



Walter Baier

The Case for a *European Plan B*

Thinking Europe as a Commons

Walter Baier

The Case for a *European Plan B*

Thinking Europe as a Commons

TABLE OF CONTENTS

The Case for a European Plan B	3
Thinking Europe as a Commons	3
1. Juncker, Macron – the debate among the political elite	4
2. On the EU's constitution	7
3. On the state of the 'radical Left'	9
4. Competing concepts	10
5. A brief foray into history	12
6. Europe as a Commons	13

Walter Baier, is an economist in Vienna. He received his Doctorate at the Vienna University of Business and Economics. He is the Political Coordinator of transform! europe a research network of 31 associations, journals and foundations in 21 European countries, also recognized by the Party of the European Left as the political foundation associated with it. He was National Chairman of the Communist Party of Austria (KPÖ) from 1994 to 2006 and chief editor of the Austrian weekly Volksstimme. In his current research he focuses on nationalism and European integration, the radical left in Europe and the history of the socialist Left in Austria.

IMPRINT

2017 

transform! european network for alternative thinking and political dialogue

Square de Meeûs 25

1000 Brussels, Belgium

transform! europe is partially financed through a subsidy from the European Parliament.

This work by transform! is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License. Permissions beyond the scope of this license may be available at office (at) transform-network.net.

Layout: sanja.at e.U.

Cover illustration: Euler diagram of supranational European Bodies, Wdcf /Wikimedia Commons (Creative Commons Attribution 3.0), PxHere (Creative Commons CC0)

The Case for a *European Plan B*

Thinking Europe as a Commons

As the German playwright Bertolt Brecht once noted, ‘Thought is something that follows from difficulties and precedes action’. The European Union is in difficulties. So too is the Left. The rise of the populist far-Right across many European states (most recently in Germany and Austria) also suggests that the EU’s political crisis is linked to a crisis of its member states at the national level.

And there is no clearer indicator of this than the state of social democracy in Europe. The blows suffered by social-democratic parties in recent elections have been so severe as to put a question mark over their future as a political force in Europe.

The future of the ‘radical Left’, the party family left of social democratic and Green parties, has also become a cause for concern, albeit of a different kind. In a 2011 article for the journal *transform*, the Greek political scientist Gerassimos Moschonas described the challenges it is facing at the European level as follows:

‘The European Union structurally ... undermines the modes of action of historic radicalism. Negotiation, the endless processes of compromise and wheeling and dealing, and the increased weight of technocratic solutions, are incompatible with the culture of radicalism. ... There is no revolutionary strategy for Europe and it serves no purpose to attempt to formulate one. If a left party gives priority to “revolution”, if it thinks that the conditions of a major anti-capitalist overturn or even of a complete exit from capitalism exist, or will exist in the relatively near future, it has no reason to get involved in a complicated game with another 26 member-players and in an extremely rigid system of multi-level governance (a system moreover equipped with an enormous assortment of escape valves – 27 at a minimum, as many as there are national governments). It is irra-

tional. Symmetrically, for any political party that makes the choice of working in the EU framework, the pivot of all coherence is called “reform”. The segment of the radical left that opts for a **European** strategy opts – of necessity – for a strategy of reforms. The European terrain is by definition the terrain of reform, and indeed difficult, tortuous reform. War of position, not war of manoeuvre, is its key distinguishing characteristic. [<https://goo.gl/Fvivmb>]

This dilemma will serve as my point of departure. I will begin by describing the challenge faced by Europe as it is perceived by those at the European Union’s centre of political power. The European Commission’s strategy, outlined by J. C. Juncker in his White Paper on the Future of Europe published this March, stands counter to two diverging strategic proposals recently put forward by parts of the Left: a ‘Plan B’ supported by J. L. Mélenchon, and DiEM25, an initiative spearheaded by Yannis Varoufakis. Despite their differences, both proposals share one thing in common: They believe that the Left’s European policy has exhausted its strategic options and needs to be rewritten. I will conclude my analysis by putting forward a number of principles that can serve as a basis for further proposals.

