

The Brexit referendum, socialism and the European working class

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The Socialist Equality Party of Britain is campaigning for an active boycott of the upcoming referendum on UK membership in the European Union. The following is a speech delivered by Julie Hyland, assistant national secretary of the SEP, at meetings in Manchester, Sheffield, Glasgow and London.

Further meetings will be held in Manchester on May 31, Sheffield on June 7 and London on June 14. Full details of the meetings are [here](#).

The June 23 referendum on Britain's membership in the European Union raises issues of immense international importance. The outcome will have implications for workers not only in the UK, but globally.

This is the first of two meetings to explain our call for an active boycott of the EU referendum. Tonight I will outline the political principles on which our call is based. The second meeting will deal with the historical lessons that inform our approach.

In our statement, we explain, "The first consideration of socialists is to safeguard not only the present interests of the working class, but also its future."

At the heart of our perspective is the fight for the conscious unification of the working class internationally. This is not merely a slogan. We insist that it must be the axis of the class struggle. So our starting point in this referendum is to define a policy that upholds the interests of workers not only in Britain, but in Europe as a whole and throughout the world.

The SEP is irreconcilably hostile to the EU. It is an instrument of the major powers and big business in Europe to push their agenda of war, austerity and anti-immigrant measures.

The danger of a military conflagration is very great. Indeed, over the last 15 years there has been a state of what we have described as "perpetual war," led by US imperialism. The targets are Russia and China.

The EU is actively participating in these plans. It was fully involved in the US-backed right-wing putsch in Ukraine, aimed at installing a virulently anti-Russian regime. Now, thousands of NATO troops are being deployed in Eastern and Central Europe.

Some 25 years after the dissolution of the Soviet Union, the US is expanding its nuclear missile arsenal in Europe as part of what NATO describes openly as preparations for "hybrid warfare" against Russia.

At the start of this month, the US used a change in the command of its European military forces as an opportunity to further escalate its military threats against Russia. The new commander, General Scaparrotti, described Russia as a greater international threat than "terrorism." The Obama administration is quadrupling its funding for so-called "deterrence" to \$3.4 billion and sending a third US army brigade to Eastern Europe—bringing the total to 60,000 US troops in Europe.

Scaparrotti said these troops must be prepared "to fight tonight if the deterrence fails." A fortnight ago, officials from the US, Europe and NATO announced the activation of a new missile system. Based in Romania, it will operate under the direct command of the US. It is positioned less than 400 miles from Russia's main Black Sea naval base at Sevastopol, Crimea.

The result is that Europe is more militarised than at any time since the Second World War. It is these war preparations that account for US President Obama's call for a Remain vote when he visited Britain last month. The task for the UK as an EU member was, he said, to "roll back" the Islamic State, intervene in the Middle East "from Yemen to Syria to Libya," and "continue to invest in NATO" to counter Russia and meet overseas commitments "from Afghanistan to the Aegean."

Prime Minister David Cameron echoed Obama in his speech last week. Cameron spoke in terms of a new Cold War, arguing that Britain had to stay in the EU in order to ensure that Europe backed US and NATO provocations against Russia.

These plans are accompanied by draconian anti-immigrant measures that have resulted in hundreds of people drowning in the Mediterranean, and men, women and children, many fleeing the wars started by the US and the European powers in Iraq, Syria, Libya and elsewhere, being beaten and attacked with tear gas on Europe's borders, rounded up in prison camps and deported back to the countries they are fleeing.

The campaign for a Remain vote, led by Prime Minister David Cameron, is predicated on continuing the militarization of Europe and the anti-immigrant measures.

Despite his claim to be presenting a left-wing alternative for working people, Labour leader Jeremy Corbyn has abandoned his opposition to the EU. Now the Tories are relying on him and the Labour Party to deliver them the Remain vote they desperately need.

Corbyn or another Labour leader is expected to stand in for Cameron to present the case for staying in the EU at the BBC's Great Debate broadcast, which will be held two days before the vote.

Cameron had refused to do it because he didn't want to be involved in a public battle with Boris Johnson and other members of his own party who back the Leave campaign. So in order to prevent the split in the Tory Party developing any further, Labour is to step in to rescue Cameron.

This is only one of the numerous retreats Corbyn has made on his promise to advance a left-wing alternative over the last months.

His position is supported by the TUC, whose former head, Brendan Barber, wrote a joint appeal with Cameron arguing that "for the sake of every worker in Britain," the unions must unite with the Tory government to support EU membership.

This is a government that is implementing austerity measures, dismantling health and education and stepping up its war drive in Syria and Libya. It is a government that recently passed fresh anti-labour measures, including illegalising strikes if fewer than 50 percent of all union members participate in a strike ballot, and, in the case of "essential public services," if fewer than 40 percent of all union members vote in favour of strike action. The law also enables the use of agency workers as strike-breakers and makes picketing a criminal offence.

