# Referendum on EU: Why socialists should support a British exit

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Britain's referendum vote on June 23 over whether to stay or leave the European Union (EU) is a dead heat according to polls. The campaign has produced a storm of debate—all the more so after the horrific murder of Labour MP Jo Cox by an assailant with connections to fascist organizations who reportedly yelled "Britain first" while committing the killing.

Britain's left has continued to debate the referendum in the months-long lead-up to the vote. Here, Neil Davidson, a member of revolutionary socialism in the 21<sup>st</sup> century (rs21)/International Socialism Scotland (ISS) and author of numerous books, including We Cannot Escape History: States and Revolutions, explains for a U.S. audience his case for casting a left-wing vote to Leave the EU.

#### **Socialist Worker**

ON JUNE 23, the UK electorate will vote in a referendum on whether to Leave or Remain in the European Union (EU).

On the one hand, the Remain camp, led by Conservative Party Prime Minister David Cameron, argues that a majority vote for Leave will involve a "do-it-yourself" recession, leading to job losses and falling incomes.

On the other hand, the Leave camp—fronted by a member of Cameron's Cabinet, Michael Gove, and by former Tory Mayor of London Boris Johnson—claims that a majority vote for Remain will open up the floodgates to hordes of migrants, who will steal "British" jobs and put intolerable pressure on housing and social services.

Both sides now pretend to care about the working class they have been attacking in office since 2010, and both are conjuring up apocalyptic visions quite unsupported by any evidence.

Is the debate simply between two sets of right-wingers arguing in ludicrously exaggerated terms about what is best for British capitalism? There are left-wing arguments for both Leave and Remain, but it is the latter which have been dominant during the campaign, supported by the majority of the British center-left and reformist left, from the Labour Party—although with evident reluctance on the part of leader Jeremy Corbyn—through the Green Parties, to the Scottish National Party and Plaid

Cymru in Wales.

There is a Left Exit ("Lexit") campaign involving sections of the revolutionary left and dissident individuals from the parliamentary left parties, although it was set up relatively late and is clearly cutting against the grain. Nevertheless, the Lexit argument is correct because it focuses on the reality of what the EU is and what it does, and the argument will have to be reasserted whatever the result of the referendum.

Why has a majority of the British left been so willing to support remaining in the EU? Essentially, there are two reasons—one positive and the other negative.

## \_The Myth of "Social Europe"

The positive argument for joining the EU tends to be made by the liberal and center-left. For them, the EU is a fundamentally benign institution ("although of course it is not perfect") which has helped prevent war in Western Europe since 1945, established rights for workers and citizens, and regulated the impact of businesses on health and the environment.

Associated with these claims is a notion of "Europe" as the embodiment of Enlightenment ideals, transcending nationalism and supposedly acting as a barrier to U.S. interests. In this perspective, the EU today may have been temporarily taken over by neoliberals, but it can be reformed until it becomes a body capable of responding to demands for social justice.

The dissonance between the reality of the EU and the fantasy of "European values" is partly disguised by blurring what is and is not part of the former. The European Court of Human Rights, for example, which was responsible for the Human Rights Act, is frequently cited as a reason for remaining in the EU. But it is quite separate and would still have jurisdiction in the UK even in the event of a Leave vote.

The attitude of the socialist left to the EU was historically more hostile, but this began to change during the Thatcher era from 1979 to 1990, when, in the face of massive trade union defeats and the apparent inability of the Labour Party to win general elections, the EU appeared to be the sole bulwark against attacks on the labour movement.

The turning point was a speech by Jacques Delors, then President of the European Commission, to Britain's Trade Union Congress in September 1988, followed by the adoption of the Social Chapter at the Strasbourg Summit the following year.

Delors, as French Finance Minister under Socialist Party President François Mitterrand, had of course been partly responsible for the government abandoning its reform program of the early 1980s and embracing the neoliberal project. Delors' advocacy of a "social Europe" was purely tactical in order to bring labor movements on side. But his audience was desperate enough to be willingly deceived.

In fact, the EU sets certain "minimum" and "adequate" conditions for worker's rights (these are the actual words used in the legislation). In many cases, however, these rights were fought for and won before states joined the EU—including the UK, which joined in 1973, but where workers won equal pay in 1970 as a result of earlier strike action by women at Ford's Dagenham plant.

