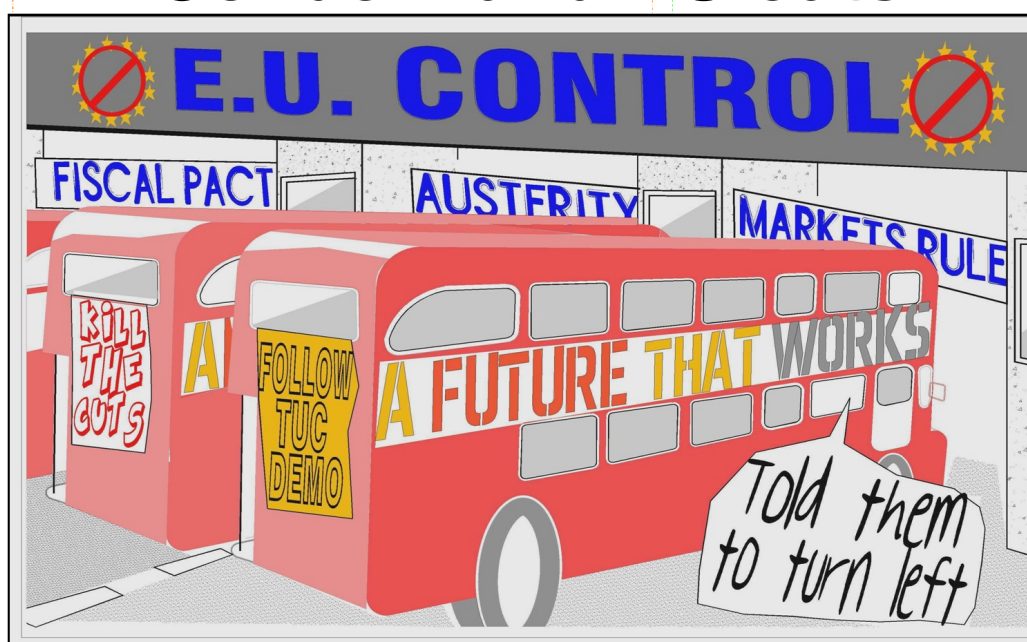
In 2009, the German armaments company Rheinmetall which produces tanks, ammunition etc. got euro 83,795 from an EU programme for the development of remote rural areas. In 2007, it received euro 48.152 from the same programme. The money was used for maintaining a forest on an artillery range used by Rheinmetall. At the very same artillery range, the company had during the 1970s tested ammunition with depleted uranium.

Review

Alex Gordon: *Unity is Strength, The National Union of Railwaymen – 100 years of industrial unionism*: RMT: 72pp illus: £3 p&p from www.rmt.org.uk



Opposition to Condemn and EU cuts



The TUC's October national demonstrations called us to march for 'A Future That Works', but other than a need for 'more fairness' the departing General Secretary failed to tell us what it might be!

Something possibly along the lines of an expanding economy, full employment, health and education services free at the point of use, pensions, the right to freely organise trades unions?

In taking up the fight for *A future that*

works the incoming General Secretary could do far worse than begin by asking how we came to lose what we had?

Along with how the Britain's economy and State became hostage to a City of London financial mafia in desperate dependence on access to the EU single market? Along with a huge exposure to the PIIGS banking & sovereign debt crisis together locking Britain into a race to the bottom with the Eurozone?

Answers please on a postcard

Trade Unionism

This book has been written as part of the celebration of the founding of the NUR in 1913, and includes the triumphs and defeats on the way. The story starts with the great hopes of the railworkers' All-Grades Movement and their ultimate betrayal by 'Lib-Lab' trade union leaders in 1907. The response was influenced by new revolutionary ideas, socialism and syndicalism. They took a key part in the campaign for independent working class education, founding the Pleb's League and setting up the Central Labour College.

The first national rail strike took place in 1911 which saw political class-consciousness spread into workplaces and communities of the most industrialised country in the world. Over the next

couple of years practicalities brought about an amalgamation of rail unions to found the NUR in 1913.

The struggles in and around the General Strike of 1926 and the role of the NUR in the 'Triple Alliance' of miners, transport and railway workers is explained. The initial 35 years of the union led to the nationalisation of railways in 1947. The NUR amalgamated with the National Union of Seamen and transport workers to form the Rail Maritime and Transport workers union and remains.

This popular history is a must for those interested in democracy and the labour and trade union movement. It is also an appetiser for the history to be brought up to date to include details of the political and economic struggles in the more recent period especially now that unions are needed more than ever.

