

A Coup D'Etat in the European Union?

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European Union workers' pretensions to better pay and working conditions, shorter working lives, munificent retirement benefits, long holidays and time off for this and that have got to be brought under control! Enough is enough!

Let us be thankful that the European Commission has the answers. Soon the neoliberal model will become irreversible and all these pretentious upstarts will have to shut up once and for all. High time too. In a brilliant move, the Commission has pushed through a bundle of measures called the "six-pack"—a cheerful name suggesting parties where the beer flows freely. This bundle is rather more austere and will give the Commission hitherto unheard-of leverage in the affairs of its member States.

By a close vote on 28 September 2011, the European Parliament passed the Commission's plan—a far-reaching takeover of individual countries' capacity to set their own budgets and to manage their own sovereign debts. From now on, the Parliament and the Council (with the Commission naturally overseeing the process) will be able to force governments to comply with the Maastricht Treaty recommendations—otherwise known as the "Stability and Growth Pact"—to which member States had recently paid precious little attention. After 2005 this Pact seemed almost a quaint relic. But now, thanks to the six-pack, no deficits greater than 3% and no national debts above 60% of GDP will be countenanced. What these people need is stern discipline, make no mistake.

Starting in 2012, Euro-parliamentarians and the Council will dissect national budgets before national parliaments have any say at all or even a chance to look at them. If countries do not reduce their debts fast enough or refuse the budgetary "suggestions" from Brussels, enforcement measures will kick in. In case of further recalcitrance on the part of member States, punishment can mean either depositing or forfeiting .01, .02 or even .05% of the country's GDP to the EU, depending on how severe the country's non-compliance is judged. In the case of, say, France, with a GDP of about €1.900 billion (\$2.600 billion) the Commission could demand a deposit or a fine of some €20 to €40 billion or even €100 billion if the Commission were to escalate the sanctions to .05% of GDP.

True to the Commission's usual quietly efficient methods, these permanent six-pack measures went through the whole approval procedure with barely a ripple, little debate and virtually zero citizen involvement. Most Europeans have not the slightest inkling that any change has taken place, much less a savage attack on their governments' capacity to govern. Thanks to this legislation, we can count on the lasting power of neoliberal doctrine throughout Europe, particularly in the euro zone, as elected officials are dispossessed by appointed, non-accountable ones of their right to draw up their own budgets. They lost the right to a say on monetary policy long ago. .

The six-pack, thanks also to the right-wing euro-parliamentary majority is now firmly entrenched and will be difficult if not impossible to reverse. Anywhere else, one might have heard accusations of a mass coup d'état against member State governments and their peoples. But so far, all's quiet on the EU front.

Simultaneously, the Commission is pushing the member States to follow another part of the neoliberal scenario through a variety of other directives ensuring longer work weeks and working

lives and the gradual alignment of wages and social benefits according to lowest common denominators. This process may be a bit slower but will also be enhanced by the six-pack.

The European Court of Justice is doing its part on the second objective in particular with at least four separate judgments obliging workers to accept sub-standard wages even when working in countries with strong worker-protection laws like Sweden or Finland.

One has to admire the Commission's capacity for discretion and getting things done without unnecessarily upsetting member States' citizens or their national parliaments. The apparent technical complexity of the measures and the process of putting them in place help to keep things quiet, although these measures are actually quite straightforward (and, one might add, have German fingerprints all over them).

Meanwhile, the largely neo-liberal European media see no reason to make an issue of what's happening behind the scenes in Brussels and assist in keeping the lid on protest until too late for citizens to intervene. All this spells greater victories ahead to come for neoliberalism and the failure of European economies. No, sorry, only failure for 90 percent of the people. The rest will be fine. Not to worry. As Martin Wolf recently paraphrased Tacitus in the Financial Times to describe the European situation, "They create a desert and call it stability".

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P.S.

* From the TNI.

<http://www.tni.org/article/coup-detat-european-union>

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Susan George is one of TNI's most renowned fellows for her long-term and ground-breaking analysis of global issues. Author of fourteen widely translated books, she describes her work in a cogent way that has come to define TNI: "The job of the responsible social scientist is first to uncover these forces [of wealth, power and control], to write about them clearly, without jargon... and finally..to take an advocacy position in favour of the disadvantaged, the underdogs, the victims of injustice."