But even where the EU has passed potentially useful legislation—like, for example, the Working Time Directive (WTD)—it always comes with opt-out clauses that unorganized or weak groups of

workers can be forced to sign for fear of losing their jobs. The WTD hasn't helped the junior doctors in England who are currently striking for, among other things, a reduction in their hours.

More generally, the EU has not prevented attacks on workers by the Hungarian and Polish governments, nor is it preventing the French state from attacking workers at the moment. Indeed, one of the ways in which the EU is helpful to neoliberal governments is precisely because the latter can use the EU's rules on competition and so on as an excuse for doing what they would have done anyway.

But the problem is not simply that the EU is a weak or nonexistent shield. It has led the onslaught on wages and conditions in Southern Europe—above all in Greece.

When this is pointed out to EU enthusiasts—some of whom claim to be internationalists—they tend to respond by saying that, since the UK is not in the eurozone, it would not be subject to the same treatment. But surely as internationalists, we should want to put an end to an institution which has caused such suffering to so many people, rather than smugly reflect on the protection that Britain's semi-detached status affords it?

At this point, the question of EU "reform" is usually raised ("We must stay in to change it"). But the EU is structurally incapable of reform. Why?

The onslaught on Greece is not an aberration. The EU began its march toward neoliberalism no later than the Single European Act in 1986, and this has been confirmed and deepened by every single subsequent pact and treaty, from Maastricht in 1991 onwards. This is hardly surprising: The EU is not a body suspended above shifts in the capitalist system, and as the transition to neoliberalism was imposed within the constituent nation-states, it was bound to reflect this in its own policies and rules.

What made this easier than in the individual nation-states was that the EU always lacked most of the democratic constraints which made the transition to neoliberalism a contested process in Britain or Italy, even in the period when it did embody more social democratic conception of ownership and control. In this respect, it was structured in ways remarkably close to the precepts of one leading neoliberal thinker.

In 1939, Freidrich von Hayek wrote an article in which he argued that "Interstate Federalism" at the European level would be desirable. Why? Mainly because it would ensure that economic activity should be removed as far as possible from the responsibility of meddling politicians who interfered with the market order to win electoral support from ignorant voters.

Consciously or not, the EU followed Hayek's advice by centralizing power in the hands of appointed officials, above all in the Commission, which alone has the power to initiate legislation, three types of which—regulations, directives and decisions—are binding. The parliament has a right to be consulted, in certain circumstances, but none to initiate legislation in its own right. In this respect, it has far less power than any national government—or for that matter, even any devolved government like the Scottish or Catalan.

But this is not the only democratic deficit. If the Commission is a supranational body, the European Council is an intergovernmental one. It consists of the heads of state or heads of government of the member states, who are, of course, elected in their own countries, but not by the inhabitants of the other countries whose fate the Council decides. It proceeds by "consensus"—in other words what is acceptable to France and German axis, and increasingly, to Germany alone. No votes are conducted or minutes taken, and decisions are signaled by the President arriving at a "conclusion."

These structures are one reason why we should reject claims that the EU is as amenable to reform as any nation-state. In fact, it is much less so.

Capitalist states are permanent structures until they are overthrown, although they can adopt different policies according to the political parties or coalitions which oversee the apparatus at any time, and these can be more or less—usually less—beneficial to working class and oppressed groups.

The problem with the EU is that the balance between unelected state managers and elected representatives is even more heavily weighted in favor of the former in the EU than in its constituent members. It would be easier to achieve reforms in Britain's parliament than in the EU, where it requires unanimity in the European Council—there is more possibility of simultaneous revolutions in all 28 member states than of this happening.

The second Hayekian aspect of the EU is the use of rule-bound policies—on limits to public spending, on debt as a proportion of GDP, on competition—to limit what national politicians can do at the behest of their electorates. Since the rules do not allow for devaluation or the levels of state expenditure or debt that would have been necessary to stimulate the economy, the only remaining response to the crisis of 2008 was austerity.

The EU's embrace of the Transatlantic Trade and Investment Partnership (TTIP)—far more enthusiastic than Washington's, incidentally—and the possibly even more insidious Trade in Services Agreement (TISA) are only the latest and most extreme examples of this.