National Parliaments “not best of EU’s interests”

says Van Rompuy EU President*

A new ideas paper on progress towards further EU integration highlights the shifting power sands for national parliaments as the European Parliament is set to become the principle democratic guardian of a future EU.

The paper - put together by EU council president Herman Van Rompuy and published on 6 December - lays out a loose time framework for achieving "genuine economic and monetary union."

In a section entitled democratic legitimacy and accountability - the section itself is an acknowledgement of how the issue has moved up the political agenda - the paper notes that one "guiding principle" is that democratic control should happen at the "level at which the decisions are taken."

It points out that while state budgets are at the "heart" of parliamentary democracies, national assemblies "are not in the best position" to take the "common interest" of the union into account.

"National budgetary policies are a matter of vital common interest," says the paper.

It will be the European Parliament that "first and foremost" will be given more oversight powers as more economic and monetary powers are given to the EU level.

Meanwhile, MPs will need to carve out a role for themselves in the two-way dialogue between member states and the European Commission on how national budgets should best be spent and what reforms need to be undertaken.

EU officials believe that all euro states should eventually be obliged to sign up to reform "contracts" as a way of ensuring that unpopular structural changes



are made - building still further on the already powerful budgetary oversight powers that the European Commission has been given since the onset of the financial crisis.

These contracts would be the result of "intense dialogue between each member state and EU institutions" and would run to several years - although they could be changed if the government changed.

It says parliaments would have to approve the contracts in order to ensure "national ownership" and the arrangements themselves would have to be detailed and specific enough for MPs to be able to tick-box the reforms being made.

However, there are few concrete suggestions in the paper as how to entwine national parliaments in an EU where decisions on areas generally connected to being a state will increasingly be taken at the European level.

The paper suggests that national and European MPs cooperate more, referring to a part of the EU treaty that foresees deputies from relevant committees meeting for inter-parliamentary conferences.

But anything of this nature would have to be established by both the national parliaments and the European Parliament, with the latter itself keen to beef up its EU scrutiny powers.

** Report by Honor Mahony, EUObserver, Brussels, 6 December 2012*

Sovereignty

Syria and the Middle East

German government advisors are warning against further military reinforcement of the Syrian rebel militias and insist instead on finding common ground for an agreement on Syria with Russia and Iran.

The situation of the civilian population is already catastrophic and will become even worse, according to the German Institute for International and Security Affairs (SWP). According to the paper, whereas the Syrian civil war has developed into a proxy war between the West on the one hand and Teheran and Moscow on the other, there is no perspective of finding a domestic solution independent of the external powers.

Some western forces view the neutralization of the regime in Damascus, an ally of Teheran, as the prerequisite for war on Iran, which is why Teheran supports Damascus at all costs.

The SWP points out that political structures still exist in Syria, that are seeking a political solution, but they are still being ignored by the West. The think tank warns that if an escalation to the conflict cannot be halted, the country will disintegrate into splinter fiefdoms under individual warlords for a long time to come.

(German Foreign Policy Correspondents 3.12.12)

Maltese buses

Malta's Government collapsed yesterday over negotiations for next year's budget. Malta Prime Minister Lawrence Gonzi lost his one-vote majority after a vote over the budget bill. The move comes in protest over the Government's decision to hand Malta's bus service to a German operator.

Quiz No. 132

What are the following phrases?

1. **MIGRAINE**
2. **ci ii**
3. **NOTIC**
4.

R.P.I
5. **cHIMp**

Answers No. 131

1. Afternoon tea
2. White elephant
3. Short notice
4. Oliver Twist
5. Easy come Easy go

Sung to tune of "Solidarity for Ever"

Words by **Tony Grace**

While the Bankers steal the cream
The Euro train runs out of steam
Fed'ral Europe remains their goal
while millions languish on the dole
The ECB confers in vain
to stop the rain in cash strapped Spain
That state may look to split apart
before it leaves the Eurocart
With fiscal monsters at the helm
what price the freedom of our realm
and all the lands
held in Eurocentric hands

REFRAIN

National sovereignty forever
Euro-federalism never
National sovereignty for ever
Referendum now



