

EU attacks wages and collective bargaining

Over 30,000 Belgian protesters marched through Brussels in June against a wage freeze demanded by the European Union.

The Belgian government has already implemented harsh EU austerity measures but economic affairs Commissioner Olli Rehn has announced that wages needed to be cut by next year or face a 780 million Euro fine.

Report by Brian Denny

The EU has been targeting the Belgian wage setting system for years now, but without success. Now the Commission is demanding that Belgium must "fundamentally reform" its "wage norm mechanism".

The Commission is testing new powers it has acquired over the past years over the economic governance of member states and to control wage levels. Belgium has been singled out to be the guinea pig.

Collective bargaining is also being hollowed out by EU diktat and European court rulings, severely weakening trade union powers to defend their members.

Even the EU-backed European Trade Union Confederation general secretary Bernadette Segol identified two fronts where collective bargaining is coming under attack: the decentralisation of bargaining and allowing employers to ignore trade union bodies in favour of non-union bodies.

Addressing the theme of Social

Europe, she points out that "policies that are being implemented are attacking industrial relations system, are putting pressure on wages, are weakening public services and weakening social protection.

"These are the core aspects of the social model," confirming the view of many observers that the model is now dead - if indeed it was ever alive at all.

The attack on trade union rights has been most intense in countries that have received financial 'bail outs' such as Greece, Portugal and Romania. The 'troika' of the IMF, the European Commission and the European Central Bank puts strenuous conditions on the loans which really only pay the debt owned by Europe's largest banks rather than the country.

In Romania national wage bargaining has been abolished and new rules have proved so complex that collective bargaining has almost ground to a halt.

In Greece, Spain and Italy companies are now legally entitled to set worse terms of employment under the guise of EU demands to increase economic 'competitiveness'.

The EU is insisting that the austerity drive will increase 'competitiveness'. Greek employers and the state has driven down wages dramatically but there is no sign of economic improvement. In fact, the attack on Greek wages is more likely to have led to a weakening of the overall economy.



Belgian workers protest at EU cuts



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EU-INDIA Free Trade Agreement



In a ruling delivered on 7 June following a lawsuit by lobby watchdog *Corporate Europe Observatory*, the European Court of Justice in Luxembourg concluded that the European Commission did not violate EU rules when withholding information about the EU-India free trade talks from the public, even though it had already shared the information with corporate lobby groups. *Corporate Europe Observatory* warns that this decision risks deepening the secrecy around EU trade negotiations and legitimises the Commission's practice of granting corporate lobby groups privileged access to its policy-making, at the expense of the wider public interest.

This trade agreement is an extension of the European Single Market with free movement of capital and labour. An objective is to move workers from India to Britain and pay them at Indian rates of pay plus, no doubt, a little bit more to make it attractive to move to Britain on a short term contract.

Trade unionists are following closely the introduction of the Agreement because principles of collective bargaining and jobs are at stake. This is especially so for the factories and jobs in the Midlands.

Also being put in place are trade agreements between the EU and the US and Canada.

Billionaires bailed out by Irish taxpayers

Report by People's Movement in Ireland

What has happened in Ireland is nothing less than the destruction of a nation in order to reward billionaire bond-holders who invested recklessly, and then went crying to the European Central Bank when it didn't work out. In other words, it was their fault, and they should have lost their collective shirts when the banks failed.

This is the heart of the bail-out battle in Ireland and everywhere else: taxpayers v. bank bond-holders.

Now it has just been revealed that the world's second-richest man, Bill Gates, the founder of Microsoft, was a major holder of Irish bank bonds before the financial collapse that resulted in the Irish taxpayer being put on the hook for the €80-plus billion bank bail-out.

The identity of wealthy bond-holders, bailed out in most cases by Irish citizens, has never been revealed fully. The billionaire owner of Chelsea Football Club, Roman Abramovich, emerged as a bond-holder in Irish Nationwide after



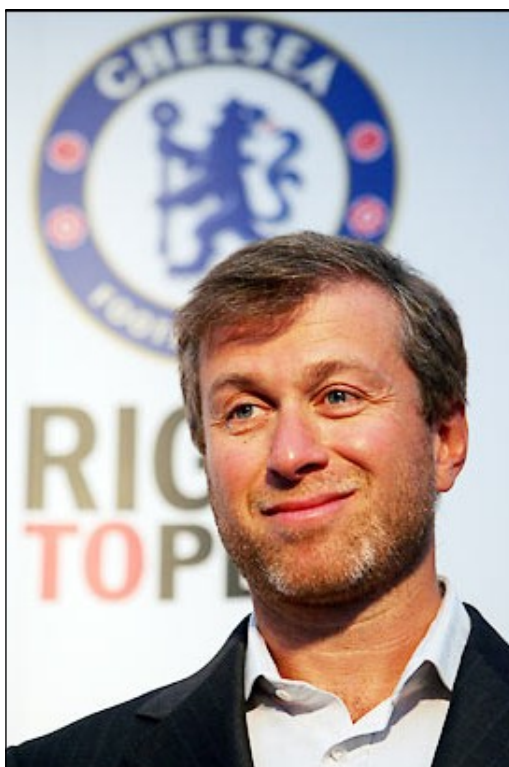
his investment vehicle Millhouse was involved in a court case. Abramovich and his partners lost the case, but many other bond-holders were repaid in full, despite backing irresponsible banks.

