The significance of the Brexit referendum for the European working class

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Peter Schwarz, secretary of the International Committee of the Fourth International, delivered the following speech in London to a June 14 meeting sponsored by the Socialist Equality Party (UK).

The referendum that will take place on June 23 on the exit of Britain from the European Union (EU) marks a historical political watershed, not only for Britain but for Europe as a whole.

This will be the case no matter what the result.

If the Leave campaign wins, if a majority decides for leaving the EU, this will certainly have far-reaching economic repercussions. It is, of course, very hard to tell what predictions are serious and what is propaganda. But every objective estimate must conclude that the economic consequences of a Brexit are incalculable. The withdrawal of the second biggest economy from the EU would have a massive impact on the value of the pound, on the financial markets and the stock exchange, on investments, trade and jobs.

Just to give one example of the many issues that will come up: There are literally thousands of agreements in the EU regulating trade, commerce, production and taxes which would no longer be valid and which would have to be renegotiated. In addition, the EU has concluded more than fifty trade agreements with other states that would no longer cover Britain and which would also have to be renegotiated.

Such negotiations generally take years, or even decades. So a Brexit would lead to numerous complications, frictions and tensions. It would speed up an international trend, which is already present all over the world: the growth of economic nationalism, the break-up of global economy into trade blocks, the intensification of currency wars, trade wars and national antagonisms. Such a development was characteristic of the 1930s. It was bound up with recession, mass unemployment and it was a major factor leading to the Second World War.

Even more serious than the economic implications would be long-term political consequences of a Brexit.

For our generation, it seemed to be a matter of course that the antagonisms that transformed Europe into the main battlefield of two World Wars had been overcome. But this is not the case. The post-war equilibrium between the European powers, particularly between Germany, France and Britain, was based on a number of peculiar factors, which have largely disappeared: the Cold War—the antagonism with the Soviet Union welded together the European imperialist powers; the role of the United States as the undisputed dominant imperialist power in the world; post-war economic growth which allowed the bourgeoisie to make certain economic concessions and dampen the class struggle.

This is all past. The collapse of the Soviet Union and Eastern Europe; the reunification of Germany; the expansion of the EU to Eastern Europe; continuous social attacks which have intensified class contradictions; and finally the impact of the 2008 financial crisis—which has ruined weaker countries like Greece and enhanced the economic superiority of Germany—have undermined this equilibrium.

A withdrawal of Britain from the EU would further destroy it and accelerate the disintegration of Europe into hostile and competing national states.

Britain has always played a major role in balancing out the rivalries between the two major continental powers, Germany and France.

It is remarkable how the German press is now reacting to the Brexit. It has taken a very long time for them to realize that something very serious is happening. The last issue of *Der Spiegel*, the largest selling German magazine, came out in two languages. Over a British flag, the headline is "Please don't go." Twenty-five pages are published both in German and in English.

The editorial says on the Brexit, "It's about nothing less than the future of the peace project started in 1946 by erstwhile enemy nations on a devastated continent…"

It is interesting that they not only see this as a big issue for Europe, but also to the relations with the US. At one point they write, "Britain is a bridge between Europe and the US. If Britain leaves the EU on this side of the Atlantic while Donald Trump becomes president on the other, then seemingly permanent alliances will wobble…"

They predict that the growing disintegration of the EU could also lead to the break-up of the Atlantic alliance.

The most remarkable sentence is the following. They write, "Following Brexit, Germany would lose an important ally and, *as a large central power on the continent, it would be definitively condemned to take on the leadership role it never wanted*" [Emphasis added].

Germany, which has tried twice to conquer the continent by military means, will, they say, be "condemned" to take a leadership role it "never wanted"! That is a threat. It reflects what the ruling elites are thinking and planning.

It is not *Der Spiegel* that has invented this. It is a continuous theme in the works of Herfried Münkler, the Humboldt professor who is a spokesman for the revival of German militarism and imperialism. Those of you who have followed the campaign conducted by the International Youth and Students for Social Equality in Berlin on the *World Socialist Web Site* will know his name very well.

