

# The EU Has Never Been a European Solidarity Organisation. The European Peoples Must Create their Own Unity

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Interview by Monique Van Dieren and Claudia Benedetto for Contrastes magazine 1.

The EU and the Eurozone were created solely to favour capital and apply its principles: total liberty of movement for capital, free circulation of goods and services, unrestricted commercial competition and the undermining of the very principle of public services, among others.

Capital is given a free rein to maximise its profits, wrongly supposing that if private initiative is favoured all will be well. In following this principle and in reducing state intervention to a minimum in terms of regulations and budgets, we now have a Europe which costs only 1% of its GDP whereas the budgets of the most industrialised countries are at about 40% to 50% of their GDP! This 1% is scrawny and nearly half of it goes to the Common Agricultural Policy. In consequence Europe has not developed the means to reduce the differences between its strongest economies and the others. When these economies are put onto the same playing field their differences are aggravated.

#### Are there other points of division?

Not only do we have opposition between, on the one hand, countries like Greece, Ireland, Portugal, Spain and the East European countries, and on the other hand, the strongest EU countries, but also inside each of these countries, where income disparities have increased following reforms of the labour markets.

The policies that have been applied by the EU member states have contributed to these inequalities. A prime example is Germany, where counter-reforms, that aim to create a greater variety of employment models, have been put into place. There are currently 7 million full time employees earning less than 400 euros a month!

Tax policy is known to be at the heart of the European problem and of the indebtedness of member states. How can the fact that most European countries are maintaining internal competition be explained?

Europe has refused fiscal harmonisation. The result is that there is enormous disparity between systems of taxation. In Cyprus, corporation tax is 10%. That should change with the present crisis. In Ireland corporation tax is 12.5% and in Belgium, 33.99%. These differences allow companies to declare their revenues where the tax bite is the least.

Region: Europe

Current European fiscal policy protects tax evasion. Tax havens exist within the European Union – notably the City of London – and the Eurozone, with the Grand Duchy of Luxemburg.

It is quite possible to implement measures of fiscal justice at a national level. The common belief that "being in the Eurozone it is impossible to apply major fiscal measures" is false. We are told there are no alternatives. Those who invoke these arguments are protecting the fraudsters. We can see that solutions previously considered impossible are being imagined in the "case" of Cyprus: bank deposits of over 100,000 euros are to be taxed; controls of capital movements are being put into place. I am against the plan imposed on Cyprus by the Troika because the goals are to impose global antisocial policies; but certain measures show the clear possibility of controlling capital flows and of greatly increasing tax-rates above a given level of wealth.

In spite of EU regulations, it is perfectly possible for countries to refuse the policies of the commission and impose renegotiations at the European level. Europe must be reconstructed democratically. In the meantime the left-wing governments must break ranks. If François Hollande really represented the will of the French people that elected him he would have insisted on renegotiating the European Fiscal Compact with Angela Merkel and if she refused he could have refused to vote it in. This would have prevented its adoption.

The euro crisis is clearly the result of an absence of sound political governance (lack of coherent economic, financial, fiscal and social policies). The lack of real European support for Greece in the face of its debt problems shows the fragility of a union that is not based on solidarity. Does this euro crisis toll the bell for European solidarity? Is the dream of European federalism dead and buried?

The EU as it exists has never hinged on solidarity, unless it be in favour of the big European companies. The European governments have continually applied measures that favour them and the European banks. When it comes to helping the weaker people and the weaker economies, there is no solidarity. One could say that there is one kind of solidarity: a class solidarity, a solidarity between capitalists.

Federalism is possible but it must be constituted by the peoples. Guy Verhofstadt and Daniel Cohn-Bendit advocate a federalism imposed from above. We need a federalism that arises from the will of the people.

Federation is possible and necessary, but that implies that the solution to the European crisis should come from the base. That does not mean a withdrawal behind national frontiers, but solidarity between European peoples and a European constitution decided by the people themselves.