French and German banks were the largest holders of Irish bank bonds. Pressure on Ireland from the ECB and the US Treasury not to "burn" senior bond-holders resulted in those French and German banks being repaid in full when the Irish banks failed.

Most recent regulatory submissions show that the Bill and Melinda Gates Foundation still owns nearly 99 million shares in Bank of Ireland, which would be worth about €20 million at today's prices. Gates was also a bond-holder in Anglo-Irish Bank, Irish Nationwide, Bank of Ireland, and Allied Irish Bank, according to new submissions that report investments by the Gates Foundation. This total included 7 million bonds in Anglo-Irish, valued at nearly €9 million.

The trust also listed a holding of 1 million Irish Nationwide bonds, worth €2.02 million. It also owned Bank of Ireland and Bank of Ireland (UK) bonds worth more than €7.7 million as well as more than €5.54 million in Allied-Irish Bank bonds.

Abramovich obtained his money when industries in the USSR were privatised and then ran away to Britain



The mad European Single Market and privatisation

The railways have been privatised according to EU Directives and several 'rail packages' which is another name for EU legislation that is rubber stamped by parliament. The latest example of the Single Market is the East Coast mainline currently run by the Department of Transport as a not-for-private profit operator after National Express handed the contract back to the Government in 2009. The line has returned a profit of £640m to taxpayers and reinvested a further £40m in new trains.

However, our Con-Dem Government has decided that the single market and Brussels have to be obeyed and the line will be re-privatised in 2015 despite the obvious blatant move in the pure interest of their privateer friends. RMT and the opposition in Parliament have opposed this outrageous scandal. RMT members are in little doubt the real effects of the single market has on their industry.

Royal Mail is to be sold off whilst privateers gobble up the lucrative parts of the service. On 22 May the BBC4 Radio Today programme discussed the privatisation of Royal Mail with the CWU Assistant General Secretary followed by Con-Dem's Vince Cable. The latter stated that "competition had to be applied"

due to the (European) Single Market rules and there was "no way around that". It is a pity more Ministers are not as honest and that trade union leaders need to make clear to their members what is going on EU wise. Competition means privatisation which is what the free movement of capital, services, goods and labour is all about in the Single Market. We need a government which will ignore Brussels on behalf of the workforce in Britain to protect industries, jobs and lives.

As well as postal services and railways, other industries and services are subject to not so subtle forms of privatisation and removal of democratic accountability. Education and, as practically everybody knows, the NHS are being handed to privateers. Services previously run by local, regional or national government have been handed over to the private sector. For example the assessment of disabled people to judge whether or not they are entitled to a benefit.

That is in addition to refuse collection and street cleaning. Prison and court services are being franchised out and nearly everything else you can think of.

On top of all that the European Single Market is being extended outside the EU to as far away as India and the American Continent. All this needs to be exposed, opposed, stopped and reversed. If it is not, the social consequences of these policies will be catastrophic. What is required is a tad of explaining so that many more people understand the situation in the first instance and then help our Campaign which will then reach many others.

Street hawkers in India opposing the Free Trade Agreement



Brief report

CAEF AGM and Public Meeting

The 2013 Annual General Meeting was moderately attended and business conducted with all reports adopted. An Executive Committee was elected with two new faces. The two motions from the Executive Committee were passed unanimously with a couple of minor amendments. These have been posted on the CAEF website and were circulated beforehand to all members and affiliates. Two pertinent questions arose from the meeting. The first was about the proposed conference in Greece which had been postponed from February to May and they have now postponed to the autumn. The

second query about TEAM's AGM in September. A new board was elected at the AGM in Copenhagen but without a representative from Britain. Further details other than that on the TEAM website are not yet to hand.

The public meeting was addressed by Mark Seddon from People's Pledge who made clear that the campaign to make sure a referendum on EU membership was successful and to not let the Con-Dem Government derail this. Horst Teubert from the German Foreign Policy Group outlined politics in Germany especially around support and opposition to the bailouts in the eurozone. His full speech can be found on the CAEF website.

EU matters

Jam jars to jam



In the September/October issue of the *Democrat*, mention was made with regard to an EU ruling connected with jam jars not being allowed to be re-used. Now we have come across an EU ruling connected with jam.

It seems that under EU rules a pot of jam cannot be called jam unless it has 60% of sugar or more. If a jar has 51 % to 59% of sugar then it must be called fruit spread. If it has less than 50% it can be called "reduced sugar jam." Vince Cable says he will sort it out and also says: "This is exactly the sort of ridiculous red tape that we want to do away with."

Such inconsequential nonsense (along with all the other) makes one wonder just what goes on in the Brussels bureaucracy and when are we going to kick the whole shooting match into touch?

Latest affiliation to CAEF

The Revolutionary Communist Party of Britain (Marxist Leninist) has affiliate to our Campaign. CAEF is an example of unity in the labour movement where the Executive Committee has members of different political parties and trade unions, and those of none. This reflects CAEF's diverse membership.

