Brexit referendum to go ahead after UK secures deal with European Union

Robert Stevens, Chris Marsden 20 February 2016

A referendum on British membership in the European Union will go ahead, UK Prime Minister David Cameron having secured unanimous agreement at the EU summit last night on most of the demands he made.

The deal was announced at 10.30 p.m. local time after repeated delays. It will mean:

- * A so-called emergency brake on EU migrants claiming work benefits that will last for seven years.
- * Restrictions on child benefits for EU migrants that will now be indexed to the rate of a migrant's home country, with existing EU migrants paid at the lower rate from 2020.
- * A specific opt-out for the UK from the EU's commitment to forge an "ever closer union."
- * The right of one country to impose a temporary break on the imposition of contentious financial regulations, to be discussed at a meeting of EU leaders in the European Council.

Cameron immediately tweeted, "I have negotiated a deal to give the UK special status in the EU. I will be recommending it to Cabinet tomorrow." At a press conference, he would not answer whether the referendum would go ahead on June 23, as has been widely predicted.

There was enormous pressure on the 28 EU heads of state to prevent a Brexit due to its destabilising impact on the entire continent. Even so, there were reports of conflicts between the European powers throughout the day, and discussion on the refugee crisis, the other theme of the summit, never began.

The talks and the agreement expose the wholly reactionary character of the EU as a bastion of the interests of the banks and major corporations. There was not a shred of principle animating any of the 28 heads of state at the summit, only naked, national self-interest.

The most serious divisions were between France and the UK over Cameron's demands that the City of London banks and finance institutions be exempt from any euro zone financial regulations. French President François Hollande said France's position was "to make sure financial regulation applied everywhere in Europe, without vetoes or impediments"—a position later echoed by German Chancellor Angela Merkel.

Edouard Tétreau even wrote in *Le Figaro* that France might benefit from a Brexit—first, as a unique opportunity to consolidate a core Europe of 10 or so states under a firmer Franco-German leadership, and second, because it would "represent a historic windfall for the city of Paris," as it would replace London as "the financial hub of Europe."

There was far greater readiness on the part of all concerned to agree with Cameron's demand for a clamp-down on benefits.

A paltry amount of money—a few tens of millions from the total UK welfare budget of £171 billion—is involved. But its import for Cameron is as a "dog whistle" issue for whipping up anti-immigrant sentiment, while seeking to appease his party's right wing and the media, and scapegoating migrants for the impact on working people of the austerity measures imposed by the government and its Labour predecessor.

As well as securing the agreement of the "Visegrad Group" of Poland, the Czech Republic, Slovakia and Hungary, Cameron's stance on cutting benefits won the enthusiastic backing of German Chancellor Angela Merkel, who began the summit by stating, "There are no points of dissent between the UK and Germany as far as social systems are concerned." Her own government plans to legislate an end to EU migrants claiming any benefits in Germany.

Germany had considered it impossible for non-

German citizens to claim benefits because, like many EU countries, it has a contributions-based social security system. But when a German court ruled that EU citizens were entitled to a "minimum subsistence" level of support for six months, the government announced a clamp-down. Andrea Nahles, a leader of the Social Democratic Party and minister for work and social security in Merkel's grand coalition, said, "We have to protect local authorities from having to provide unlimited care for destitute EU foreigners."

For all the pious talk about the rights of workers to free movement in Europe that accompanied the discussion on the "emergency brake", the reality is that there is a rush to erect new border fences throughout the continent and enforce yet more restrictions on allowing entry to desperate refugees. A majority of EU countries are now opposed to taking any more refugees from Syria and other countries devastated by imperialist war and intrigues. On Wednesday, a European commissioner felt obliged to comment, "You can't have 20 [EU] countries refusing to take in refugees."

As the summit began Thursday, Hungary announced that it would shut three railway crossings with Croatia for 30 days. On Friday, the daily cap announced by Austria on the number of migrants and refugees allowed into the country came into force. Just 80 applications from asylum seekers will be accepted each day at Austria's southern border, after which it will be slammed shut.

Also yesterday, Serbia closed its border with Macedonia to unregistered refugees. Shortly after, Slovakia stated that it intended to seal its border with Austria following Vienna's decision.

The two issues of a Brexit and the migrant crisis at one point came together with the dramatic intervention Friday by Greece's Syriza prime minister, Alexis Tsipras. According to an AFP report, Tsipras had threatened to reject any final agreement with Britain, which would require unanimous approval. He was responding to demands from the Visegrad group and others that the EU force Macedonia, a non-EU state, to close Greece's northern land border to stem the flow of refugees from the Middle East.

The European Commission previously gave Greece three months to restore control of its borders under threat of expulsion from the EU's passport-free Schengen Area. This would provoke a security and humanitarian emergency within days, according to German government documents published by *Der Speigel*, with Greece already under instruction to build vast concentration camps to house refugees prior to their deportation back to Turkey.

Cameron still faces a deeply divided party on his return today, with a number of senior cabinet members expected to campaign for a Brexit. Even before Cameron returned, the BBC reported that Justice Secretary Michael Gove had declared in favour of UK withdrawal from the EU.

This places significant responsibility on the Labour Party to argue the case for EU membership in a referendum, still the favoured position of the majority of Britain's ruling elite. Labour leader Jeremy Corbyn has answered this call by reversing his previous opposition to the EU. He spoke Thursday to a meeting of the Party of European Socialists parliamentary bloc in Brussels, which was also attended by Hollande. Corbyn said he endorsed the EU on the basis that it supposedly "brings investment, jobs and protection for British workers and consumers."

Not only does his claim studiously ignore the EU's real record of imposing savage austerity in Greece, Spain, Portugal and elsewhere, but it is also a farce, since the EU signed up to all of Cameron's demands.

To underscore Corbyn's readiness to adapt himself to the right-wing xenophobic basis on which the merits or otherwise of EU membership are being discussed, he opposed Cameron's "emergency brake" proposal by describing it as "largely irrelevant to the problems it is supposed to address." That is, he explained, "There is no evidence that it will act as a brake on inward migration."



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