

European “left” supports EU institutions

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While the European powers clash over how to reform the stability pact to solve the euro crisis at the expense of the working class, Europe’s so-called “left” parties have made clear that they support the ruling elite’s austerity policies. By calling for eurobonds and an inflationary monetary policy, they are preparing for even deeper attacks on the social rights of the workers.

In a declaration of November 22, the presidium of the European Left fraction in the European Parliament called on the European Central Bank (ECB) to print money to pay off distressed European governments’ debts.

The European Left fraction is an alliance of 27 parties from 21 countries, consisting of ex-Stalinist parties, split-offs from the social-democratic parties, and other “left” tendencies. These include the French Communist Party (PCF), the Party of Democratic Socialism (SDS) in the Czech Republic, as well as the Left Party of Germany. These parties’ supporters include various petty-bourgeois tendencies like the Pabloites, the state-capitalists, and the Militant group.

The November 22 document starts with various phrases criticizing the class character of the rescue of the euro, austerity measures, and the “new hegemony of extremist nationalist and xenophobic approaches.”

Further reading shows, however, that these phrases were introduced to obscure the underlying program of the European Left fraction. Their “repeatedly presented proposals for preventing and overcoming the crisis” expose their own pro-capitalist standpoint.

Besides demands for a haircut of the debts—as IMF and EU-Institutions just organized in Greece—the call for an inflationary monetary policy by the ECB stands in the centre of the declaration. A part of countries’ debts should directly be transferred to the ECB, the declaration states. That should be realized by changing the ECB in “a last resort lender, able to print money.”

What the document praises as a step towards a

“Europe of solidarity” is in fact the demand of much of the European bourgeoisie. Officials from France, Italy and even parts of the German ruling elite repeatedly called for such policies, as a way to make the population pay for the crisis.

Printing money to supply the European countries with needed cash to pay back their loans would mean postponing the crisis at the expense of the workers. It would not stimulate the economy, but be used to pay off the banks and other major creditors of European national governments, who would then continue to demand cuts from the working class. The volume of money would also increase significantly, leading to inflation in the medium term.

The result would be a massive and systematic decline of the real value of wages, pensions and all forms of social spending throughout the continent and the collapse of the value of workers’ small savings.

The demand to print money was already advanced by the German Left-Party in recent weeks and months. On November 11 the chief economist of the parliamentary fraction of the party, Michael Schlecht, justified the call for the ECB to print money with the threat of “catastrophic consequences for the German economy”, in case the Euro collapsed.

The party’s left figurehead, Sarah Wagenknecht, also repeatedly promoted the policy of printing money to give it to European states’ creditors. Moreover, she also called for Eurobonds. The creation of such common bonds, jointly issued by all the European states, has featured among the party’s demands since 2008.

When European Commission President José Manuel Barroso presented a proposal for Eurobonds, which entail deep attacks on the social rights of the working class, the speakers of the Left-Party faction in the European Parliament, Jürgen Klute and Thomas Händel, emphatically supported it.

Like the European bailout funds of the past, Eurobonds would be a major instrument to push for social cuts, not only in individual countries but also throughout the euro zone.

The results of such policies can be seen in Greece. EU and IMF policies to cut social spending and deregulate markets has led to a fall of wages of up to 50 percent, an official unemployment rate of about 20 percent, and a wave of bankruptcies of small and medium-sized firms.

The support for these measures by the parties of the European Left fraction is a clear indication of their ambitions to serve the financial elite in mounting attacks on the working class. Some of the fraction's member parties, like the PCF in France, already have long experience in implementing austerity measures against the population. Others, like the Left Party in Germany, are trying to show the bourgeoisie they can be trusted as parties of government.

These groups' statements show that any government they formed would be deeply reactionary. As in the past, they would use their connections to the trade union bureaucracy to suppress opposition by the workers and provide a "left" cover for the most brutal attacks.

The member of the European parliament for the Left party, Helmut Schulz, stated on November 15 that he not only wants to strengthen the institutions of bourgeois Europe, but also to make them dovetail with Europe's union bureaucracies. Significantly, he already praised Obama's Jobs Act manoeuvre in October as a lesson, from which Europe could learn. Obama's Jobs Act was a classic fraud to cover up reactionary politics.

The Finnish section of the European Left fraction already joined the government of the conservative Prime Minister Jyrki Katainen, even if their mandates were not required to gain a majority. The government not only supported the European Bailout Fund (EFSF) with all its anti-working-class implications, but also announced budget cuts of €2.5 billion. In Denmark the Red Green Alliance, which consists of Pabloite, state-capitalistic, Stalinist and Maoist groupings, gave support to the new government, which has the same character.

The European Left fraction's support for the financial elite and its plans to attack the working class comes as the class struggle takes ever more open forms. While on

the one hand mass demonstrations and strikes like in Greece emerge, the financial aristocracy responds on the other hand with state repression and the implementation of authoritarian forms of rule. The inclusion of the fascist LAOS party in the Greek government is just the sharpest expression of this development.

In this sharp situation, political tendencies increasingly show their true colours. By expressing its support for the measures of the ruling elite, the European Left made clear its class standpoint. It is high time for the working class to formulate its own political standpoint independent of this.

Instead of discussing how to implement the dictatorship of the banks in the best way, workers have to formulate their own perspectives. They need a revolutionary party opposed to all these so-called "left" groups.



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