Apology

Part of the last sentence in Arthur Smelt's piece in March-April issue got cut. It should read:change the political agenda, before it is too late.'

Margaret Thatcher and the Supra-State of a Europe of the Monopolies

Michael Chant

Margaret Thatcher pretended that she was for Britain. She fought those who were eager to merge completely with the European Union. Her defence of Britain did not amount to upholding the sovereignty of the British people or the peoples of Europe or the world. On the contrary, her defence of Britain reflected the striving of British monopoly capitalism to dominate the world.

Thatcher's tenure in office was followed in 1990 by that of Conservative John Major and then in 1997 by Labour Party leader Tony Blair. Blair took up the same social chauvinist and imperialist path where Thatcher and Major left off but raised it to a new level of neo-liberal wrecking. Blair called his particular notion of a Greater Europe, the "people's Europe", which one of his ideologues described as "an association of free member states sharing common interests, not surrendering sovereignty". What these "common interests" may be remains a mystery of state to be manipulated at the whim of the most powerful monopolies that seek to dominate Europe as a springboard to rule the world. The same monopoly interests, represented in the Troika (European Commission - executive of the EU, European Central Bank and International Monetary Fund) are today using the economic crisis to rape and plunder the oppressed peoples of the European Union.

How the peoples of Europe have been treated by the dominant cartels of finance capitalism shows what the Blair/Thatcherite vision of a united Europe as a "people's Europe" means, which in essence is a Europe of the monopolies. It represents an attempt to create a supra European state of the monopolies where the most powerful enslave the weak. Its aim is to create a powerful bloc capable of dominating the world, especially Asia and Africa.

The various notions of a "common European home", "people's Europe" and "free and equal union of European states"



Mrs Thatcher next to Geoffrey Howe reading SEA

only have meaning either as the subjugation of the weaker by the stronger in Europe or in relation to the conquest of other regions, principally Asia and Africa. Margaret Thatcher wanted to make sure that Britain would dominate Europe so that the re-conquest by imperialist Europe of Asia and Africa would be its means to conquer the rest of the world. This is what Tony Blair later expressed as his mission "to make Britain Great again".

Margaret Thatcher presided over the period during the late 1980s that ushered in the retreat of the revolution. Her project was to have Britain dominate a Europe of powerful monopolies, with the working class thoroughly enslaved as its reserve, ready to pounce on the world and take it over in a blitzkrieg.

The people have subsequently witnessed this as Britain in league with US imperialism in collusion and contention with other big European powers have launched successive and mounting covert and overt attacks throughout the world, from the former Yugoslavia, to Iraq, Afghanistan, Libya, and now Syria. The Hitlerite method of victory through blitzkrieg has yet to materialise on the Korean Peninsula although that may be the plan. The ongoing assaults are leaving terrible destruction and human suffering in their wake with the crimes against humanity prettified as a fight for democracy and human rights.

There is an alternative for the working class and people. It is to fight against the anti-social offensive, including the dictate coming from the concentration of power in the Europe of the monopolies. It is to fight for a society in which sovereignty is vested in the people, that is to say, where the people are the decision-makers and not those who uphold and implement the interests of the monopolies. That is the lesson coming from the experience of Margaret Thatcher's ideology of the anti-social offensive.

"Alternative for Germany"

by Horst Teubert of German Foreign Policy Group

Since its founding in early February 2013, there has been much debate about a new German party - the "Alternative for Germany" ("Alternative für Deutschland", AfD). The reason why there is such a strong interest in it lies in its main political aim: the dissolution of the eurozone.

Until today, the German government seems to have done everything to keep the eurozone intact - even though on German conditions which means that Berlin used the euro crisis to force a severe austerity policy on the EU.

Generally spoken, keeping the eurozone intact corresponds to German interests. As a huge part of all German exports are delivered to eurozone countries (37.5 percent in 2012), German companies clearly profit from the single currency which makes it possible to avoid costly currency exchange. In addition, the euro is weaker in comparison to the German Mark. This favours German exports to non-European countries, for example to China.

In spite of the fact that, until today, this is true of a huge majority of German companies, especially of most of the big trusts, there is a rising concern among some German entrepreneurs, mostly among the owners of small and medium-sized businesses. A growing number of them believes that it is becoming too expensive and too risky to maintain the eurozone. Additionally, many fear that rescuing the eurozone will lead to inflation which in turn might heavily damage their interests. This group of entrepreneurs, along with neoliberal economists, has been protesting since the spring of 2010 against the measures aimed at rescuing the eurozone. In February 2013 some of them agreed to enter the political arena by creating a new political party - "Alternative for Germany".

The founding of the "Alternative for Germany" is an exceptional event insofar as it was the first time in the last decades that a split in the German estab-

lishment led to the creation of a new party. For a while, the "Alternative" had a very broad media coverage which would hardly have been imaginable for an organisation not being closely linked to the elites. As an establishment party, the "Alternative for Germany" clearly supports the EU as well as the Single Market, something no German entrepreneur would like to do without. It's only the eurozone in today's extent that they are against. Some of its members believe Germany would be better off with the former German Mark; others prefer a "northern euro" which would comprise for example the Netherlands, Luxemburg, Austria, maybe France, but definitely not the south of Europe.