If Britain remains within the EU, the repercussions might be less immediate but no less dramatic. The referendum will not stop, but accelerate all the trends that have made the EU the most hated institution on the continent. The EU will continue and intensify its role as the champion of neo-liberalism, as the driving force of social attacks on the working class, of deregulation and of the transformation of Europe into a police state and a military fortress.

The few improvements which the EU has brought—the elimination of border controls, the possibility of working and studying in the country of one's choice, a guarantee of certain democratic rights—are already being removed in the name of combating terrorism and deterring refugees. The wave of xenophobia, which is dominating the referendum campaign, is visible everywhere in Europe.

One of the main arguments of the Remain campaign is that the EU

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should shift its focus from an economic to a military alliance. This message was also bluntly put in Germany by the *Süddeutsche Zeitung*, one of the biggest dailies, which wrote, "Only together can Europe challenge great powers like the United States or China."

This is a standard argument in Germany in favor of the EU: If we want to be a world power again, we can only do it together. It is remarkable that the *Süddeutsche* does not identify Russia as the challenge, but America and China.

National antagonisms will also grow if Britain remains in the EU. Typical is a comment by *Le Monde*, a leading daily newspaper in France that is close to the Socialist Party government. It is already calling for action to resist German-British dominance in the event Britain stays within the EU. It wrote that a Remain-vote "could strengthen the economic convergence between Germany and Britain, Europe's two largest economies… If it is not to be sidelined, France … must be the first to press the initiative."

The issue which most clearly highlights the nature of the EU is the argument you can hear everywhere now in Brussels, Berlin and other capitals. When politicians are asked, "Why are you not publicly calling for Britain to stay in the EU? Why are you not going to Britain to support the Remain campaign?" the answer generally is, "If we do that, the Leave-camp will win."

They themselves are convinced that the EU is so unpopular and so hated amongst broad masses of people that if they actively promote the Remain campaign it will have the opposite effect.

The most striking thing about the referendum is that nobody seems to have thought about its implications. Prime Minister David Cameron mainly called it for tactical reasons. He reacted to divisions within his own party and then promised to hold a referendum in case of his reelection, while at the same time saying that he is now for staying within the EU.

Both the Remain and Leave campaigns are dominated by the most short-sighted, pragmatic calculations.

A key motive—and this is again an international phenomenon—is to stir nationalism and xenophobia to divert the opposition and the growing anger of the working class. The events in Greece, where we have seen mass protests against the Syriza government, and in France, where there are continuing strikes against the new Socialist Party labour law, are understood by the ruling class all over Europe as a sign of coming class struggles. Xenophobia, nationalism and militarism are means to deflect that.

In most European countries, the referendum was for a long time ignored. It was taken for granted that the Remain camp would win and now there is a sense of panic.

In a recent article, we quoted some of the comments. *Der Standard*, a leading Austrian newspaper, writes, "Behind the scenes, trepidation over the 'unthinkable' is spreading." *Neue Zürcher Zeitung*, the organ of the Swiss banks, states, "When Europe wakes up on the morning of 24 June, it will find itself on a political map which has changed so radically overnight like nothing since the fall of the Berlin Wall in 1989."

And *Il Sole 24 Ore*, an Italian daily, says, "A Brexit would open Pandora's Box, and unleash a flood of accusations and possible new attempts to leave… Regardless of how the vote result turns out on 23 June, we have already lost everything."

We wrote on these comments, "The light-mindedness, political short-sightedness and brutality with which both the opponents and advocates of a Brexit push ahead with the sealing off, destruction and militarisation of the European Union is not an individual, but a class phenomenon. It is characteristic of a ruling class whose social system is historically outmoded. The ruling elites are incapable of looking to the future and are concerned only with their most immediate privileges and interests."

Again this is an international phenomenon. Look at the American presidential elections. This will now be fought out, it seems, between two of the most hated politicians you can find in the US; between Hilary Clinton, a discredited representative of the political, financial and military establishment and Donald Trump, a semi-fascist and semi-criminal real-estate billionaire. You can only explain this by the crisis, the decay and the class polarization of the US.