1. Juncker, Macron – the debate among the political elite

In the opening paragraphs of the White Paper on the Future of Europe [<https://goo.gl/mGWKoa>], J. C. Juncker recalls the famous Ventotene Manifesto, written by the exiled Italian politicians Altiero Spinelli and Ernesto Rossi in 1941 [<https://goo.gl/cfoWwC>].¹

It goes without saying that Spinelli and Rossi's vision of an anti-fascist, socialist and federalist Europe, informed by the horrors of two world wars, stands worlds apart from the European Union we are living in today. Still, we need to recognise that both practically and in terms of its ideals, Europe remains a contested arena from which the Left, having entered decades ago, must not allow itself to be driven out.

Juncker concedes that 'the global financial and economic crisis that started in 2008 in the United States shook Europe to its core', and that 'these developments have fuelled doubts about the EU's social market economy and its ability to deliver on its promise to leave no one behind and to ensure that every generation is better off than the previous one.' (White Paper, p. 9)

The paper goes on to acknowledge, and rightly so, that the true extent of the challenge faced by Europe's societies can only be grasped from an international perspective.

- Europe's share of the global population is shrinking,
- Its relative economic power measured against the world's GDP is declining,
- The euro's significance as a global currency is fading. (White Paper, p. 8)

This, in turn, makes the capacity to define Europe's role in the global 'Great Transformation' the pivot of any European policy debate.

The White Paper lays out five different scenarios for European integration:

1. 'Carrying on',
2. 'Nothing but the single market',
3. 'Those who want more do more',
4. 'Doing less more efficiently',
5. 'Doing much more together'.

Although Juncker here appears to be presenting a series of options, his scenarios are above all focused on making European neoliberal model of capitalism – for him the only conceivable model of development – more efficient, faster, and smoother. None of the outlined scenarios questions the primacy of competitiveness and monetary stability, linchpins of the Commission's neoliberal approach to integration.

Only the Commission, therefore, can disclose in how far 'carrying on' will bring about results other than those we are already familiar with.

In April, it presented its Reflection Paper on the Social Dimension of Europe (<https://goo.gl/QeVLNx>), which was conceived as a precursor to the adoption of the European Pillar of Social Rights in November. On a positive note, the paper does open up a space for a political discourse in Europe focused not on the neoliberal regime of competitiveness, but on the issues of social rights and social convergence. At the same time, however, the 'European Pillar of Social Rights' (<https://goo.gl/PWLqDD>) can only fail to deliver legally binding, enforceable rights, since social policy falls within the scope of the Member States. Moreover, each of these documents sidesteps the question of how the Commission plans to align its proposals with other, much more binding EU policies.

This is especially true of the 'Reflection paper on the deepening of the economic and monetary union' (<https://goo.gl/uFFYXb>), which was presented in May.

¹ 'It took off with the vision of Altiero Spinelli and Ernesto Rossi, political prisoners locked up by a fascist regime on the isle of Ventotene during the Second World War. Their manifesto For a Free and United Europe painted a picture of a place in which allies and adversaries would come together to ensure that the "old absurdities" of Europe would never return' (White Paper, p. 6).

The success story presented in the paper allows no room for a self-critical assessment of the aggravating effects and impacts of the austerity measures pushed by the Commission and the Eurogroup. A strong ‘momentum’ in many Member States, it claims, ‘has been supported by further action at EU level’, which has ‘re-centred around the “virtuous triangle” of boosting investment, pursuing structural reforms, and ensuring responsible fiscal policies’ (p. 11). It goes on to point out that individual measures aimed at establishing the Banking Union and Capital Markets Union either have already been, or are on their way to being, implemented, and that the Commission is also investigating the development of new ‘financial instruments’, so-called ‘sovereign bond-backed securities (SBBS)’. Yet whilst this is a step that can broadly be interpreted as paving the way for Eurobonds, the German government’s brusque rejection of this proposal has considerably reduced prospects for a consensus.

J. C. Juncker’s State of the Union address to the European parliament on 13 September 2017 (<https://goo.gl/GzPaoY>) was also delivered with a note of greater self-confidence than his 2016 speech. The achievements he listed included rescued banks, decreased public deficits and improved control over ‘illegal immigrants’, responsible for causing fear among people across many countries.

Yet the social and economic situation faced by Europe’s 20 million unemployed makes it difficult to justify the confidence displayed by the Union’s leadership.

