

# Between Euro-Fetishism and Nationalism – a Third Way for the EU

Peter Wahl

‘Today we have to admit that this dream of one European state with one common interest, with one vision ... one European nation, this was an illusion.’ This isn’t an opinion stated by some well-known Eurosceptic; these words were in fact uttered by EU Council President Donald Tusk at the start of May.<sup>1</sup> Already back in January 2015, when he began his term as President of the European Commission, Jean-Claude Juncker dubbed his new team the ‘last chance Commission’.<sup>2</sup> We need to remember that this was still before a number of further significant incidents occurred: Greece’s second financial crisis, the refugee crisis, the decision to hold a referendum on Brexit, electoral success for the populist right in Poland, the ECB’s desperate attempt to save the eurozone from deflation (and, ultimately, collapse) through zero interest policies, the Dutch referendum on the EU-Ukraine association agreement, as well as the third Greek crisis of May 2016.

It appears EU leaders are only slowly coming to realise the true severity of the situation. Today, the multiple crises have reached a magnitude that threatens the project as a whole. Irrespective of developments in individual nations, such as Brexit, the EU faces existential threats. Anything could happen and reliable prognoses are currently impossible.

Clearly, however, the long-term goal of ‘an ever closer union among the peoples of Europe’, as is stated in Article 1 of the *Treaty on European Union*, i.e. the founding of a federal state (the *United States of Europe*), has become untenable. This fact is actually a formal requirement in the EU-UK agreement, which will be implemented should the UK opt to stay in the EU. Explicitly, London would no longer be bound to the goal of an ‘ever closer union’. Other countries avoid officially stating the fact, but the same *de facto* holds true for France, Poland, the Netherlands, Austria, as well as the Scandinavian countries. All over Europe the relevant surveys show that Eurosceptics are gaining ground, both among the overall population as well as among politicians across all political camps.

Despite all this, the German left remains among the few decidedly in favour of deepening European integration, with the ultimate goal of achieving political union. Are they stubbornly sticking to their principles or have they lost their grip on reality?

In other countries, however, an open discussion has long been ongoing. The French Left Party (*Parti de Gauche*) has just switched to a more sovereignty-oriented stance. In February, French daily *Le Monde* published a call by 80 leading economists, among them Michel Aglietta, the founder of the Regulation School, arguing for the need to establish a block of Mediterranean countries in opposition to Germany and break with the EU treaties.<sup>3</sup> Moreover, one of the intellectual leaders of the *Nuit Debout* movement, Frédéric Lordon, is a long-term advocate for dissolution of the euro. In the UK a left-wing pro-Brexit camp has developed. In Greece, with the support of renowned economists such as Costas Lapavistas, a Eurosceptic movement has broken away from Syriza. In the Netherlands, the left *Socialistische Partij* (SP) has al-

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<sup>1</sup> [http://www.atlanticbb.net/news/read/category/Europe%20News/article/the\\_associated\\_press\\_eu\\_official\\_tusk\\_idea\\_of\\_one\\_european\\_nation\\_is\\_il-ap](http://www.atlanticbb.net/news/read/category/Europe%20News/article/the_associated_press_eu_official_tusk_idea_of_one_european_nation_is_il-ap)

<sup>2</sup> <http://www.euractiv.com/section/eu-priorities-2020/video/juncker-this-will-be-the-last-chance-commission/>

<sup>3</sup> *Le Monde*, 10/2/2016; in German: Andreas Nölke, Raus aus der wirtschaftlichen Sackgasse – Aufruf von französischen Ökonomen, [www.flassbeck-economics.de](http://www.flassbeck-economics.de), February 22, 2016.

ways been fundamentally sceptical of the EU. The party actively supported the successful referendum campaign against the European constitution back in 2005 and was equally opposed to the association agreement with Ukraine in 2016. Adding to this, the left faction in the EU parliament is divided over fundamental aspects of the European project. In times of dramatic upheaval, controversies tend to surface – across all political camps. This is why I welcome the Rosa Luxemburg Stiftung's decision to finally engage in the debate.