A "northern euro" would be the currency of the economic power centre of an EU still dominated by Germany.

The "Alternative for Germany", taking part in the German parliament elections (Bundestag) in September, has to win over voters. Of course it aims at attracting people traditionally leaning to the CDU, the CSU or the FDP. However, it is unclear whether it will be able to win over an amount of voters sufficient for a good election result. So the party is also trying to reach out to right wing milieus - not to Neonazis but to circles which have a clear racist leaning. For example, there are members of the "Alternative" who were activists with the REP ("Die Republikaner") before.

The REP, founded by a former Waffen-SS (Armed SS) fighter, were the most successful right wing extremist organisation in Germany until the infamous NPD became stronger over the last decade. Some people in the "Alternative for Germany" and close supporters of the party, like for example the well known euro opponent Karl Albrecht Schachtschneider, openly favour a political orientation similar to the late Jörg Haider's right wing extremist FPÖ.



EU news

Watch your language

Austerity

This is being called "growth-friendly consolidation" and by Chancellor Merkel whilst speaking to a book presentation audience said "I call it balancing the budget".

EU potential applicants

For some time there has been discussion about further potential members of the EU. These have included: Iceland, Turkey and the Ukraine.

The population of 322,000 in Iceland have made clear they do not want to join the EU. A factor in this is the rich fishing grounds around Iceland and a stable growing economy.

The Ukraine with a 45 million population is now considered to be in the sphere of Russia and historically has more links with the east of Europe than the west of the continent.

As the current unrest in Turkey and surrounding Arab states indicate, the discussion in EU circles is that it would be of no great advantage to have Turkey with a population of around 60 million as a Member State

Pamphlet

Social Europe is a Con



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

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Serious mistakes by IMF

The IMF has released a previously internal document which admits that the fund made serious mistakes in its approach to the Greek crisis. The report notes that the debt sustainability analyses and forecasts carried out at the time were wrong "by a large margin" and given the uncertainties the fund could not say for sure if Greek debt was sustainable. The report was also critical of the European Commission's role, suggesting it was more interested in reaching a consensus and conforming to EU norms than producing economic growth. Furthermore, the fund also said that "a more front-loaded approach to debt relief" may still be needed in Greece. Open Europe's Raoul Ruparel is quoted by Euromoney magazine discussing the IMF's new plans for handling sovereign debt crises and restructuring.

IMF tells France - more austerity & wage cuts

France will fall behind its European neighbours unless it introduces reforms lowering labour costs and boosting its competitiveness, the International Monetary Fund has warned.

"Restoring external competitiveness remains a critical priority and should be complemented by developing domestic sources of growth," the IMF said in its annual report on France published on 3 June.

The French economy is expected to shrink by 0.2 percent this year, slightly more than the

IMF forecast last year (0.1%). The Washington-based lending institution also warned France that its economic recovery may be slower than estimated, as "risks of a more prolonged stagnation in Europe remain elevated."

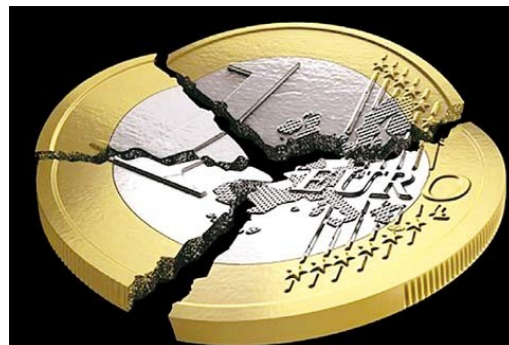
The Great Eurozone Disaster

**From
Crisis to
Global
New Deal***

The dominant theme of Heikki Patomaki's brilliant exposition of the Eurozone catastrophe emerges boldly on page 8 of his introduction and consistently permeates the text: "The central aim of this book is to provide a deeper more holistic analysis of the causes of the European Debt Crisis. A proper understanding requires a grasp of both the Global Financial System and the operating mechanisms of the European Monetary Union." In the second chapter he demolishes "The Metaphorical Approach" to the functioning of the economy as a simple household budget so beloved of the UK's conservative administration and also embraced by the leaders of Federal Europe as if the various crises of Greece, Portugal, Spain, Ireland, Italy and Cyprus were all caused by bad "housekeeping".

Review by Tony Grace

The author attempts to explain the reasons for the disaster in the third chapter: The aim for short term profit leads to cuts in wages which in turn reduces the very necessary consumption for the goods and services provided; households sink deeper into debt to maintain their consumption which provides the opportunity for lenders to increase debt which is given confusing labels like subprime mortgages which in turn is a euphemism for bad debt. These bad debts are amalgamated with sound investments into financial packages which are sold on to other operators in the financial sector. This is the true meaning of "Financialisation" which is an ever increasing spiral of debt culminating in the crisis of 2008/9 when it is revealed that the world's greatest power and



leading economy has a total debt of 20 trillion dollars in contrast to a gross domestic product of 15.9 trillion. This process has been initiated by the reckless market deregulation under Reagan and Thatcher and has also been accelerated by it. This process is not new and Patomaki cites the Netherlands tulip crisis of 1637 as one of the most notable and earliest examples.