Despite a growing economy, all relevant indicators – including unemployment rates, material deprivation, long-term unemployment, youth unemployment, precarity, poverty despite employment – show that in social terms, the EU and the Eurogroup have still not recovered from the crisis. Economic and social differences between Member States in particular have become more marked, a situation which will prove to be one of the more serious liabilities hanging over the future of European integration. The crisis has produced clear winners and losers, as the conflicting development of trade balances among Eurogroup member states highlights.

Despite the legal and technical amendments designed to make the EU more resilient in the face of a future crisis, the Union’s fundamental problems remain unresolved, with risks continuing to accumulate.

There is a political dimension to all this, however. While in his 2016 address, Juncker still felt prompted to call on ‘The great, democratic nations of Europe ... not [to] bend to the winds of populism’ (<https://goo.gl/tMGmB7>), the election defeats of far-right candidates and parties this spring appear to have left him unruffled. Yet the autumn elections in Germany, Austria and the Czech Republic became a stinging reminder that Europe’s far-right parties have won a level of political support unprecedented in the post-war era. And the danger which they represent has hardly been eliminated. From this perspective, 2017 can only be described as a brief respite for the ruling elite – a momentary pause for breath opened up by current economic and political developments. This is a perspective that Juncker would seem to share: ‘We now have a window of opportunity but it will not stay open forever. Let us make the most of the momentum, catch the wind in our sails.’ (p. 7)

Juncker then goes on to present a suitable platform from which to manage this political operation, his own ‘scenario six’ (p. 12). But how realistic is his proposal? Is it really an adequate framework for consolidating and reinvigorating the political forces of the Centre? Can it really meet left-wing opposition against the extension of austerity head on whilst continuing to permanently keep at bay the far-Right?

JUNCKER'S 'SCENARIO SIX'

- 1) I want us to strengthen our European trade agenda, and conclude trade agreements with Australia and New Zealand modelled on CETA.
- 2) If we want to strengthen the protection of our external borders, then we need to open the Schengen area of free movement to Bulgaria and Romania immediately.
- 3) All but two of our Member States are required and entitled to join the euro once they fulfil all conditions.
- 4) Completing the Banking Union is a matter of urgency.
- 5) Member States should agree on the European Pillar of Social Rights as soon as possible.
- 6) We must maintain a credible enlargement perspective for the Western Balkans.
- 7) EU membership for Turkey is not an option for the foreseeable future.
- 8) The ESM should progressively graduate into a European Monetary Fund.
- 9) We need a European Minister of Economy and Finance (!) that promotes and supports structural reforms in our Member States.
- 10) By 2025 we need a fully-fledged European Defence Union. We need it. And NATO wants it.
- 11) The Commission proposes new rules on the financing of political parties and foundations. I also have sympathy for the idea of having transnational lists.
- 12) The Presidents of the European Commission and the European Council ought to be merged (pp. 15).

Two days after the German federal elections, Emmanuel Macron outlined his 'Initiative for Europe' in a programmatic address delivered at the Sorbonne. (<https://goo.gl/Q7o8F8>)

Whilst it is important not to downplay the differences in opinion between the protagonists that have shaped the debate so far – the European Commission and the French and German governments – it is interesting to note that Macron's Paris speech in large parts (joint army, migration) follows the programme laid down by Juncker. Macron also chose to avoid a number of controversial suggestions, the establishment of a euro-zone parliament and a European Minister of Finance, or reformulated them to make them compatible with the Commission's position. In a clear nod to the German government, he went on to say: 'The sol-

idity required for a budget must be combined with increased responsibility, which starts by observing the rules we have set ourselves and implementing essential reforms. A budget must be placed under the strong political guidance of a common minister and be subject to strict parliamentary control at European level' (p. 8). In doing so, Macron made clear his adherence to the neoliberal consensus designed to keep the EU's centre united. Given Germany's continuing objection since the elections, all proposals that might unsettle this consensus (concerning Eurobonds, for example) have no chance of being implemented.

As always in such debates, it is easy to dismiss existing proposals as insufficient and misguided. It is also just as easy to simply list the things we reject under all circumstances:

- The creation of a European military union, which is also demanded by NATO ;
- The establishment of a European presidential system through the merging of the posts of the Presidents of the European Commission and the European Council.