In this context, it is incredible to me how lightly how some Remain supporters are prepared to pass over the experience of Greece. In Yanis Varoufakis's revelations about his encounters with the so-called Troika, it was the two EU institutions—the European Central Bank and the European Commission—not the International Monetary Fund, which were most relentless in pushing for austerity.

And what did these upstanding upholders of European values tell him? We don't care that that the Greeks voted against austerity. It is no concern of ours if Greek children are suffering from malnutrition. It is irrelevant that Greek hospitals are running out of pain-killing drugs. These are the rules. Get with the program and start cutting pensions, privatizing services and increasing taxes for low-wage earners.

Watching the Greeks being crucified upon the cross of EU membership, should we now congratulate them on their self-sacrificing support for the European ideal?

The lack of democracy and presence of binding rules would be reasons enough to leave the EU, but there are at least three others—each of which attests not only to the inherently reactionary nature of the project, but to how it fails to perform even the role for which it is most celebrated by liberal boosters: overcoming national self-interest.

First, the EU is designed to maintain the structure of existing inequalities between European nationstates, although this has only become entirely obvious since the enlargement process after 1992, when the poorer areas of Eastern Europe and the Mediterranean were allowed to join.

Beneath all the talk of "solidarity," this is inescapable: A financial and industrial structure designed to meet the needs of the strongest economies—France and Germany, and since the advent of the euro, increasingly just the latter—but which forces the weakest to play by the same rules, will always be detrimental to them, particularly when there is no mechanism to transfer funds or resources to nations within the EU in the way that can be done to regions within nation-states.

Second, the EU economically acts as a collective imperial power in relation to the Global South, both preventing goods from entering its territory and dumping goods outside it. And although the EU is not a military-imperialist power in its own right, as a collective body, it has always acted as an adjunct to NATO, and consequently as a support to the U.S., which insisted that Eastern European accession states should join NATO before the EU.

But this role was inscribed onto the EU's DNA from the beginning. The U.S. initially encouraged and supported the formation of the EU's predecessors as part of a Cold War bulwark against its Russian imperial rival. This is the main reason why there was "no war in (Western) Europe" between 1945 and 1991: Although engaged in economic competition with each other, the EU member-states were united behind the U.S. in the same geopolitical alliance.

Third, the EU is structurally racist. The very idea of "Europe" is necessarily exclusionary. The much-vaunted "freedom of movement" within the EU is predicated on blocking the movement of those without, as tens of thousands of desperate refugees are currently discovering.

The spectacle of these people being trapped in the camps, behind barbed-wire fences and facing the police dogs and tear gas on the borders of European civilization is obscene enough, but it is compounded by the attitude of the constituent states themselves. For here again, their individual interests take precedence over even collective barbarity, as the Schengen Agreement collapses into a free-for-all to defend individual borders against the alien hordes.

The EU is fuelling racism and fascism in Europe, not preventing it, as the electoral rise of the far right within member states demonstrates.

### Is Remain the "Lesser Evil"?

Many socialists would agree with most, if not all of this, but still argue that we have to vote for Remain purely on contingent grounds: Namely, that a majority vote for Leave will only strengthen the hard right—not so much the actual fascists of British National Party, but the UK Independence Party (UKIP) and the euro-skeptic wing of the Conservative Party, and their media loudhailers in the Murdoch press and other right-wing newspapers.

As a result, the argument for remaining in the EU most commonly expressed by members of the radical left is essentially a negative one. As they correctly point out, the main drive for withdrawal from the EU has historically come from the hard right, and the UKIP popularized this position by focusing on the question of national sovereignty—specifically by highlighting the inability of the UK to control its borders in the face of supposedly unlimited migration either from within or, in the case of refugees, via the EU.

The success of UKIP in turn emboldened the euro-skeptics within the Conservative Party. The referendum is therefore only happening in response to pressure from these forces, and the campaign for exit is being conducted according to their racist agenda. If there is a majority vote to leave, the argument goes, it will immediately mean that non-UK citizens and their families from the EU who currently have right of residence here face the danger of expulsion or, at the very least, will face a much more precarious situation.