The author also asks how it was that the citizens of the world's most sophisticated economy could have been persuaded to abandon all caution by the gigantic marketing apparatus of the financial sector and to take on debts which could never be repaid unlike the working population of China which despite being on lower wages than their US counterparts have avoided serious debt. The vast Chinese current account surplus has been used to buy dollar assets which in turn partly contributed to the US being able to take on more debt in order to continue over consumption. Eventually all financial bubbles must burst. What begins it is not significant for the author whose explanation is surely encapsulated in the following passage:

"What is more important is how long the process of financialisation and debt

accumulation have been in development and what kind of interdependency has developed between different market sectors and financial sectors. The bursting of the IT Bubble in 2000-2003 affected only a limited part of the financial market and led to a relatively limited recession. The superbubble that lay concealed behind that smaller bubble and that fed into it continued to grow until 2007 and burst the following year. This was the beginning of epic recession which has morphed into the crisis of states with which Europe is now saddled."

The economic complexities at the centre of the European Monetary Union are listed by the author in chapter four where he also explains how; ".....circular reasoning of orthodox economic liberalism" fosters a vicious blame culture eg "lazy Greeks" and in creating a list of deviations from orthodox principles simply leads back to the start of the circle ie more free market measures.

The futility of reform proposals are delineated in the fifth chapter, cuts in public spending under the fiscal compact have merely exaggerated the downturn. The grand letters of these schemes eg European Stability Mechanism are designed to obscure the real aim which is to diminish the power of elected national governments and deliver all control to the EU. That idea is expanded in chapter six and is perhaps best summarised in the following extract: "...that democracy is being replaced with neoliberal technocracy in the EU and that politically we are moving towards an authoritarian counter-reaction to these developments ...The more firmly and rigorously neoliberal



principles are adhered to and the longer the divisions are allowed to widen and deepen, the more likely the project will end in catastrophe." Solutions propounded in the concluding chapter to the crisis in Europe hark back to the post war Marshall Plan which culminated in the resurgence of the German economy which in itself is now part of the financial destabilisation.

The author argues that any attempts at a successful resolution of the problems of indebted countries have not been promoted because in fact, the dependence of the weaker economies strengthens the rule of the EU executive or technocracy. His proposals of a form of "Democratic Global Keynesianism" which would benefit all indebted countries seem utopian and his own doubts in its success may be discerned in the following passage: ".... a permanent debt arbitration mechanism that upholds the rule of law would enable swift and timely response to debt crises before they got out of hand. This mechanism would not be enough by itself for instance if several large economies got into economic troubles simultaneously. Problems also arise if creditors own finances are fragile due to their being in debt themselves. For debt arbitration and restructuration to work finance as a whole must be sustainably based. Making it so demands the sort of institutional means and mechanisms that can only be partly created within limited territorial states."

That term, one supposes, precludes the role of a superstate. There is in many ways, a kind of desperate optimism which pervades the closely argued chapters of this compelling narrative.

Heikki Patomaki: *The Great Eurozone Disaster*: Zed Books: £12.99 Glossay, Bibl, indx.



eurozone

More money for bailouts?

According to a leaked eurozone document, the ESM the eurozone's bailout fund, will be able to use between €50bn and €70bn of its resources to directly recapitalise eurozone banks. The criteria for such loans are still unclear but they are likely to be done through a subsidiary of the ESM. (Reuters 5.6.13)

Eurozone membership



All recent applicant countries joining the EU agree in their accession treaty that they will join the single currency. However, sensibly some of the new members have not joined for one reason or another.

It is therefore strange that Latvia has decided to join the eurozone to be the 18th member state. The Commission has given its approval to the Baltic state. Although additional support from EU governments and the EU Parliament is needed, Riga is expected to join in January 2014. This will open a new chapter for Latvia's economy, which was battered by the early stages of the international financial crisis but is now the fastest-growing economy in the European Union.

The decision is highly controversial because most Latvians are against it. However, Riga sees eurozone membership as another step in its strategy to align with Western Europe and mitigate Russia's influence within the country.

British Library Exhibition Propaganda, Persuasion and Power



Second World War Posters

This evocative exhibition breaks down the various forms of propaganda which are many. As well as being used to fight wars or a disease, readers know full well it is so easily used to create division or the far more difficult task of building unity. We could do with a good dose of the latter right now!

On display are video clips, stamps, posters, leaflets, newspapers, radio, TV and other media. These are arranged in various themes to indicate how governments and national institutions are the most prolific and by far the best expert users of propaganda. The power wielded is dramatically illustrated. The aim is to justify and validate their actions to

influence the behaviour of populations and hide the truth.

The period covered is from the early 20th century to very recent times. Included are WW1, WW2 and peace posters as well as the infamous rhetoric by George W Bush over the Iraq and Afghanistan wars and that of spin master Alastair Campbell v John Pilger. An expert on language and analysis of persuasive and misuse of words is Noam Chomsky who puts a point or two in videos.