Yet, an 'anti-everything' party defining itself merely in terms of its opposition has no hegemonic potential. For whether it is happy or not about the introduction of European lists for the upcoming European parliamentary elections will be of little consequence for the ultimate decision. In preparation for the 2019 European parliamentary elections, the Party of the European Left is currently debating whether it wants to again nominate a joint lead candidate for the EU Commission presidency. This is not a tactical, but a strategic decision that will reveal which alternative, progressive, democratic, ecological and social vision of Europe it chooses to embrace.

2. On the EU's constitution

The dominant liberal elites intend to use the momentum created by the recent debate over the future of the European Union to renew the consensus on European integration, albeit under the terms they have laid out. In how far this debate remains elitist and self-referential or actually evolves into a democratic and popular discussion will also depend on whether the Left joins in or not.

With all the talk of 'reforming', 'renewing' or 'overhauling the European project', little attention is being paid to the elephant in the room: Juncker and Macron seem here too to agree that the treaties are not to be touched, at least for the time being. This is hardly a minor detail, because although Europeans rejected a joint constitution in the 2005 EU referendum, ultimately the treaties (*the Treaty on Euro-*

pean Union and the *Treaty on the Functioning of the European Union*) do establish a constitutional order for the EU.

In a study recently published by the Rosa Luxemburg Foundation Jeremy Smith and John Weeks ('Bringing Democratic Choice to Europe's Economic Governance. The EU Treaty changes we need, and why we need them', <https://goo.gl/VRDNp7>) propose a number of amendments to the current versions of the European treaties that would remedy their current exclusively liberal economic focus. The first among their many suggested changes refers to Articles 3(3) and 3(4) of the Treaty on European Union, which lays down the creation of the internal market and the introduction of the euro.

CURRENT VERSION OF ARTICLE 3, SECTIONS 3 AND 4

(3) The Union shall establish an internal market. It shall work for the sustainable development of Europe based on balanced economic growth and price stability, a highly competitive social market economy, aiming at full employment and social progress, and a high level of protection and improvement of the quality of the environment. It shall promote scientific and technological advancement. It shall combat social exclusion and discrimination, and shall promote social justice and protection, equality be-

tween women and men, solidarity between generations and protection of the rights of the child.

It shall promote economic, social and territorial cohesion, and solidarity among Member States. ...

(4) The Union shall establish an economic and monetary union whose currency is the euro.

PROPOSED AMENDMENT

(3) *The Union shall work for the sustainable development of Europe based on balanced economic growth and prosperity, full and good quality employment, reasonable price stability, social progress and a high level of protection and improvement of the quality of the environment, within the framework of a society based on a dynamic mixed economy and which ensures effective social protection and public services. It shall promote scientific and technological advancement. To further the achievement of these objectives, the Union shall establish an internal market. It shall combat social exclusion and discrimination, and shall promote social justice and protection, equality between women and men, solidarity between generations and protection of the rights of the child.*

It shall promote economic, social and territorial cohesion, and solidarity among Member States. ...

(4) *To further the achievement of its objectives, the Union shall establish an economic and monetary union whose currency is the euro.*

(<https://goo.gl/VRDNp7>, p.11)

In terms of rhetoric, their suggestions may read like mere reformulations, achieved solely by a rearrangement of individual sentences. But if they were to be implemented, they would effect a revision of the EU's economic constitution,

replacing Hayek with Polanyi, and deregulated markets with the idea of a socially embedded market economy. In political terms, their changes would lead not to a reform, but to a full-scale reversal of the EU's current set-up.

The Left must aim for nothing less. But as Smith and Weeks' study convincingly shows, the framework of existing EU treaties makes such a turnaround impossible.

This is also how they are interpreted by the European Court of Justice, which stated in a formal Opinion in 1991: 'the EEC Treaty, albeit concluded in the form of an international agreement, none the less constitutes the constitutional charter of a Community based on the rule of law.' (quoted in: Smith, Jeremy/Weeks, John (2017): 'Bringing Democratic Choice to Europe's Economic Governance. The EU Treaty changes we need, and why we need them', <https://goo.gl/VRDNp7>, p. 8.)

In his State of the Union address, J. C. Juncker underlined this view by using a formulation that is as paradoxical as it is enlightening: 'Our Union is not a State but it is a community of law' (p. 14). He could just as easily have said: Our Union is not a democracy, but it draws on constitutional procedures to create laws. This means that the EU is ruled on the basis of legal norms that in turn are created on the basis of higher legal norms. At this level, however, the hierarchy of the legal system shifts to a different mode: These higher legal norms are part of bilateral contracts, which means that they can only be amended unanimously in the context of international agreements, but not through sovereign democratic processes initiated by the populations who are subject to the treaties.