Left-wing campaigners can also point to the way in which the official Leave campaign has unleashed a poisonous racism and xenophobia into British politics, regardless of the result. One horrifying result of this seems to have been the fatal assault on pro-Remain Labour MP Jo Cox on June 16, by a man with a history of both mental illness and association with far right—who apparently shouted

"Britain First" as he attacked Cox and who later gave his name in court as "Death to traitors, freedom for Britain."

In this context, voting to remain, while not necessarily leading to any positive result, would at least avoid a negative one: It is the "lesser evil."

Now, the hard right is certainly our enemy, but in this context at least, it is not the main enemy. The imperial nationalism unleashed by the Conservatives before 1997 in relation to "Europe" was not, as we have seen, because the EU was in any sense hostile to neoliberalism, but as an ideological diversion from the failure of neoliberalism to transform the fortunes of British capital, outside of the City of London at least.

The nationalism invoked for this purpose now places a major obstacle for the overwhelming majority of capitalists, managers and their political representatives who do not want to leave the EU—although many would like to renegotiate the treaty on terms which remove even the minimal worker rights that it currently contains, as Cameron, if victorious, will almost certainly attempt to do.

Above all, they do not want to stem the flow of migrant labor into the UK, any more than U.S. capitalists want to build a wall between the U.S. and Mexico: Both groups want migrants to be precarious and consequently pliable.

There is a problem with some left analyses of the hard right and its far right component in particular, which is the assumption that it represents the "real" face of capitalism unmasked.

In fact, in the developed world at least, it is only in very rare situations of dire extremity—and usually after facing the kind of threat from the labor movement that has unfortunately been absent for several decades—that capital has ever relied on the far right to solve its problems. Actual fascists have been all but invisible during the campaign.

The UKIP, like the Tea Party and Donald Trump in the U.S., is one of capital's Frankenstein's monsters, an unintended consequence of the unresolvable social tensions thrown up by the neoliberal order. UKIP has given a focus to a range of concerns in the shape of a quasi-imaginary institution called "Brussels" in a similar way that the Tea Party did in giving shape to another quasi-imaginary institution called "the government." The main difference is that in the case of the former, the institution is foreign, rather than domestic; thus, the crime of local elites is their compliance with it.

The basis of at least part of the UKIP's popular support is, however, drawn from a comparable constituency. Unsurprisingly, one section involves small businesses and the petty bourgeois proper, which tends to trade within the UK, rather than with the rest of the continent, and for which increased regulation and improved workers' rights—even of a minimal sort—pose a far greater threat to their profit margins than they do to large corporations.

It is a fixation with the hard right and its policies on migration to the exclusion of virtually everything else that has led sections of the left to embrace the problematic notion of the "lesser evil," which, of course, we are currently hearing in relation to Hillary Clinton's presidential campaign against Donald Trump.

There are, however, two reasons for rejecting arguments about the "lesser evil" that are quite specific to the British situation.

The first is that the approach is entirely reactive and deeply pessimistic, since it assumes that all the

left can do is adopt a defensive position in relation to the UKIP and the Tory right. In effect, it is saying that a majority of working-class voters are so in thrall to anti-migrant racism that they will only vote for withdrawal on that basis.

But sections of the working class also want to leave because they no longer feel represented as their lives and communities are being destroyed by neoliberal globalization. Former employees in the fishing industry in Peterhead in Scotland or Grimsby in England can point to the Common Fisheries Policy and its attendant quotas and regulations as contributing to its local demise. These are genuine grievances which have nothing necessarily to do with racism, although the UKIP and the Tories, of course, try to frame them in this way.

But even if some workers do express soft racism, socialists have to argue with them on the basis of what we actually believe—on the assumption that we can win them to our positions. If we think this is impossible, whether in relation to migration or anything else, then we are essentially confessing to our own political impotence, our inability to change anyone's mind. Effectively, it is to succumb to fatalism.

The second reason for rejecting the "lesser evil" is that it reduces the EU (and non-EU) migrant population of the UK to the status of passive victims of the Tory government.

Yet many of the over 2 million EU workers here are integrated into communities, have joined trade unions, and are members of left-wing political parties, like the Polish RAZEM. From the point of view of capital, entire sectors and some whole firms (the retailer Sports Direct springs to mind) are dependent on their labor.