The exhibition layout includes the origins of propaganda and use by nation-states, how the "enemy" is worked up into justification for war - as it is currently being carried out over Syria but not shown.

Positive use of health campaigns and today's forms of propaganda are aired including the use of 'twitter' and 'facebook'. These with websites has helped open up social media for everybody to use to counter the avalanches of misinformation.

In the limited space not everything is covered. For instance the propaganda used to create the 'vision' and support for 'Europe' and austerity policies is missing.

The exhibition is well worth a visit to learn how we are all subject to being subtly manipulated and is on show for your interest and analysis until 17 September. Timed tickets are available on line.

Review Pamphlet

Standing up to EU despots

David Green: *What Have We Done?**

Since joining the EEC in 1973 we have steadily lost the power to govern ourselves. This pamphlet describes the essential aspects of the democratic system and legislation which has evolved during a thousand years of national life. This includes a potted history with the origins of parliament from around 1213 and role of lawyers. Outlined is the struggle between parliament and the monarchy which built up to the beheading of Charles I and the English Civil Wars. After Charles II was installed parliament became more powerful than the crown. This was proven by the removal of James II

being replaced by William and Mary.

The development of Cabinet government and role of Ministers, who are still technically appointed by the crown, is also explained. What is not included are the popular campaigns to extend the electorate and key aspects of formal democracy by the Chartists, labour movement, trade unions and suffragettes.

Dr Green shows how the transfer of powers to unelected bureaucrats in Brussels over decades has been a betrayal of 1,000 years of history. With the European Communities Act of 1972 and then the 1986 Single European Act (SEA) of 1986, the EU has been given control of swathes of Britain's life for negligible return of democratic accountability. The SEA replaces Britain's national veto with qualified majority voting (QMV) in twelve key areas which the Thatcher government agreed to.

Currently "the single market is a Brussels code word for harmonisation"

which Cameron has "made 'completion'...a top priority".

The author states the 'system' in Britain "has been weakened but not yet destroyed, and argues that it falls to the generations now living to be more reliable custodians of liberty and democracy, and to restore our heritage before it's too late". This pamphlet is very useful and informative especially when read with the *Democrat* to hand.

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Who would Britain trade with if Britain left the EU?

Is it EFTA, NAFTA, the old Commonwealth, as the eurosceptic think tanks and Tory tabloids suggest?

The impoverished three cornered debate between disaffected confused Tory grass roots, gung-ho eurosceptic factions of the City and a cautious but equally City enthralled pro-EU establishment bangs on. A series of obfuscating exchanges cloak more than they reveal as a consequence of a 40 year abnegation of responsibility by the labour movement.

Meanwhile open conflicts among the EU's power brokers following the post crash banking and Eurozone crises, including unprecedented interventions by the US President, underline the EU's significance as something far beyond a trading area. The EU is a strategic pillar of NATO and integrated global financial order. It will be permanently primed for disruption through uneven development and rivalry endemic to any temporary alliance of capitalists. Cameron's unprecedented veto of the ESM bail-out fund following the EZs refusal in 2011 to give guarantees safeguarding the City's interests released the open conflict genie. Combined with recession and austerity, upping the ante among the contending eurosceptic factions, escalating support for UKIP and consternation among EU power brokers as to where this might end.

Enter David Owen's grandiose plan to 'Restructure Europe' around EFTA and the European Economic Area (EEA) worked up from proposals circulated among the Bruges Group, Open Europe, Institute of Directors and Boris Johnson right wing eurosceptic group and dubbed 'EEA Plus'.

The EEA was set up in 1994 as a deal between EFTA states of Iceland, Liechtenstein and Norway and the EU. The EEA created a single market for the free movement of capital, labour, goods and services. This excluded CAP, Fisheries Policies, Customs Union, Foreign Policy, Security, Justice and Home Affairs and euro. EEA membership was automatically conferred on all EU members.

Owen articulates the nightmare which haunts the eurosceptic right and establishment. If the eurozone becomes an economic and political bloc developing



its current nascent banking union into a full blown financial services union, it would deny the City access to the single market. The EEA would develop its own foreign and defence policies and end Britain's foreign policy veto and the EU's current domination by NATO in favour of its own defence force and military-industrial-complex.

Owen's proposition is that Britain demand as a *quid pro quo* for acquiescing to any new EZ treaties for deeper fiscal union, guarantees covering the above together with amendments restructuring the Single Market allowing EZ to nullify current EEA opt outs. 'EEA plus' would include all EU and current EEA states plus Turkey but would end the destabilising free movement of labour until such time as poorer states reached high enough levels of prosperity for their citizens to stay at home.

Negotiations would culminate in a three choice referendum offering :

1. Stay in the EU/EEA retaining the option of entering the eurozone at a future stage.
2. Stay in the EU/EEA but opt out of the euro, CAP, CFP etc
3. Withdraw completely from the EU within two years.

Owen recommends second option. But is this serious or an Owen ego trip? It is probably a negotiating ploy for the very real game of brinksmanship!

What 'EEA plus' does not offer is any solution to Britain's spiral of financialisation, debt and industrial decline. Mendacious spin notwithstanding, manufacture and trade are vital to Britain's future.