The second feature characterising this effective European constitution lies in the breadth and depth of its regulation. While the United States Constitution has just 34 articles and amendments, the EU treaties comprise a total of 413 articles.

Constitutions generally define institutional relations and the competences of state organs; they outline the state's central objectives and citizens' basic rights. In this respect, the 'constitution' of the European Union differs from all other legal frameworks in that it formulates a specific economic philosophy (or ideology) on which it then bases – or rather 'constitutionalises' – detailed regulations that frame its

economic policy. Over time, these regulations have been flanked by sanction mechanisms designed to effectively implement austerity measures and stifle active fiscal policy.

By transferring to the constitution regulations that in a state governed by the rule of law take on the form of simple legislation, we have equipped the European Court of Justice with exceptional powers and allowed it to claim its role as an engine of integration. Through its rulings in the Viking and Laval cases (both 2007), the European Court of Justice attached greater priority to the economic freedoms laid out in the EC Treaty, i.e. free movement of workers and services, than to the trade unions' freedom of action. In the Rueffert case, it declared Lower Saxony's Public Procurement Act incompatible with European legislation, and in the Luxembourg case, it found that the freedom to provide services had priority over national labour laws.

There is an extensive literature on the ways in which these decisions interfere with the rights of trade unions, yet their impact on the EU's integration policy is discussed too rarely.

From early on, the CJEU set out to construct a doctrine establishing the superiority of European primary and secondary law over national legislation, including constitutional law. It laid down the direct effect of European law and introduced, via European law, the principle of the obligation of private individuals, which requires that actions taken by trade unions and employers be weighed up against the freedoms formulated in the Charter of Fundamental Rights. Finally, it interpreted the prohibitions of discrimination laid down in the Treaties as general prohibitions of restriction, which enabled it to declare national regulations in breach of European law even if in the cases in question foreign suppliers were not discriminated against. (see Höpner, Martin (2012): 'Usurpation statt Delegation: Wie der EuGH die Binnenmarktintegration radikalisiert und warum er politischer Kontrolle bedarf' (Usurpation instead of delegation: How the CJEU is radicalising single market integration and why needs to be subject to political control), in: <https://goo.gl/bGkJP5>)

3. On the state of the ‘radical Left’

Following the European institutions’ refusal to agree on a fair debt-relief plan with the Greek Syriza-led government, European policy has become again a contested issue on political agenda of the Left. The controversy it sparks is neither surprising, nor is it new. Throughout its history, the path of the radical Left has been marked by diverging strategies. After the parliamentary elections of 1989, for instance, which took place before the fall of the Wall, the existing ‘Communists and Allies Group’ in the European parliament split into two camps: a pro-integration group comprising the Italian CP, the United Left of Spain and Synaspismos of Greece (the Greek communist party’s ‘internal’ wing), and an anti-integration group consisting of the French PCF, the PCP of Portugal as well as the KKE of Greece (the Greek communist party’s ‘external’ wing).



Yet since then, Europe’s political landscape has evolved. The graph shows that in the years and decades that followed, the Western European communists, or the ‘radical left parties’ following in their footsteps, have never managed to regain the electoral strength they had prior to the collapse of state socialism. The years since 1989 can be divided into four distinct stages. The period until 1993 was marked by an abrupt, serious and general collapse. Its aggregated share of votes fell from 9.4 to 5.4 per cent. This decrease was primarily a consequence of the Italian communist party’s decision to join forces with the Social Democrats. In the years up to 1999, the parties enjoyed a strong recovery: The aggregated share of votes reached 7.2 per cent, with results up in 14 out of 17 countries. But since 2000, the proportion of votes has remained stagnant, especially because the participation of parties of the radical left in governments (France and Italy) has proved to be less sustainable and successful than expected.