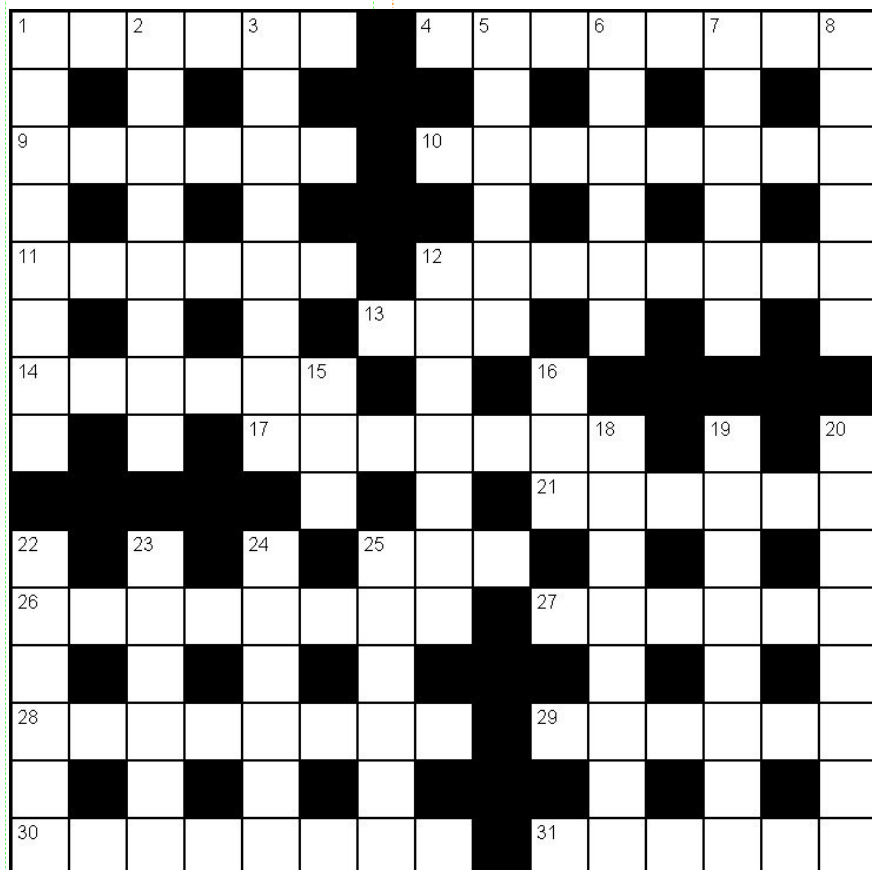
Time to quit the superpower
Shall we live to greet the day
when the Euro state is swept away
Beneath the brows of bankers grey
the workers lose the right to strike
Labour must move freely they say
"Lost your job" then take a hike
"don't fall sick or you'll be sorry"
The Euro camp will cut free health
The Rich, of course, won't need to worry
If you need care then you'll need

ACROSS

- 1 Wholesome (6)
- 4 Ship involved in 1949 'Yangtze incident' (8)
- 9 Attracting iron (6)
- 10 Site of last Nazi offensive (8)
- 11 Rogue (6)

- 12 Philosopher that inspired French revolution (8)
- 13 That woman (3)
- 14 Flew too near the Sun (6)
- 17 European treaty that promotes nuclear projects (6)
- 21 European river (6)

- 25 Devil (3)
- 26 Music stolen by EU (3,2,3)
- 27 Mexican revolutionary (6)
- 28 Fake medicine (5,3)
- 29 Takes snaps (6)
- 30 Most Westerly point in England (5,3)
- 31 Quality (6)



Crossword

No. 132

DOWN

- 1 Irish 19th century demand (4,4)
- 2 Roman Caesar (8)
- 3 Site of 'international' court (3,5)
- 5 Tolkien's Land of Shadows (6)
- 6 Belief in a single Deity (6)
- 7 US northerner (6)
- 8 Thin paper (6)
- 12 Soviet forces (3,4)
- 15 Total (3)
- 16 Soil (3)
- 18 First World War female spy (4,4)
- 19 Capital of Hungary (8)
- 20 Washington crossed it in 1779 (8)
- 22 Evidence of dinosaurs (6)
- 23 French Nazi collaborator (6)
- 24 Surprising (2,3)
- 25 Greek islands (6)

Renewals

For those CAEF members and *Democrat* subscribers whose subs have run out, envelopes for this issue are marked R or RD in the first line of the address indicates need to renew. R is for members £15 (£10 unwaged) and RD is £12 for Democrat subscriptions.

Please renew as we depend on these subscriptions and donations to keep both the *Democrat* printed and circulated and our Campaign active.

The cash helps us to circulate the paper, leaflets and pamphlets across the labour movement including local TUCs and trade unions. The membership and subscription rates were increased at the CAEF AGM earlier this year to take account of the big increase in postage and paper costs. These rates have not been raised for many years.