Mario Candeias' text, which aimed to stimulate the discussion,<sup>4</sup> undoubtedly contains a number of very true standpoints, such as his rejection of EU authoritarianism and his criticism of what he calls the left's interminable practice of 'enumerating what is desirable and engaging in declaratory policy' without ever coming to the question of 'who the hell is actually going to do something and how'. His complaint about 'the activist European jet set who produce hot air debates that fail to impact the actual relations of power within the EU' is all too true.

Yet, the text also offers numerous points worth discussing. For example, his approach to the fundamental question of the *finality* of European integration remains based on traditional concepts related to creating a European state. To achieve this, Candeias proposes the classical steps taken by nation states, i.e. a 'constituting process' to 'establish fundamental new institutional bodies and elements of statehood for the European project'. However, he fails to discuss the theoretical democratic pitfalls of such an approach. For example, we still lack a European people, a European public and a European identity, and nowhere does he 'touch upon the actual relations of power within the EU'.

Considering the magnitude of this crisis and the intensive debates, both in the media and across all political camps, it is a missed opportunity that the text – tacitly – clings on to the unquestioned idea that the future of the EU and its finality remains statehood.

### **Caught up in a binary logic**

Why, however, can the mainstream left in Germany envision European integration only as steps towards the creation of a superstate? In the initial paragraph of Candeias' text, the author offers an important clue: fear. Fear that an erosion of the EU 'will lead to a situation similar to the 1930s'. And, in Germany, the 1930s obviously means the rise of fascism and war.

Assuming that the text does not use such a truly devastating scenario as a coldly meditated method to, for example, root out any possibility of a fundamental critique of the EU within the discourse on the left, the binary logic of this Manichaean black and white picture, the highly dramatic opposition of being and not-being, nonetheless remains striking.

Apart from the fact that history never simply repeats itself, a broad and differentiated set of scenarios for the future of the EU already exists. Brexit, for example, would not sound the death knell for the EU, but the contrary: getting rid of those neoliberals who stand in the way of further integration could create opportunities elsewhere to implement reforms, for example, within financial markets. Moreover, for those who, in the face of the current global geopolitical upheavals, vehemently promote the creation of a Euro-Atlantic block (e.g. through NATO, the EU and TTIP) Brexit would be a

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<sup>4</sup> Candeias, Mario: DIEM UND CO. April 2016  
<http://www.zeitschrift-luxemburg.de/debatte-europa-whats-left/> (in German)

setback. These are therefore repercussions that anybody on the left of the political spectrum should welcome.

Besides, unlike during the decades that followed the Second World War, the process of EU integration is today tied to globalisation. Globalisation permeates and forms the European process. Even if the EU ceased to exist tomorrow, its member states would remain integrated through globalisation. A simple glance at the financial sector, the true core of globalisation, reveals this particularly clearly. For the City of London and the top management levels of the financial industry's global players, the EU has long become too small for an industry that looks to Wall Street, Shanghai, Singapore and Tokyo. In addition, the globalisation of communication and the internet have long transcended European boundaries. For this reason alone, a return to the era of the nation state is unrealistic.

### **Organised dismantlement versus chaotic dissolution**

The trend towards the disintegration of the EU is a fact. The process combines a politically organised dismantlement of certain *conquis communautaires* with further uncontrolled processes. Cameron's EU deal is a typical example of the former. Should the UK remain in the EU, exemptions and a 'special' status for the country will be implemented. Should the British people, however, vote in favour of Brexit, then the plans are to negotiate a free trade agreement that would grant the UK a status that is only barely distinguishable from full membership in the single market. EFTA relations as well as Swiss ties to the EU are modelled along similar lines.

Both Brussels and German chancellor Angela Merkel have hinted that in future competencies currently located at the supranational level could be transferred back to the nation state level. Candeias too considers this possibility: 'We need to consider whether certain competencies will be *returned* from the European to other levels.' Yet he does not see this as a generally applicable principle of order. Only a few lines further down, he returns to his idea of the supranational superstate with 'a constituent assembly for Europe, which would have to include at least general and equitable elections'.

Left-wing euro critics equally propose transferring some of the single currency competencies back to member states. Joseph Stiglitz, for example, writes, 'The euro was created with the best intentions. The currency was to unify Europe; instead it has divided the continent. Enhancing co-operation would be the best way out. Should this not be possible, a dissolution of the eurozone should be considered as an option.'<sup>5</sup> The end of the euro will by no means lead to fascism and war. It would, however, help cut back austerity measures and reduce their side-effects, such as the rise of aggressive nationalist sentiments.