Remain supporters conjure up a nightmare vision of the day after a June 23 vote to Leave in which hundreds of thousands of migrant workers are rounded up by police in unmarked black vans. But this would only be realizable under an actual fascist government prepared to contemplate the collapse of large sections of the British economy, particularly services and agriculture. What happens during the prolonged period of post-referendum negotiations will depend on what the left actually does in that period.

In any case, to argue exclusively in relation to EU migrants who are currently in the UK is to ignore the plight of those actual and potential migrants and refugees from outside the EU, whose position behind the razor wire borders of our Common European Home will be reinforced: the central task is to support and help organize migrant workers while arguing for British borders to be open to everyone, in the EU or out.

Voting Left Remain on tactical ("lesser evil") grounds, whatever the putative short-term advantages, will be negative in the long term, because it will effectively involve submitting to political blackmail and putting our defense of migrant rights in hock to the EU, which—to say the least—we know cannot be relied upon to defend them.

In other words, we need to build our own independent capacity to make a case. Otherwise, we will find ourselves subject to the same blackmail each and every time it arises, and it will arise again, since the multiple crises of the EU—of which the crisis of its external and internal borders is only the most visible one—are not going to come to an end any time soon.

If we do not, the working class people we hope to influence will conclude either that the left has no positive position of its own or that its position is simply incoherent—by which I mean the spectacle of left commentators, of whom Varoufakis is perhaps the most influential, explaining just how completely undemocratic and neoliberal the EU is...only to then call for a vote to Remain. And the

Left Remain position, no matter how "tactical," ineluctably slides into an apologia for the EU and then onto a delusional reform program.

## \_Telling the Truth about the EU

Socialists have to tell the truth about the EU—that it is an un-reformable machine for deepening and extending neoliberalism—and we have to tell it now, not at a more convenient time which may never arrive. And then we have to draw the necessary conclusions.

A British departure from the EU would not cause a fatal crisis for British capitalism—there is no need for us to resort to the same exaggerations as our enemies—but it would cause it a number of problems and open up a political situation in which the left could intervene.

Above all, it would intensify the crisis of the Tory Party, which is potentially facing its greatest division since Irish Home Rule in the 1880s, or even the repeal of the Corn Laws in the 1840s.

Left Remainers always seem to assume that, after a vote to Leave, the Tories—elected by 25 percent of those eligible to vote, having presided over a referendum outcome opposed by most of the capitalist class they are supposed to represent, and now engaged in open civil war—will be in power until the end of time, or at least until 2020. But the Scottish Indyref, Corbyn's victory and the Bernie Sanders' campaign have all shown us the volatility of contemporary politics, and the speed with which situations can be transformed in quite unexpected ways, providing the left has not disarmed itself first.

But what would the attitude of the EU be to a Corbyn-led Labour Government or a newly independent Scottish Government which wanted to carry out the kind of serious reforms—renationalization of key services, increased taxes on wealth, repeal of the anti-trade union laws, a massive public house building program—which would be necessary after 40 years of neoliberal capitalism?

To ask the question is to answer it: any course of radical action is simply incompatible with membership of the EU and adherence to its "rules."

It is sometimes claimed that the internationalist position is to remain within the EU because it is an international organization. It is—but then again, so too are NATO, the IMF and the World Bank.

The EU organizes a section of the international ruling class, not the working class. As Trotsky once wrote in another context, a brake cannot be used as an accelerator. There are no EU-wide political parties or trade unions or movements.

In any case, solidarity across borders does not depend on constitutions or institutions, but on the willingness of workers to support each other, even if in separate countries. The struggle against neoliberal capitalism is unlikely to begin simultaneously across the whole of the EU, or to be confined within its boundaries.

What we are likely to see is an uneven series of movements of different intensities, within different nation-states which, if victorious, could form new alliance and ultimately a United Socialist States of Europe. But that will involve destroying the EU and replacing it with institutions that represent our interests and not those of our ruling classes.

#### **Neil Davidson**

# P.S.

\* Socialist Worker (USA). June 20, 2016: https://socialistworker.org/2016/06/20/why-socialists-should-support-a-british-exit