None of this is mentioned. The trade unions organised no protest at the bill's passage as part of their dirty deal with the government to present a united front on the Brexit referendum.

Then, of course, there is the Scottish National Party. Nicola Sturgeon doesn't even attempt to reconcile the demand for Scottish independence with support for a Remain vote in the European Union referendum.

But then, she doesn't have to, as the pseudo-left organisations that lined up behind Scottish independence in 2014 are either in favour of a Remain vote or are largely silent on the matter. The Scottish Socialist Party for instance, describes the EU as an "anti-democratic bosses' club controlled by corporate Europe," which is pursuing a "neo-liberal agenda," but still calls for a Remain vote on the basis that it should be reformed. As for Rise, billed as Scotland's Syriza, it claims "neutrality" on the issue.

The leader of the campaign to supposedly "democratise" Europe is none other than Yanis Varoufakis, the former finance minister of the Syriza government in Greece. Elected on a massive mandate to oppose the EU's austerity measures, it took only days for Syriza leader Alexis Tsipras to repudiate that mandate. Even after the July 2015 referendum delivered a massive vote against the EU measures, Syriza signed up to them and began enforcing EU austerity and anti-immigrant measures on behalf of the EU.

The betrayal of Syriza, and the support of the Labour Party, the unions and a large section of the pseudo-left for the EU is what has enabled the most right-wing forces to dominate the Leave campaign.

That is why, despite our hostility to the EU, we cannot back a Leave vote.

The argument made by the Leave opponents of the EU is that Europe is breaking apart anyway and Britain would be better positioning itself outside before that happens.

But the working class cannot afford to be indifferent to the fracturing of the European continent, especially when it is accompanied by deliberate efforts to whip up nationalism and xenophobia to divide the working class.

Sunday's final round of voting in Austria's presidential election saw Norbert Hofer of the far-right Austrian Freedom Party lose by just 0.6 percent of the vote. The ideological forebears of the FPÖ enthusiastically supported the Nazis when Austria was annexed by Hitler's Germany in 1938.

Hofer lost by a pip to Alexander Van der Bellen, the so-called "independent" candidate who is close to the Greens. The result was just enough to prevent Hofer becoming the first ultra-right politician to take power in a Western European state since the end of the Second World War. Nonetheless, the fact that Van der Bellen, who mobilised the support of large sections of the political elite and all the pseudo-left organisations on the basis of neo-liberalism and support for the EU, edged out Hofer will not prevent the growth of the right.

Quite the opposite. In France, opposition to the EU is led by the National Front, and in Germany by the Alternative for Germany.

The picture is the same here, where the Leave campaign is dominated by UKIP and the most right-wing sections of the Tory Party. Their hostility to the EU has nothing to do with its measures against the working class. Their differences with the Remain camp centre on their claim that the interests of British imperialism can be better pursued outside of, and in opposition to, the EU.

Billionaire stockbroker Peter Hargreaves is the largest single donor to the official Leave campaign. He has welcomed the financial instability caused by a Brexit as "fantastic," saying a slump in sterling and economic dislocation would "be the biggest stimulus to get our butts in gear that we have ever had."

He cites Singapore as the model for an EU-free Britain. Behind the façade of democracy, Singapore is an authoritarian regime that suppresses any sign of political or social dissent and presides over the highest levels of social inequality in the developed world. Hargreaves welcomes an exit from the EU as enabling the dismantling of work regulations, which he says governments should not legislate.

Likewise, Aaron Banks, the millionaire donor to UKIP, spoke in Washington last week, where he said, "If it were up to me, I'd privatise the NHS."

In the event of a Leave vote, the main beneficiaries will be right-wing and fascistic elements.

This is why the efforts of George Galloway and the pseudo-left organisations to support a Leave vote on a supposedly progressive and left-wing basis are so politically criminal.

At the start of the campaign, George Galloway appeared with Nigel Farage to call on the left and right to "march together." His declaration makes clear what we mean when we refer in our statement to the fact that the "biggest political danger in this situation is the mixing of class banners on the basis of the espousal of a supposedly 'left nationalism.'"

The Socialist Workers Party, the Communist Party of Britain, Counterfire and the Rail Maritime and Transport union have launched a joint campaign for a Leave vote, which they claim is an alternative to the "existing Leave campaigns dominated by the xenophobic right."

These organisations have not joined Farage on platforms—so far. But what they share in common with those they claim to oppose is that they separate entirely the situation in Britain and Europe from its roots in the capitalist profit system. They make no mention of the 2008 crash and the deepening economic recession, which is driving austerity and war preparations in every country.