More sober analysis of questions concerning European policies is what the left needs. We must not let ourselves be fooled by chancellor Merkel's sacralisation of something as trivial as a currency ('If the euro fails, so too will Europe'). Equally, this is also the best antidote against the other (confrontational, uncontrolled and chaotic) forms of disintegration, which, for example, accompanied the refugee issue.

Instead, the goal should be to promote selective disintegration, diversity and flexibility, decentralisation, regionalisation, subsidiarity and possibly even plurality in the choice of economic models – in short, a more *flexible EU*, resembling more a network than a superstate. This could include establishing alternatives to the euro. In other areas,

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<sup>5</sup> Handelsblatt, April 21, 2016; p. 30

such an approach could lead to attempts at deepening integration, for example, embarking on common energy and infrastructure policies directed at an ecological transformation of society.

In cases where not all 28 member states wish to participate in a project, there is no need for a unanimous decision. A 'coalition of the willing' could then simply take the lead. EU bureaucrats call this *variable geometry for co-operation*. This option already exists in the form of so-called *enhanced co-operation*. The term simply means that a coalition of at least nine member states can implement projects without requiring participation by the other member states. Currently, the financial transaction tax is being discussed within this framework. The established procedure is still too rigid, but the basic idea is right.

The proponents of a centralised EU decry such concepts for greater flexibility in EU affairs as *Europe à la carte* concepts. Yet before simply waiting for Europe to chaotically implode, it would be far better to find dedicated and creative co-operative approaches to the problem: a *Third Way* between the nation state and the European superstate exists. Such a path would imply, however, overcoming the illusions of an 'ever closer union', the *United States of Europe* and the yearning for Europe as a global superpower.

### **A more flexible EU and left-wing strategies**

A central aim of Candeias' text is to enhance co-operation between the left within the EU, 'to find unifying perspectives and practices' and 'create a political subject'.

Obviously, there is no reason to oppose the international co-operation of the left; in fact, such co-operation should be sought wherever possible. Nonetheless, this question too requires sober analysis.

The fundamental cause for the challenges of European integration lie in the economic, political and cultural heterogeneity of the EU. Unlike in other processes of forming nation states, processes of homogenisation from below do not accompany EU integration.

For a concept of society rooted in materialist thought, this clearly affects the interpretation of social struggles. If struggles are seen as not resulting from voluntary decisions, but rather as the expression of contradictions within society, then these struggles naturally reflect the all-too-real heterogeneity within the EU. A synchronicity of struggles across the EU, as desirable as such a scenario may appear, will only be possible in certain exceptional cases. The idea to constitute a 'European subject' is therefore doomed to fail. Again, a concept based on greater flexibility within the EU would represent a far more appropriate framework.

Practical experiences with left projects at the EU level prove this statement true. Even relatively successful campaigns, e.g. those against the Multilateral Agreement on Investment (MAI), the Services in the Internal Market Directive (Bolkestein Directive), the EU constitution, the financial transaction tax or the current fight against TTIP, are, and have always been, related to particular events or certain moments and were, de facto, always limited to four or five countries. While it does look good to have someone from Poland or Ireland on the panel to discuss TTIP, such cosmetic measures do not allow a 'European subject' to arise.

Organised structures not related to particular events or moments, such as the European Social Forum or the European Marches, have disintegrated after a certain time. Or, as long as there was money available, they became part of the infrastructural backbone, such as the European Works Councils, the ETUC and some Brussels-

based NGO networks. Without corresponding movements in large member states, however, these will remain bureaucratic apparatuses without a grassroots level.

Furthermore, this reveals how the nation state level has remained the central arena for disputes in large member states. The EU is a hierarchically structured show dominated by the big players. If the German left was capable of forcing the German government to adopt a different approach in its policies towards Greece, this would make any European approach superfluous. The – unfortunately – strong position of Germany in the EU translates into the German left being given a special responsibility. Should Germany's left fail, it will not be able to hide behind its supposedly European ideals. An alternative EU will, first and foremost, require an alternative Germany.

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