But if Britain's 50yr downward trajectory proves anything it has to be that renewal is absolutely not to be found in the EU, EZ, EEA, EFTA, NAFTA, NATO or the City!

It surely lies in long term planned investment. This is possible today only as part of a wider programme of democratisation of political and economic power and redistribution of wealth that could rally the peoples of Britain behind it. But, where is the labour movement?

While asking if the propaganda power deployed in the 1975 referendum and for two generations, as Europhile exhibit 'A', could be another trick in the inevitable forthcoming referendum?

The wave of post crash crises, not to mention the insult to the public's credibility, as in where did the: firms, six million manufacturing jobs and regular wages go?

Since the banking and finance sector's 1979 coup, any measure of concern for trade - investment in productive kit, R&D and training, protection of strategic sectors from foreign takeovers and dumping has been abandoned.

The Agreement on the EEA into force in January 1994, brings together 27 EU Member States and the three EEA, EFTA States — Iceland, Liechtenstein and Norway — in a single market or "Internal Market". The EEA Agreement that states when a country becomes a member of the European Union, it shall also apply to become party to the EEA Agreement thus leading to an enlargement of the EEA.

In reality Washington, Berlin and London have been as one in their analysis that to guarantee the eurozone's survival there has to be much greater economic and political integration amongst its member states.

There is an inherent danger, however, for those countries not in the eurozone, such as Britain, that member states could vote and act as a bloc in the single market, permanently overriding non-eurozone countries on a qualified majority vote (QMV). This was first demanded in a banking union. It could develop with fiscal union; perhaps even in a eurozone financial services union. And it could also lead to block voting on foreign, security and defence policies.

These are not remote possibilities but risks that would face any government in 2015, Labour or Conservative.

What do you think?

Quiz No.135

Solve the following phrases?

1. *AGATE*
2.

BRUNO	GIN WHISKEY RUM
-------	-----------------------
3. *DKI*
4. *LAW ON*
5. *AMB T ON*

Answers No.134

1. Large as life
2. Turn on the charm
3. It's up to you
4. Eye up and down
5. Long time no see

We hope to have another song for you in our next issue



Invitation

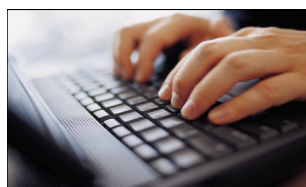


CAEF has a facebook page

You are invited to join in. This is a closed group for those who support CAEF. The quickest way to join is to first go to our website and click on the facebook symbol in the masthead. Initially you can see who are members of the group but not be able to see the posts. Apply to join and one of the administrators will agree to your application. After joining you will receive

notice of posts, will be able to read them and make posts or comment on them yourself.

Links to useful articles, announcements of activity, reports of activity are just some of the information which can be posted on this page. You can also communicate with another member of the group and find out what they are interested in.



Brickbats, bouquets & letters

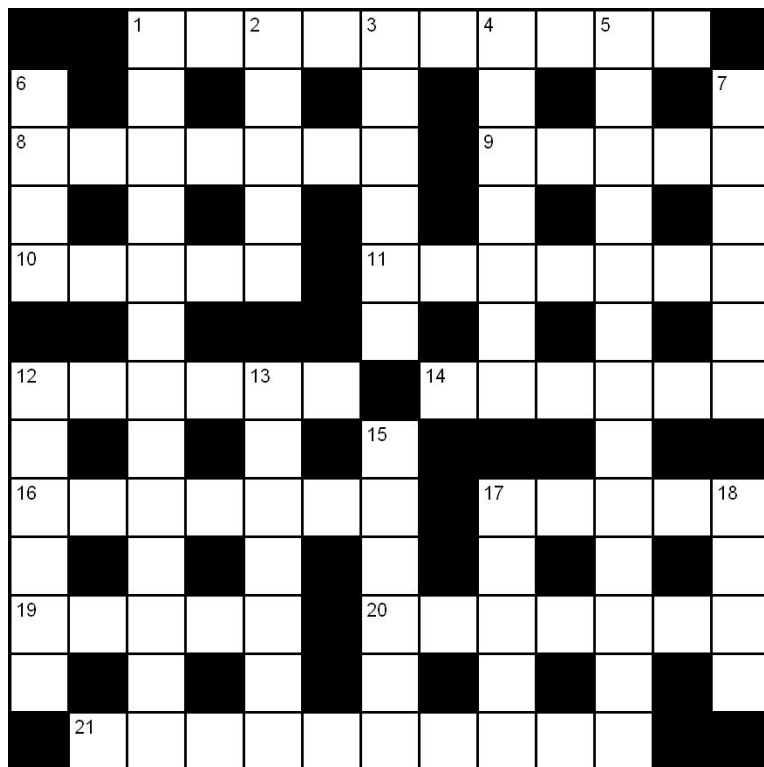
For everybody, especially those without a computer, we still welcome letters. These can be sent through Royal Mail or by email.