There you find the same elements as in the Brexit campaign: militarism, xenophobia and, as a "left" version of it, identity politics.

The most recent example of how identity politics are used to divert enormous social tensions into channels that cannot harm the ruling class is the reactionary media and political campaign that is unfolding around the sentencing of a Stanford University freshman for the sexual assault of a young woman following a fraternity party on campus.

On the other hand we see the rise of right-wing figures like Marine Le Pen in France, Norbert Hofer in Austria, the Alternative for Germany, and similar formations in many countries. This raises profound historical questions.

Lessons of German history

When as a youth I developed an interest in politics, one of the questions that was on my mind was: How could an anti-Semite, a declassed figure from the gutter of Vienna, become the "Führer" of Germany? The answer could not be found in Hitler's person, but only in the crisis and dead-end of German capitalism.

There is a famous saying that "People get the leaders they deserve." That was not the case in the 1930s in Germany. Millions of workers were hostile to Hitler, but they were betrayed by their leaders. Today there is mass opposition among workers and young people against social attacks, militarism and xenophobia. The support for Bernie Sanders in the US was a sign of that. But this finds no voice and no perspective. The ruling elites can only act the way they do because of the absence of a politically conscious workers' movement.

What were once called "workers' organizations"—trade unions, the Labour Party and similar organizations—have been transformed into appendages of the bourgeois state. As we can see in Greece, in France and in many other countries they are in the forefront of the social attacks. Tony Blair and Gerhard Schröder are the ones who were most successful in destroying social gains workers had won in bitter struggles in the post-war period.

The central task in front of the working class today, and this is at the centre of the SEP's campaign, is the building of a new leadership, of a revolutionary party of the working class. This can only be done based on the lessons of history. It is in this context that I want to speak on some historical issues which are very relevant to the Brexit referendum.

Britain has the oldest working class of the world, with a long and proud tradition of militancy. There is the tradition of Chartism, which had a big influence on Marx and Engels. Trotsky once wrote, "Without Chartism, however, there would have been no Paris Commune. Without both, there would have been no October revolution."

There is a tradition of militant trade unionism in the 19th century, in the 1926 General Strike, in the 1974 miners' strike that brought down the Heath government and the miners' strike of 1984-85.

But there is also a very long tradition of political opportunism. The fight for Marxism in Britain has always proven to be extremely protracted and difficult. When Lenin, in his book on *Imperialism*, wrote about the ability of the imperialist bourgeoisie to buy off a section of the working class, of a labour aristocracy, he had mainly Britain in mind. The enormous wealth and power of British imperialism in the 19th century enabled it to bribe a small privileged layer of workers, which controlled the class struggle and

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was deeply hostile to social revolution.

It produced figures like Ramsay MacDonald, Beatrice and Sydney Webb, on which Trotsky wrote some excellent articles. His article, "The Fabian 'theory' of Socialism" begins with the words: "We warn our readers in advance that we are about to enter an ideological junkshop where the choking smell of camphor has no effect on the work of the moths."

I must admit, however, that even these figures appear fairly decent when reading some of the material published by the "Left Leave" campaign.

There is George Galloway, who shared platforms with Nigel Farage of the UK Independence Party (UKIP), under the slogan "Left, Right, Left Right, forward march to victory on the 23rd of June."

There are the leaders of the Socialist Workers Party (SWP) who explain that a Brexit will lead to a split in the Conservative Party and that in turn will allow Jeremy Corbyn to take power. Alex Callinicos wrote, "I am not scared of Boris Johnson. If Leave is successful this will shatter the Tory government and take out the two central figures in that government, Cameron and Osborne. … There will be a vicious bloody faction fight that will make those under Thatcher look like a tea party. If the Leave vote wins we have a chance of breaking a vicious, oppressive enemy."