Like UKIP and the Tory right, they paint a picture of a Britain free from EU bureaucracy as a democratic haven, with more social rights than many other European countries. A Brexit, they claim, will undermine Cameron and lead to the bringing to power of a Corbyn Labour government.

If Corbyn is showing himself to be organically incapable of standing up to a handful of Blairites in his own party, no one should harbour any illusions as to what he, and the Labour Party he heads, will do face in the face of a right wing emboldened by a Brexit.

The essentially reactionary standpoint of the Left Leave crowd and its political dangers was best summed up by Neil Davidson in his article, "A socialist case for leaving the EU." He wrote that while the "radical left cannot join either of the highly fragmented 'official' camps, both of which espouse anti-working class politics of one variety or another... refusing to take a side is also untenable..."

"[T]he hard right is certainly our enemy, but in this context at least, it is not the main enemy... Instead of invoking imaginary battalions of workers organized at a European level, it would more useful to begin building where we are."

Consider the significance of his dismissal of "imaginary battalions" of European workers.

Since the publication of the Communist Manifesto in 1848, the fundamental touchstone of socialism has been "Workers of the world, unite!"

Against capitalism, which had spread its system of private ownership of the means of production and class oppression throughout the planet, Marx and Engels counterposed the international unity of the working class. Only this class, which shared common interests and faced a common class enemy, could put an end to capitalism and its reactionary nation state system and reorganise economic life on the basis of rational planning, according to social need, not private profit.

One hundred and seventy five years on, the tendencies analysed by Marx and Engels have fully matured. Today, every aspect of production, distribution and exchange has a global character, so that no nation can stand in isolation.

The 2008 crisis, which began in the US, immediately reverberated around the world, leaving not a single country or continent untouched.

At the same time, and as a result of the same processes, the ranks of the working class have expanded exponentially, numbering in the billions. Virtually everything produced in the world today, virtually everything on

which society depends, is the result of increasingly integrated labour of workers across the globe.

To cite some examples: Bharti Airtel employs 25,000 people in 20 countries; Amazon, 240,000 in 15, Microsoft, 119,000 around the world. But those figures don't tell the whole story. Foxconn produces much of the electronic software in the world and it employs 1 million in China alone, working for just £180 per month. Walmart, one of the largest employers in the world, has 2 million workers.

In Europe, Deutsche Post—now the world's largest logistics company—employs 500,000 people. France's Sanofi-Aventis pharmaceuticals employs 112,000; GlaxoSmithKline, almost 100,000; Banco Santander, 185,000; Siemens, 350,000, Vodafone, 100,000.

Yet Davidson writes dismissively of "imaginary" battalions. The implications of his remarks emerge even more strongly if you concretely examine the situation in Europe today.

In just four years following the 2008 crash—I was unable to find more up-to-date figures—the number of European living in "severe material deprivation" rose by 7.5 million to 50 million people. They are among the 123 million people—almost a quarter of the EU's population—at risk of living in poverty. The situation will be far worse now.

Officially, unemployment is around 10 percent, with some 21 million out of work. Youth unemployment is far higher at around 21 percent, nearly 5 million.

Let's just examine the situation in key countries.

Beginning with Greece, which has been the laboratory of EU austerity. Six years after Greece was first subject to massive cuts, Greek GDP has fallen by more than one-quarter. The so-called emergency bailout of more than €216 billion has gone to the banks and the super-rich, while the economy continues to contract. Less than 5 percent has gone to the Greek government. Fully 95 percent has gone to Greek and European banks, through interest payments, debt service and bailouts. Unemployment is officially 27 percent and a staggering 51 percent amongst youth.

Now the Syriza government has agreed to make massive cuts in pensions and hike social security contributions. Anyone who receives more than £800 will see his pension cut. The base rate is now just €340 a month.

Still, the EU is demanding an additional contingency package of €3.6 billion in cuts, the equivalent of a further 2 percent of GDP. That is in addition to the €5.4 billion in austerity measures (£4.23 billion) Syriza agreed last year.

This is under conditions in which one in four children lives in poverty. More than 26 percent of families suffer severe material deprivation. The figure is 37 percent for single-parent households.

Spain, which was similarly singled out for treatment, is without an effective government six months after December's elections. Just as in Greece before it, those elections saw the votes of the traditional ruling parties collapse. Now, fresh elections have been called for June 26, but are unlikely to produce any change.

Cuts in pay, benefits and working conditions have produced an uptick for the corporations, but the working class is seeing no benefit. The unemployment rate rose back up to 21 percent in the first quarter of 2016—among young people it is 46.5 percent. The jobs that are being created are low-paid and precarious. Some 90 percent of new contracts are temporary. High levels of long-term unemployment have forced more families below the breadline, resulting in more than one in three children being at risk of poverty or social exclusion.

Now the European Commission has warned that without further austerity, Spain will miss its budget deficit target of less than 3 percent of gross domestic product by 2018.