#### What must be done to make the European institutions more democratic?

The existing non democratic institutions must be taken apart and replaced by new ones, created by a peoples' constituent assembly! The legislative power (the European Parliament) is extremely weak, too much in the thrall of the Executive.

Awaiting this miracle remedy, do you have a concrete idea of how to reconcile Europe's citizens with Europe?

Within national frontiers, initiatives must be taken by the social movements and corresponding left-wing organisations towards defining common objectives. At the European

level, through the Alter Summit movement, we are trying to create a maximum of convergence between citizens' movements, social movements and European trade unions |2|. It is not easy, up to now it has been too slow, but a coalition of European social movements must nevertheless be created. Relaunching the "Indignés" movement must be encouraged if it is possible, supporting Blockupy in Frankfurt against the ECB. |3| Also, feminist movements and actions against austerity programmes in Europe must be given all possible support |4|.

Along with this, other European initiatives must be reinforced, such as the the European and Mediterranean citizens' audits networks (ICAN) |5|, the European network against the privatisation of health services |6| and the efforts to create a European anti-fascist movement |7|, the "European peoples against the Troika", which organised actions in dozens of towns and cities across Europe on 1st June 2013 |8|.

### Europe has a purpose because...

Solidarity between the peoples is necessary and undoubtedly possible.

## **Europe has a purpose on condition that...**

The process comes from the people. A constituent assembly of the European peoples must found a completely new Europe!

It is time to abandon the dominant ideology that has reigned for so long. There are several possible ways to resolve the crisis. The austerity measures currently applied can only make it worse. We are facing 10 to 15 years of crisis and very limited growth. Unless, that is, the social movements manage to put structural reforms into place, such as the socialisation of the banks; the consolidation of public services; the reconstruction of a Europe based on a peoples'constituent assembly; a Europe in solidarity with the rest of the World. Illegitimate public debt must also be abolished by developing initiatives of citizens' audits as is the case in Belgium today [9]. This solution presupposes that the social movements and the radical left are capable of proposing real alternatives, with a coherent programme that goes beyond neo-Keynesianism. I would be disappointed if this capitalist crisis were to achieve no more than slightly better discipline. Regulated green capitalism is not a solution to the fundamental problem of climate change. We must abolish the capitalist system.

Translated by Vickie Briault and Mike Krolikowski

#### **Notes**

|1| The original version of this interview (in French only) is available on the Equipes populaires website which publishes Contrastes magazine: <a href="http://www.equipespopulaires.be/sit...">http://www.equipespopulaires.be/sit...</a>

This version has been especially adapted for the CADTM website www.cadtm.org

- 2 See <a href="http://www.altersummit.eu/">http://www.altersummit.eu/</a>
- 3 See (in French only) <a href="http://cadtm.org/Francfort-ein-zwei...">http://cadtm.org/Francfort-ein-zwei...</a>
- |4| See (in French

only) <a href="http://cadtm.org/Femmes-d-Europe-en...">http://cadtm.org/Femmes-d-Europe-en...</a> and <a href="http://cadtm.org/Une-tres-prometteu...">http://cadtm.org/Femmes-d-Europe-en...</a> and <a href="http://cadtm.org/Une-tres-prometteu...">http://cadtm.org/Une-tres-prometteu...</a>

- [5] See http://www.citizen-audit.net/ and http://cadtm.org/Coordinated-effort... and cadtm.org/ICAN
- |6| See (in French
- only) <a href="http://reseau-europeen-droit-sante...">http://reseau-europeen-droit-sante...</a> and <a href="http://www.sante-solidarite.be/acti...">http://www.sante-solidarite.be/acti...</a>
- |7| See <a href="http://cadtm.org/For-a-European-ant...">http://cadtm.org/For-a-European-ant...</a>
- 8 See <a href="http://cadtm.org/From-the-crisis-ed...">http://cadtm.org/From-the-crisis-ed...</a>
- 9 See (in French only) http://cadtm.org/Declaration-pour-l...

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