Another SWP leader, Joseph Choonara, wrote, "Here in Britain some people speak as if Brexit would automatically mean a shift to the right. However, if Cameron loses the referendum it will weaken the ruling class and it would almost certainly mean the end of Cameron's own tenure as prime minister. The Tories would be in a dire state. One potential beneficiary of such a scenario is Jeremy Corbyn. I would welcome an election under those conditions and I would welcome a Corbyn victory—something that would open up a broader space for the revolutionary left."

This policy is criminal on two counts. First of all, Corbyn is not a socialist. If he became prime minister, the chances of which are fairly slim, he would not behave differently from Syriza leader Alexis Tsipras in Greece. He is a bourgeois politician and he has proven again and again that he will not stand up to the ruling class.

But the more fundamental question raised here is that the struggle for socialism cannot be delegated to factions of the bourgeoisie. The only way to socialism is through an independent political movement of working class. Such a movement cannot be replaced by tactical maneuvers and playing hide-and-seek with right-wing factions of the bourgeoisie. Such a movement must have a socialist perspective, it must fight with eyes open and it must be hostile to every section of the ruling class.

The essence of Callinicos' position, "After Boris, Jeremy," is reminiscent of Ernst Thälmann's declaration "After Hitler, our turn!"

Thälmann was the leader of the German Communist Party in the 1930s. German history testifies that the working class has paid an enormous price for this type of tactical opportunism, adventurism and espousal of nationalism. As I have mentioned, Hitler did not come to power because the "German people" supported him. He was brought to power by the German elites—the military, the industrialists, the right-wing parties—mainly because they needed an instrument to smash the working class and to prepare the next war. He had a mass base among sections of the middle class and lumpen elements, but the main workers parties, the Social Democrats and the KPD, had a far bigger base.

In the last elections to the Reichstag in November 1932, just two months before Hitler was named chancellor, these two parties had two million more votes than the Nazis. In fact the National Socialists got slightly less than one-third of the votes cast. So to say that Hitler was brought to power by the German people is a lie. He was brought to power by the German elites and supported by a fraction of the German people.

The working class was ready to fight. It even had armed defence organisations, but it was paralysed and betrayed by its leadership. By the SPD who rejected any fight against the fascists and relied on the bourgeois state, on its police and judiciary which switched over to Hitler very easily and rapidly. And by the KPD, which—while still promoting social revolution—was disoriented and developed a disastrous political line under the influence of Stalin.

Many of you will know that the KPD's policy at that time took an ultra-left form. It is referred to as the policy of "Social Fascism". They rejected any United Front with the social democrats against the fascist danger, a policy Trotsky was calling for. They argued that the social democrats and fascists were twins, that the social democrats were social fascists. This was a disastrous policy, which split and paralyzed the working class.

What is somewhat less known is that this ultra-left form covered fatalism, passivity and a very right-wing content. The policy of "Social Fascism" was developed by the Communist International in 1928. The 6th World Congress of the Comintern announced the so-called "Third Period"—a period in which, according to Stalin, everything would move directly into social revolution in every country. Only half a year later Trotsky, who opposed that line, was expelled from the Soviet Union. But it took time for all the implications to be worked out.

An important event was the so-called Young Plan referendum in December 1929. A coalition of right wing, nationalist parties and leading industrialists organized a referendum against the Young Plan, which modified the reparation payments determined in the Versailles Treaty.

What was specific with this referendum was that for the first time Hitler's party, the NSDAP, was accepted as a coalition partner by major bourgeois parties. It was actually invited into the coalition which organized the referendum. This was a major factor in making the Nazi Party respectable and gave it a massive political boost.

The KPD rejected the Versailles treaty. Nevertheless it strictly refused to give any support to this right-wing referendum. A statement published at the time by the KPD read, "The Communist Party is equally hostile to both camps of bourgeois reaction. [i.e., to those supporting the referendum and those opposing it] … The reparation question can only be resolved by the proletarian revolution."

At that point Stalin intervened. Heinz Neumann, one of the three main KPD leaders at the time, visited him at his Black Sea resort and wrote a letter to the KPD reporting on the conversation. According to Stalin, he wrote, the campaign on the "Young Plan was the key to the 'secret' of the sudden success of the Nazis."