Portugal is another economy hanging by a thread. During its three-year bailout programme, which ended in May 2014, public employees' wages were slashed, companies privatised, and labour regulations changed to

bring down costs. But it has also missed its fiscal targets and faces measures.

In Ireland, similarly subject to EU bailout terms, February's elections produced inconclusive results, with neither of the main parties, Fine Fail and Fine Gael, able to command a majority. Only after 70 days has Fine Gael been able to form a minority government with the help of independents and a pact with Fine Fail not to bring a vote of no confidence. But the new government is deeply unstable.

Thirty percent of Irish children live in materially deprived households, and Ireland has the fourth worst income inequality in the EU.

Italy has lost nine percentage points of its GDP since the height of the 2008 crisis and a catastrophic one-third of its industrial production. Investment is down by 59 percent. Italy's largest bank, Unicredit, has lost half its value over the last six months. It has €360 billion in non-performing loans—19 percent of the Italian banks' combined balance sheets.

Despite drastic austerity cuts, debt is 132.7 percent of GDP and Italy is anticipated to be the next major crisis. Official unemployed is 11 percent, but that is because an estimated 12 percent of people have dropped out of the figures altogether. Youth unemployment is officially 37 percent, but in Calabria it is 56 percent and 53 percent in Sicily.

In France, youth unemployment is 25 percent. Recent weeks have seen mass protests against the Socialist Party government of François Hollande. Under conditions of a state of emergency, in place since November, French workers and youth have carried out mass demonstrations to protest a reactionary labour law reform that will lengthen the working day, break up existing contracts and make it easier to sack employees.

In Germany, the economic powerhouse of Europe, the situation facing workers and youth is not much better. While officially German unemployment is relatively low, poverty is now at its highest level since reunification 25 years ago, with nearly 13 million classified as poor.

The situation in the Eastern and Central European states is worse. The restoration of capitalism has brought social misery. In Bulgaria, the poorest country in Europe, 43 percent live in severe material deprivation.

In Poland and Romania, youth unemployment is 20 percent. In Albania it is 38 percent. It would be far higher if so many hadn't left the country.

As David North pointed out at our recent May Day online rally, the situation in the former Yugoslavia is catastrophic. Youth unemployment in Macedonia is 50 percent, Croatia 44 percent, Montenegro 41 percent, Bosnia 57 percent, Serbia 49 percent, Kosovo 60 percent.

While there are differences, this basic overview shows that there has been a levelling out across Europe as gains and conditions of those in West are driven down.

For 25 years, the ruling elite have had a virtual free hand to show what capitalism can achieve when it has no major opponent. The result is a social nightmare.

This is what is fuelling a re-emergence of class struggle, which is assuming an ever more dominant factor in the political situation in every country.

As we meet, there is a mass strike wave unfolding in France. Transport and oil refineries are blocked. In Marseille, oil workers have come under attack by the police, backed by the Socialist Party government. Autoworkers in China and India have launched strikes against attacks on wages and working conditions.

In America, there are a series of strikes, lockouts, contract rejections and other struggles involving telecommunications, shop workers and others.

If Davidson, et al do not base themselves on these vast battalions of the international working class, what do they base themselves on?

"It would be easier to achieve reforms in Westminster than in the EU, where it requires winning unanimity in the Council, and there is more possibility of simultaneous revolutions in all 28 member states than of this

happening,” Davidson writes.

This has nothing to do with socialism. The basic orientation of these organisations is nationalism, i.e., the identification of the interests of the working class with the nation state. They do not fight for the overthrow of capitalism, but for its supposed perfectibility.

Our call for an active boycott is not a call for abstention or passivity. It is oriented to the explosive social discontent that is mounting among masses of workers and youth in Europe and internationally.

The ruling elites everywhere are acutely conscious of deepening class tensions. That is why politicians of every stripe are fanning the flames of nationalism. In the United States, Donald Trump speaks of “making America great again” through trade war measures against China and Europe. But his economic proscriptions do not differ fundamentally from those of the Democratic challenger Bernie Sanders, who also advances a programme of economic nationalism.

The fundamental prerequisite in this situation is to establish the complete political independence of the working class from all factions of the bourgeoisie.

This includes the pseudo-left organisations such as Syriza, Podemos and their incarnations here grouped around Corbyn. These are bourgeois parties that represent the interests of the upper-middle class. Just like Syriza, they will do whatever they are told by the ruling class.

There will be no shortage of shocks in the coming period. A Leave vote will exacerbate national tensions and be the occasion for a further assault on the conditions of working people in the UK. But a Remain vote will not prevent the break-up of the EU, not put a halt to nationalism and austerity.

The United Socialist States of Europe is the only conceivable form through which the working class can exercise its own rule, under conditions of the integrated character of production across the continent and globally.



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