Crossword 131 solution



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Useful Websites

CAEF does not necessarily agree with everything in these sites

Campaign against Euro-federalism with data from current and some back issues of the *Democrat*.

www.caef.org.uk

EUobserver reports daily on EU matters with links to other newspapers and sources. This is a very popular web-site:

www.euobserver.com

Scottish CAEF:

homepage.ntlworld.com/foster-prendergast/scaef/index.files

Trade unionists against the EU Constitution (TUAUEC):

tuauec.org

No2EU yes to democracy:

NO2EU.com

TEAM the European alliance of EU critical organisations. Lists links to other organisations across Europe:

www.teameurope.info

Democracy Movement, a broad movement with a large number of supporters:

www.democracymovement.org.uk

Campaign for an Independent Britain (CIB):

eurofaq.freeuk.com

Labour Euro-Safeguards Campaign, for Labour Party members:

lesc.org.uk

Peoples' Movement Ireland:

people.ie

National Platform of Ireland:

nationalplatform.org

German foreign policy group of journalists:

german-foreign-policy.com

Open Europe—an influential think tank of leading business people:

openeurope.org.uk

Corporate Europe Observatory (CEO):

eulobbytours.org

Data on other sites welcome

Campaign against Euro-federalism

The *Campaign* opposes:-

- the EU Constitution which hands over more powers to unelected and unaccountable bodies and reduces further the influence of Britain in the EU;
- the EU Charter of Fundamental Rights, part II of the Constitution, because it takes rights away;
- the introduction of a Common Foreign and Security Policy and an EU Foreign Secretary;
- the formation of a European Army and battle groups as part of rapid reaction forces would be a threat to peace.

The *Campaign* is a democratic organisation and primarily oriented to the labour and trade union movement and people whom these organisations normally represent, including democrats, socialists, trade unionists, students and pensioners.

The *Campaign* is for democracy and accountability, independence, jobs the pound and against racism.

The Democrat

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Arthur Smelt says

Nobel not so Noble

The word *noble* has many meanings one of which equates the word with honour and high moral qualities.

Nobel is the surname of Alfred Bernhard Nobel (1833 to 1896) a Swedish chemist and industrialist. His attempts to find a safe way to handle nitroglycerine resulted in the invention of dynamite. He built a network of factories to manufacture and market his explosives. Nobel registered more than 350 patents, many related to explosives.

He was said to be a pacifist but was called the 'Merchant of Death' for inventing explosives which were subsequently used in war. However, the massive fortune he made from explosives and oil he bequeathed to setting up Nobel Prizes to be awarded to individuals who made outstanding contributions to society in the world of science, physics, chemistry, physiology, medicine, literature and peace.

Of course Alfred Nobel is no longer with us and the prizes are awarded by four institutions, three Swedish and one Norwegian. Lately these institutions seem to have lost their way. A peace prize awarded to Barak Obama seems most incongruous when his government, amongst other things, continues with others, the lunatic war in Afghanistan and the use of Drones to bomb people in Pakistan resulting in the loss of many innocent lives in a country not at war.

Then we have the award to the EU. This corrupt, inefficient, wasteful, dictatorial, bureaucratic plutocracy, is by its policies bringing disruption and chaos to the lives of millions of people who are becoming increasingly angry about what is happening. What is also infuriating to the man and woman in the street is the way in which politicians, elected to represent the public interest are being sucked along like the sycophants most of them are.

Seumas Milne writing in the *Guardian* says: "What have been mercilessly revealed by the crisis are the inbuilt flaws at the heart of the EU. The neo-liberal model of deregulation and privatisation has failed across the western world is built into the structure of the EU by treaty. Freedom of movement for capital without freedom for public intervention and investment has become a fatal obstacle for recovery."

The privatisation of everything in sight under EU directives is causing endless problems. Contrary to bringing about efficiency and economy the reverse is happening. When profit comes before people, widespread malpractice, corruption and

rackets of every description evolve. At the present time various rackets connected with tax evasion are beginning to emerge. Not long ago an American doctor of medicine exposed the extent to which drug companies bamboozle the public with their products, some of which have not been thoroughly tested for harmful side effects. Private medicine, again in the USA has been found carrying out treatments and operations not for therapeutic reasons

but for profit. The owners of private prisons have been found out attempting to bribe the judiciary to incarcerate as many of those accused of crime as possible to boost the income of those companies running prisons. Where profit is paramount above all else, this kind of abuse is inevitable. For some time now we have been witnessing and experiencing serious climatic disasters around the world. The recent Sandy hurricane which hit the Caribbean and the United States and our own serious flooding problems are telling us there is something we should be acting on now. If profits continue to come before people and the planet the consequences will be disastrous. Nobel should be encouraging altruism not ruthless capitalism.