In some countries of the European South, the great crisis set in motion in 2008 triggered an exceptional increase in the share of votes, and in Ireland and Belgium, it sparked the re-emergence of left-wing parties. In contrast to these results, countries in central Europe have seen support for the Left either remain stagnant or wane. This led to fairly patchy results in the 2014 European parliamentary elections, which fell short of the movement’s expectations. (Data from: Chiocchetti, Paolo (2017): ‘The Radical Left Party Family in Western Europe, 1989–2015’, London, New York, Routledge, pp. 210.) The strategic position of the ‘radical Left’ in Europe has also been weakened by the fact that it has been unable to build a significant political base in central and Eastern Europe, with the exception of the Czech Republic. Slovenia’s United Left, for example, only gained seats in the national parliament as recently as 2014.

The success of J. L. Mélenchon and his *France Insoumise* movement will certainly modify the described trend both in statistical and qualitative terms. With *Podemos* and *France Insoumise*, which vaguely describe themselves as left-wing populist movements, we are now seeing both the geographical focus and the ideological profile of the ‘radical Left’ undergo a shift. Despite their rich tradition, the communist movements in Italy, France and Spain have lost much of their impact; and with the failure of Greek debt-relief plans, the pro-European strategy represented by Syriza appears less credible. There are now first signs that the Party of the European Left is having trouble adjusting to this shifting constellation.

4. Competing concepts

There are countless alternative proposals for a social and economic reforms of important aspects of European integration policy, among them ‘A New Path for Europe’, a plan adopted by the European Trade Union Confederation in 2013 (<https://goo.gl/Rtzjsx>), and a document presented by Mario Pianta, Matteo Lucchese and Leopoldo Nascia entitled ‘What is to be produced? The Making of a New Industrial Policy in Europe.’ (<https://goo.gl/5df6tu>)

Yet much scarcer, although no less important, are suggestions for a narrative that purposefully combines the vision of a European continent united in solidarity and governed by the rule of law with a strategy and political methods that foster its implementation. Recently, however, two ambitious attempts at a new narrative have emerged.

A.) J. L. MÉLENCHON: ‘A PLAN B IN EUROPE’

In an interview that J.L. Mélenchon gave this March, he briefly summarised the four principles underpinning his concept of a Plan B:

- ‘What makes my position different from other left-wing approaches is that I consider the nation as leverage in the European struggle.’
- ‘Withdrawal from the treaties’ in combination with ‘negotiations on a new framework’ – and a Plan B: ‘France’s unilateral withdrawal from the European treaties’ – should the first method fail to work.

- The French people will be called on through a referendum to make a sovereign decision whether they want to join a newly founded European Union or withdraw from it. In case this plan fails, the second option would be for France to cancel its contributions to the EU budget and introduce measures to monitor the goods and capital crossing its borders.
 - There will not be one single Plan B. The Plan B will vary from country to country.
- (Le Monde, 10 March 2017)

B.) YANNIS VAROUFAKIS: DIEM25

DiEM25’s response to saving Europe is a project aimed at drafting a ‘New Deal for Europe’:

‘Yes! We have a duty to demonstrate that Europe can be saved and must be saved. ... Europe must be saved because the alternative is to impoverish all Europeans, in economic, social, and cultural terms.’ (<https://goo.gl/WuNqmN>, p. 6)

Its ‘New Deal for Europe’ contains policy proposals and strategies based on four principles:

- All Europeans should enjoy the right to basic goods (e.g. nutrition, shelter, transport, energy) in their home country, along with the right to paid work contributing to the maintenance of their communities while receiving a living wage, to decent social housing, to high quality health and education, and to a sustainable environment.
- Europe’s future hinges on the capacity to harness the wealth that accumulates in Europe and turn it into investments in a real, green, sustainable, innovative

economy. What matters is not to boost of one European country’s “competitiveness” in relation to another European country but the rise of productivity in green sectors everywhere.

- In the increasingly digital economy, capital goods are increasingly produced collectively but their returns continue to be privatised. As Europe becomes more technologically advanced, to avoid stagnation and discontent it must implement policies for sharing the dividends from digitisation and automation amongst all its citizens.
- Europe’s economies are stagnating because for too long macroeconomic management has been subcontracted to unaccountable “technocrats”. It is high time that macroeconomic management is democratised fully and placed under the scrutiny of sovereign peoples. (<https://diem25.org/end>)

The strategic idea at the heart of DiEM25, namely to link the struggle for a European New Deal within the framework of

existing treaties with a strategy to transform the EU into something new, is completely and fundamentally at odds with a Plan B strategy that uses the struggle to reform the framework of existing treaties to demolish the EU as such.