ACROSS

1. Dictatorial (10)
8. Turkish empire (7)
9. First Greek letter (5)
10. Fish (5)
11. Noteworthy (7)
12. Remain cheerful (5-2)
14. Spring (6)
16. What the Greeks need back (7)
17. Full of loops (5)
19. Instruction (5)
20. Happiness (7)
21. Energy (10)

DOWN

1. Dictatorial (13)
2. Entice (5)
3. Annul (6)
4. Greed (7)
5. School of Art (13)
6. Vessel (4)
7. Chat (6)
12. Stick (6)
13. Unhook (7)
15. Stroke (6)
17. South American camelid (5)
18. Pull (4)



Crossword

No. 135

Appeal and Donations

The following people have made donations to our *Campaign* which keeps us going and helps make an impression or two. We may not be very large but without any doubt we have some influence. It is not yet large enough but is certainly needed in this period where opportunities have opened up despite all the difficulties and going against the tide. Please make a donation if you can afford to.

S Groves; B Morgan; B Daynes; E&M Bircham; G Darby; J Barlow; E Kitchen; P Smart; D Starkey; R Stephenson; I Scott; D Paddock; A Smelt;; J Boyd; C Godbeer; M Beardsworth; C Cunningham; K Keable; G Marsh; S Delvin; N Currid; M Taylor; A Cook; D Finlay; I Davies; R Dorman; J Mills; D Sheldon; G Abendstern; F Leeming; S Garner; D Granville; F Parker; J Cross; Unite London Craft Branch; E Evans; Democracy Movement SE Suusex; B Hodgson; K Boyd; B Munsey; S Kane; L Georgiades; Anonymous; AGM collection; A Smelt; Merthyr Tydfil Trades Council; A Wardle; J Johnson; P&M Gibbon; J Booton; B Hardy; W Kelly; J Driver; J Tomlin; R Ingham; D Rackham; Hl Jones; G Moore; G Tudor; I Roberts; T Tourmaa; Anon

Plus all those who donate by using a standing order with their bank

Crossword

No. 134

Answers



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 website:

www.euobserver.com

Scottish CAEF:

www.scaef.org

Trade unionists against the EU Constitution (TUAECU):

tuaecuc.org

No2EU yes to democracy:

NO2EU.com

TEAM the European alliance of EU critical organisations inside and outside the EU:

www.teameurope.info

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

www.democracymovement.org.uk

People's pledge for a referendum on EU membership.

peoplespledge.org

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

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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 comments on The EU madhouse and beyond

One of the reasons why UKIP is attracting voters is because large numbers of the electorate are totally disillusioned with the major political parties all of whom support EU and the systems it embraces. At election time when people take the trouble to vote, they find that whatever the result it makes little difference to the political scene. Many see little point in voting. It is also blatantly obvious that the lying propaganda constantly churned out in favour of EU is not believed by the majority and people want a

chance to vote on the issue of remaining part of disaster-ville. The fact that New Labour support EU and its promotion of the so called 'free market' privatisation and outsourcing of industry and jobs runs contrary to what most people thought the Labour Party was all about.

A large part of what once were our public utilities are now in the hands of foreign companies and our control of these services is considerably diminished.

When we are told it would be disastrous to leave EU those who propagate such abject nonsense must think the rest of us are blind to the political and economical chaos taking place the length and breadth of Europe: growing unemployment, poverty, homelessness and so on resulting in increased stress both physical and mental and an increase in suicides.

In their book, *The Body Economic: Why Austerity Kills*, David Suckler and Sanjay Basu say: "Politicians talk endlessly about debts and deficits without regard to human cost." In terms of 'economic' suicides "Greece has gone from one extreme to the other. It used to have one of the lowest suicide rates: it has seen a more than 60% rise". Unemployment rates in Spain for young people are now well over the 50% mark and here are other countries like Italy and Portugal experiencing similar problems.

Austerity measures here in Britain are bringing about considerable hardship and injustice on the one hand whilst on the

other hand huge amounts of money are being wasted. Private companies are being paid to assess and track down benefit fraud but the amount of money being saved is less than that paid to the companies. When people are made homeless because they cannot pay their rent, this is adding to the chaos. People with young children who lose their homes and are put in bed and breakfast accommodation: this costs far more than if their rent was paid for them. Then we have PFI schemes brought in as a result of EU ruling, directing public money into private pockets

thereby costing the taxpayer far more than if public funding had been used. Once private contractors become responsible for maintenance they are charging exorbitant sums of money for simple maintenance tasks. When hospital nurses and support staff are suffering staff cuts and pay restrictions witness what is happening, they not unnaturally become angry and demoralised. As a result patient care has suffered.

In our assessment of what is wrong and needs putting right we cannot concentrate only on EU matters. Successive governments here have been guilty of the most outrageous decisions and failings. One of the latest reports is that at least £37bn has been spent on the war in Afghanistan. For what? Expert opinion is that Helman is no more stable than it was before. The deaths, destruction and maiming are simply horrendous to think about.

Over decades US and British governments seem to have the idea they have an inalienable right to interfere economically, politically and militarily in countries the world over. Reports indicate that Iraq is in a worse state today than it was under Saddam. The use of depleted uranium and the destruction of the infrastructure has taken its toll. When Bagdad was blanket bombed, President Bush talked of "shock and awe" or state terror on a massive scale. The horrendous happenings in Woolwich could be said to have created shock and awe on a grand scale.

