

# Julie Hyland: The socially criminal consequences of austerity in Europe

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*We are publishing here the text of the speech given by Julie Hyland, assistant national secretary of the Socialist Equality Party (UK), to the International Online May Day Rally hosted by the International Committee of the Fourth International and the World Socialist Web Site on Sunday, May 4.*

It is 125 years since delegates to what would become the Second International gathered in Paris on July 14, 1889. There, inspired by the example of the American workers, they inaugurated May 1 as the day of international workers solidarity.

That meeting was itself held on the 100th anniversary of the storming of the Bastille in the same city—the opening shot in the French Revolution. It was entirely appropriate, since it made clear that the cause of liberty, fraternity and equality could be carried through only by the working class in the struggle for socialism.

We know that the Second International was to betray this goal, as political opportunism took hold, with its talk of “war to end all wars” and the “long onward march of reforms” towards the inevitable perfection of capitalism.

Such claims reached their climax in the latter half of the 20th century, with the European Union held up as the embodiment of this perspective—united, prosperous Social Europe in which the rights of workers were upheld and guaranteed by none other than the European bourgeoisie itself.

How grotesque this now sounds as one country after another falls victim to endless rounds of savage austerity dictated by the “troika” of the EU, the European Central Bank and the International Monetary Fund and imposed by governments without any democratic mandate.

As the SEP and PSG explain in our joint manifesto for elections to the European Parliament at the end of this month, the bourgeoisie seized on the 2008 financial crisis to destroy the social gains won by the working class, so as to increase the competitiveness of European capital against its Eastern European and Asian rivals.

The result is that the social situation in Europe today is one

that would be recognisable to a sans-culotte. If anything, an even more parasitic and decadent financial aristocracy now sits atop a continent in which millions are condemned to poverty, unemployment, underemployment and destruction of their rights.

Officially, 120 million Europeans are living in or at risk of poverty. Twenty-six million are unemployed in the EU, discounting millions on zero-hour or junk contracts. But these statistics cannot and do not convey the monumental crime that is being carried through by the European bourgeoisie.

Thirty odd years ago, Margaret Thatcher declared there was no such thing as society. Today, her dictum is the modus operandi of the EU, which is instructing entire countries to commit economic, social and cultural suicide.

The outcome can be seen most clearly in Greece, where conditions not seen since the Nazi occupation have re-emerged. Mass unemployment, up to 60 percent amongst youth, while the average Greek family has seen their earnings drop by almost 40 percent between 2010 and 2013.

The numbers of those without health insurance more than quadrupled from 2008 to at least 2.3 million people, or almost one in five Greeks, with the number rising by 2,300 each day. There are reports of women suffering breast cancer with open sores because they have no access to medication, while one hospital recently refused to release a newborn baby to its mother unless she made her insurance payment. And still the sadists of the troika demand more.

Small wonder then that when Frau Merkel visited Athens recently to boast of the EU’s success in returning Greece to the money markets, she had to be guarded by 5,000 heavily armed riot police.

The *World Socialist Web Site* warned that Greece was being used as a laboratory for the whole of Europe. And so it is. In Spain, not since the victory of Franco’s fascist forces in 1939 has the working class suffered such a massive drop in its living standards. Wages fell by 8.5 percent in 2012 alone, while some 13 million people live in poverty—a figure that Oxfam expects to rise to 18 million in the next seven

years, nearly 40 percent of the population.

In Ireland, the poster child for EU austerity, income inequality soared between 2009 and 2010, with the top 20 percent earning five times more than the bottom 20 percent.

The situation is similar in Portugal and Italy. But this is in no way the fate only of the so-called “peripheral” countries. Wages have fallen in every country. Health care, education and welfare are being cut in every country. And this is worsening.

The decision by the Socialist Party government of President François Hollande to appoint Manuel Valls as the new prime minister marks a sharp turn to the right, not only for France, but for the whole of Europe. The aim of the man dubbed the “French Blair” is to immediately force through €50 billion in budget cuts and implement sweeping labour reforms over the next three years.

The race to the bottom that is underway is indicated by demands that France slash its public spending as a share of GDP from the current 56 percent to 45 percent to come into line with Germany—a reduction of €200 billion annually. Meanwhile, the goal of the British government is to reduce spending from 48 percent in 2010 to 38 percent.

To this end, the Conservative-Liberal Democrat coalition is writing austerity into law to ensure future governments meet strict spending guidelines.

Real wages in the UK have fallen by over £1,600 a year, one of largest drops in Europe, so that for the first time ever, more working households are in poverty than non-working households. As a result of this and benefit cuts, there has been an explosion in food banks—something unheard of a few years ago. Demand has tripled since 2012, so that almost one million people had to be given emergency food aid last year.

And still there is no end, because the benchmark is not even the Eastern European countries incorporated ten years ago into the EU, such as Hungary or Poland—where millions are forced into exile to find work—but Bulgaria, Romania and now Ukraine, where the monthly minimum wage is just €91.

The ruling elite doesn’t even pretend anymore that what is involved is a temporary adjustment. A “new normal” is being established where the continent is little more than a giant cheap labour reservoir for the transnational corporations and a prison of social misery for its inhabitants.

In every instance, all these attacks have been pioneered and pressed through by nominally labour and social democratic parties. And they have been facilitated by the trade unions, which organise only token protests in order to conceal their role as partners in crime. Thirty-six general strikes in Greece since 2010, 1,300 strikes in Spain in 2012 alone, and not a single one of which even raised the demand

for the bringing down of the government against which it was supposedly protesting. As for the European trade union federations, they have not lifted a finger in solidarity with workers in Greece and elsewhere.

The social democrats and the trade unions are aided by the pseudo-left organisations, such as SYRIZA, with its pathetic pledge to repeal 5 percent of Greek debt, and that’s before they get into government. These organisations posture as left. They whine and they whine over this or that, but they have no intention of doing anything to antagonise the bourgeoisie, lest it upset their privileged life styles. That is why, for the most part, they are the most strident defenders of the EU.

It is this that accounts for the dangerous situation in which the far right is expected to be the prime beneficiary of the European elections.

There is, however, nothing inevitable in Europe repeating the misery and horrors of the 1930s. This meeting itself is testament to that. What is required above all is that the realities of this new world situation determine the orientation of the international working class.

As Trotsky explained in 1939: “Historical development has come to one of those decisive stages when only the direct intervention of the masses is able to sweep away the reactionary obstructions and lay the foundations of a new regime. Abolition of private ownership in the means of production is the first prerequisite to planned economy, i.e., the introduction of reason into the sphere of human relations, first on a national and eventually on a world scale. Once it begins, the socialist revolution will spread from country to country with immeasurably greater force than fascism spreads today. By the example and with the aid of the advanced nations, the backward nations will also be carried away into the main stream of socialism. The thoroughly rotted customs toll-gates will fall. The contradictions which rend Europe and the entire world asunder will find their natural and peaceful solution within the framework of a Socialist United States in Europe as well as in other parts of the world. Liberated humanity will draw itself up to its full height.”

This is our perspective, and it is the basis on which we reclaim the revolutionary traditions of May Day. It is the reason you should join and build this movement as the leadership of the international working class.



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