Does this mean the European Left is once again facing its old dilemma, forced to choose between uncritical Pro-Europeanism and nationalist Anti-Europeanism?

As Gerassimos Moschonas puts it: 'It is a question of elementary strategic coherence. ... Either the left opts for a European strategy and manages the political consequences; or else it opts for an anti-Union strategy (leaving the Union, restoring national sovereignty) and copes with the resulting consequences. ... What is incoherent (in fact: deprived of strategic reason) is to opt for a "European" strategy (meaning seeking solutions at the European level) and continuing to use discursive schemes inspired by the insurrectional model; or to opt for a "return to the nation" and claim to be representative of universalism and the world proletariat.' (Moschonas, op. cit.)

Given this dilemma, radical left parties have four options:

- a) They can try to hide existing differences in opinion behind party diplomacy and hollow compromises. Given the crisis and the fresh debate over the future of Europe, this approach hardly seems promising.
- b) They can draw up a dividing line between those in favour of European integration and those who oppose it. This would result in a fragmentation of the radical Left, with all its foreseeable, damaging repercussions.
- c) The representatives of the various positions can try to persuade their counterparts of the superiority of their own point of view. This approach is futile, and would result in an ideological debate and paralysis of existing structures of cooperation.
- d) The final possibility is to acknowledge the diverging conceptions as rational expressions of the individual conditions under which each party works. This understanding could serve as a basis for developing a joint European strategy.

5. A brief foray into history

The revitalised mobilising force of international and domestic nationalisms in Europe suggests that the virulent crisis of democracy also provokes a crisis undermining national relations between and within states. It appears that nationalism could in fact for another time in European history prove responsible for preventing the emergence of an alternative progressive political force.

E. J. Hobsbawm's explains that nations are more than 'ideological constructs' linked to an existing state or to a struggle aimed at establishing an independent state – they are a part of, and embedded in, objective, social reality.

Socialist Internationalism is not about negating the existence of nations but rather about privileging the social over the national question. This privileging, however, evolves also into a political task at the level of states which entails enabling different national communities to live together in equality and governed by democracy, so as to prevent social disparities from being overdetermined by national antagonisms.

WHAT IS INTERESTING ABOUT OTTO BAUER AND AUSTRO-MARXISM?

The imperial Habsburg state, which existed until 1918, was comprised of twelve officially recognised nationalities. Each nationality had a right to national self-determination, which it could claim either by establishing an independent state or joining an existing state of the same nationality.

However this principal proved impossible to be consequently applied as not only the Empire as a whole, but also its individual components, the crown lands ('Kronländer'), were multinational entities with linguistic enclaves and mixed-nationality populations. The state was plunged into a decades-long crisis because it proved impossible to determine the exact boundaries within which each nationality would live.

The nationalities policy proposed by Austrian Social Democrats in its famous program on nationalities (1899) was based on two equally simple and radical principles:

- National self-determination is not a right linked to a specific territory ('territorial principle'), but a personal

From this shared, basic tenet, however, the theorists of the Second Socialist International gleaned a number of different options, and the ensuing discussion evolved into a debate that remains relevant for today's Left.

Actually three strategic options were offered among the socialist left:

- **W. I. Lenin:** 'We must inevitably reach the conclusion that the self-determination of nations means the political separation of these nations from alien national bodies, and the formation of an independent national state.' 1914.
- **Rosa Luxemburg:** 'Social Democracy is called upon to realize not the right of nations to self-determination but only the right of the working class, which is exploited and oppressed, of the proletariat, to self-determination.' (1908)
- **Otto Bauer:** 'National-cultural autonomy' ... 'personality principle' (1907)

right ('personality principle'). All persons living in the Empire have the right to join the nation of their choice, regardless of their origin and place of residence.

- Every nationality that constitutes itself on the basis of the personality principle has the right to self-determination and self-government. 'All the self-governing territories of one and the same nation are together to constitute a nationally uniform association, that attends to its national affairs with complete autonomy.'

This policy differed from Lenin's in the following way: While the Bolsheviks saw in the national question an instrument for undermining and disintegrating the Czarist state, which they opposed unconditionally, the Austrian Social Democrats interpreted it as a challenge which would prove their ability to lead and transform the state. These opposing strategies are a vivid example of Gramsci's distinction between a war of position and a war of manoeuvre.

