

# Blair threatens European parliament: “change or die”

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Britain's Prime Minister Tony Blair has made clearer the full implications of his call for the economic reform of Europe. In the name of responding to the challenge of globalisation, he is demanding the dismantling of all that remains of European welfare provisions and a massive intensification in the exploitation of working people.

His speech to the European parliament on June 22, inaugurating his six-month term as European Union president, came amidst worsening tensions between the major European powers. Prior to Blair's appearance, France's President Jacques Chirac and Jean-Claude Juncker, the prime minister of Luxembourg, both made direct attacks on him.

Juncker, who chaired last week's Brussels summit, was applauded by members of the European parliament when he blamed Britain for the collapse of the summit and suggested Blair should be “ashamed” of his actions.

At his weekly cabinet meeting, Chirac likewise blamed the failure to agree on an EU budget framework on “British intransigence.” According to *Le Canard Enchaîné*, Chirac had described Blair privately as “like Thatcher, only worse—as arrogant as she was but even more selfish.”

Blair prides himself not merely on his ability to emulate Margaret Thatcher, he believes he can go further than her in imposing right-wing economic policies by dressing them up in rhetorical commitments to a supposedly progressive social agenda.

When Thatcher first took office in 1979, she stood on the steps of Number 10 Downing Street and famously paraphrased the Prayer of St. Francis, “Where there is discord, may we bring harmony.”

This was at least matched by Blair telling members of the European parliament in Brussels: “I believe in Europe as a political project. I believe in Europe with a strong and caring social dimension. I would never accept a Europe that was simply an economic market.”

The meaning of such words depends, of course, on what one means by “harmony” or “political project” and “strong social dimension.”

When Thatcher successfully negotiated Britain's EU financial rebate in 1984, her position was famously summed up by the words attributed to her: “I want my money back!”

Blair, on the other hand, told the European parliament that they could keep the money. All he wanted was a root-and-branch restructuring of the entire EU.

Blair made some placatory noises about his record as a “passionate pro-European.” But the real tenor of his speech was just as combative as his stance last week, when he refused to endorse the proposed EU budget.

He rejected any dichotomy between what he called a “free market” Europe and a “social” Europe, and argued that the characterisation of his differences with France and Germany as a conflict “between those who want to retreat to a common market and those who believe in Europe as a political project” was an invention of his opponents.

There was, he declared, simply no choice but to embrace the type of economic changes and social policies his government has implemented. Otherwise, the European ideal would “die through inertia in the face of challenge.”

He hailed European leaders for achieving “almost 50 years of peace, 50 years of prosperity, 50 years of progress.” But the world had changed, he said. The European powers no longer dominated the world.

“The USA is the world's only super power. But China and India in a few decades will be the world's largest economies, each of them with populations three times that of the whole of the EU.”

Europe had to unite, he declared, to meet the economic and political challenge of “the modern world we live in.”

As is his wont, Blair claimed he was advocating change in the interests of the “people,” and to win their support for the project of European integration. He said his policies were vindicated by the rejection of the European Union constitution in the French and Dutch referendums, even after four years of debate. “The reality is that in most Member States it would be hard today to secure a ‘yes’ for it in a referendum,” he declared.

He insisted that the vote was not against the constitution,

which was sound, but was merely a vehicle for an undefined “wider and deeper discontent with the state of affairs in Europe.” As such, it represented a “crisis of political leadership.... The people are blowing the trumpets round the city walls. Are we listening?”

By this device, Blair sidestepped the essential connection between widespread social and political unrest and rejection of the constitution. In both France and Holland, mass opposition to the EU constitution was directed against precisely the type of unrestricted pro-big business economic agenda, including the destruction of social and welfare programmes, that is championed by Blair.

The British prime minister said the issue at hand was not whether change was needed, but how inevitable social dislocation in the era of globalisation could be managed so as to prevent the growth of extremism. He was more than willing to give up the UK rebate as part of a debate on a “more rational budget.”

He declared that this would involve “modernising” Europe’s social model, which had failed, as demonstrated by the figure of 20 million unemployed and the fact that European productivity rates were falling behind those of the US. Europe’s economy was, “on any relative index of a modern economy—skills, R&D, patents, IT,” going “down not up.”

He continued, ominously, “India will expand its biotechnology sector fivefold in the next five years. China has trebled its spending on R&D in the last five.”

Getting to the crux of his argument, Blair insisted, “The purpose of our social model should be to enhance our ability to compete.”

This meant an end to “regulation and job protection” in favour of measures to encourage competition through “active labour market policies” and a concentration on educating a skilled workforce.

The Kok report, he said, showed “how to do it.” This was a reference to the report drawn up by a group chaired by former Dutch prime minister Wim Kok, which was presented to the European Commission in November 2004. The report was extremely critical of the EU’s failure to carry through economic and social restructuring with sufficient vigour.

The solution to the EU’s difficulties recommended by Kok included amending legislation limiting working hours and the use of temporary labour, and removing existing obstacles to labour flexibility and mobility.

In short, Blair said, the EU must “send back some of the unnecessary regulation, peel back some of the bureaucracy and become a champion of a global, outward-looking, competitive Europe.”

He added a call for a more serious approach to his own

favoured right-wing hobby horses—law-and-order, counter-terrorism, clamping down on immigration, and enhancing Europe’s military capabilities. In this way, “a strong Europe would be an active player in foreign policy,” not as a rival to the United States, but as “a good partner.”

Blair holds out Britain’s deregulated economy and his government’s attacks on welfare provisions as a model for all of Europe. This is, despite Blair’s denials in Brussels, a truly Dickensian vision of acute polarisation between the very, very rich and a low-paid, socially deprived majority. But this is not all. Blair’s repeated references to the need to compete against China and India point to the type of social cuts and working conditions he is advocating for Europe.

The same message was sent by British Chancellor Gordon Brown in his annual Mansion House speech. He warned that current EU economic thinking was “not just out of date, but counterproductive.” He said, “Europe...is finding that as a result of globalisation, the agenda relevant to its first phase—the era of trade bloc—has changed utterly.

“The challenge for Europe now is that of global competition.... The question for us is how Europe can move from the older inward-looking model to a flexible, reforming, open and globally-orientated Europe—able to master the economic challenge from Asia, America and beyond.”

An economic benchmark set in China and India excludes the possibility of preserving the type of working conditions and social services that have existed in Europe for the past half-century. Though these arrangements have already been gravely undermined, the scale of attacks on the European working class now being advocated by Blair makes what has gone before pale in comparison.

In his differences with Germany and France, Blair is not simply articulating the “national egotism” of which he has been accused by German Chancellor Gerhard Schröder and French President Chirac. While he is most certainly seeking to assert British interests in Europe, he also speaks as a pliant tool of an international financial oligarchy, and with the support of the Bush administration in Washington. These circles look on France as an intolerable example of a virtually unreconstructed welfare state, and view Germany as having barely embarked on the type of social “reform” that is demanded of it. They want European economic and social relations to be remodelled in their interests, no matter what the consequences.



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