6. Europe as a Commons

Europe needs a social and economic reconstruction programme, an agenda to transform its modes of production and living, with a focus on gender equality, ecological sustainability and social justice.

Such a programme is not only conceivable – it is also viable. What is standing in its way?

Obviously, existing political and institutional power relations remain the key obstacle. But the changing of power relations is a strategic goal, not an instrument of mobilisation. The key term in any struggle to shift established power relations is democracy. The question of democracy cannot be separated from the treaties of Lisbon, Maastricht, the fiscal compact, etc., just as much as it cannot be separated from the entire framework of rules and regulations that defines neoliberalism as the EU's basic law and subjects member states to austerity. These treaties cannot be reformed. They will have to be replaced by a different, a democratic framework.

But the question of democracy reaches deeper. The fundamental problem is: How can 500 million people – more than 50 peoples and nationalities – coexist in Europe in peace and solidarity? And how do they want to position themselves in a world whose population will soon exceed 10 billion?

What we lack first and foremost in order to bring about a democratic Europe is a movement for democracy, and it can only be born out of the individual member states of the European Union. We need a vision of Europe, but clinging to narrow dogmatic concepts will not help such a movement to build the transnational solidarity it needs.

In 1907, Otto Bauer commented with bitter irony on the dogmatism that was blinding the Polish Left as it attempted to define its nationalities policy. 'In an era when the power of czarism has not yet been broken, in which the fighters of the working class are incarcerated, shot, and hanged daily, the workers of Warsaw and Lodz are quarreling over whether the relationship between Russia and Poland should be regulated by the constitutive assembly in Saint Petersburg or by the constitutive provincial assembly in Warsaw, whether they should demand the eight-hour day from the Russian Duma or from the Polish assembly, whether Poland needs Russia's markets or not.' (Otto Bauer

(2000 [1924]), *The Question of Nationalities and Social Democracy*, transl. Joseph O'Donnell, Minneapolis: University of Minnesota Press, p. 365)

Does Bauer's description not remind us of today's Left and some of its ideologised European policy debates?

The struggle that the Left will have to wage will take on many forms. These range from the utilising every, even the slightest, room for manoeuvre that the legislative and legal framework provides to drive forward policies that can thwart neoliberalism, to strategies of disobedience, which includes the non-observance of norms laid down by EU authorities (the Commission or the CJEU), by governments as well as territorial authorities. But that struggle also calls for a new narrative that envisions how the people of Europe can live together democratically.

Transnational democracy in Europe would require:

A lean constitution for a new, democratic European Union

- The European Charter of Fundamental Rights;
- A European citizenship that grants political and social rights to all people living in Europe;
- Recognition of every state's and every nation's right to self-determination in Europe, including the right of Europe's national minorities to national autonomy, regardless of whether they are established residents or newly arrived immigrants.
- Investment of the European Parliament with all the necessary rights of a sovereign parliament, including the right to make the European Commission its executive organ, adopt the European Union's budget as well guide and monitor the European Central Bank by setting its targets;
- An intelligent and transparent division of power and competences between both the European Parliament and national parliaments, as well as between the Union's organs.
- The EU will not become a military union. Its aim is to establish a system of collective security and promote disarmament throughout Europe.

I would like to close with a brief comment on the increased emphasis that the debate among Europe's elite has been placing on the Defence Union.

The planned European Defence Fund with its budget of 20 billion euros, the unified defence market and the increase in military spending to 2 per cent of member states' GDP do not just augur enormous profits for arms manufacturers. They also underline the impression that Europe's elites are preparing to switch to a more confrontational mode in the pursuit of their geopolitical interests.

This is why a left-wing European policy definitely also needs a disarmament agenda, especially with respect to nuclear weapons. Disarmament will only become a reality if Europe manages to free itself from its increasingly dangerous military dependency on the US and NATO and work towards building a system of collective security in Europe. This, in turn, demands a shift in the prevailing view of Europe. We should not lose sight of the fact that the European Union is not Europe, and that, for the foreseeable future, it will never be. One of our central political priorities, therefore, has to be to foster peaceful and mutually benefiting relations with our close neighbours.