Stalin insisted that the KPD could no longer abstain and had to make a sharp turn. "Otherwise the fascists appear to be the only representatives of the interest of the people and will take away from us several hundred thousands, if not millions of small peasants, urban middle class layers and even masses of workers who are turning away from the Social Democrats." In other words: Stalin wanted the KPD to adapt to nationalism.

The KPD obeyed. In summer 1930 it published a statement, "On the national and social liberation of the German people," which accused the Nazis of betraying the national interest of German workers. They were no longer attacking the Nazis from the standpoint of internationalism. They were attacking them from the right—accusing them of defending the interests of the nation only in words but not in practice.

The entire KPD propaganda was tuned to this nationalist line. In 1931 it made "People's revolution", in opposition to proletarian revolution, its official slogan. Trotsky commented, "It is difficult for one to imagine a more shameful capitulation in principle than the fact that the Stalinist bureaucracy has substituted for the slogan of the proletarian revolution the slogan of the people's revolution. No cunning stratagems, no play on quotations, no historical falsifications, will alter the fact that this is a betrayal in principle of Marxism, with the object of the very best imitation of fascist charlatanism."

This adaptation to Nazi slogans went along with the denunciation of the SPD as social fascist. This policy found its high point in the so-called Red

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Referendum in August 1931. At that time the Nazis organized a referendum against the Prussian government. Prussia was the biggest state—almost 80 percent—of the German Reich. The Prussian government was in a powerful position because they controlled the police of Berlin and huge sections of Germany. It was an important bastion in the bourgeois state ruled by a coalition of the Social Democrats and the Centre Party. The referendum was directed at removing this coalition and replacing it with a right-wing government.

The KPD decided to support the referendum. They renamed it and called it the "Red Referendum." While they refused to have a united front with the social democrats, they had now a united front with the fascists against the social democrats. Even though they denounced the fascists in their propaganda and Communist Party members fought them on the street, the KPD clearly adapted to these rightwing figures.

The idea that you can play hide-and-seek with the fascists was summed up in Thälmann's slogan, "After Hitler, our turn." If the fascists take power, it will not be a big problem because that will increase the crisis of the bourgeoisie and then we can take power. It was an absolutely criminal policy that paralyzed the workers, disoriented them and played a major role in Hitler's victory.

As a matter of fact the referendum failed because workers were not ready to follow that line. But one year later, in July 1932, President Hindenburg removed the Prussian government by presidential decree and replaced it with a right-wing government controlled by Reich Chancellor Franz von Papen, who later formed a coalition with Hitler. That was a major step in preparing the Nazis to take power because now they were infiltrating their people into the Prussian police, which was a major factor in consolidating Hitler's rule in the first months of 1933.

When the Prussian government was removed in 1932, masses of social democratic workers were ready to fight together with the KPD to prevent it. Even some of the leaders of the SPD wanted to fight, but the Communist Party was not ready to do that. It was a big chance to stop Hitler's rise to power.

The price paid by the German working class for this type of tactical opportunism—the idea that you could use the right-wing to further your own ends, that you don't have to fight for an independent movement of the working class based on a clear, principled socialist perspective—was the main reason why Hitler could take power; why the working class was not able to fight; why it was paralysed and demoralized.

The campaign for an active boycott

I have dealt with these questions in some detail because they highlight the significance of the campaign that has been conducted here by our British comrades for an active boycott. The SEP is literally the only organisation that has explained what the referendum is about, which has exposed the reactionary nature of both camps and which has fought for an independent perspective for the working class, for the United Socialist States of Europe.

The significance of this cannot be overestimated. It would be wrong to judge the campaign by the immediate support it gets. We have not had meetings of hundreds and thousands. This is not our approach to building a revolutionary Marxist party. The issue is not to find easy access to the present level of thinking of the working class, or the easiest way to organize some big meetings.

Our starting point is the analysis of the objective situation. It is not our slogans that drive the working class into revolution. It is the crisis of capitalism, the growing class antagonisms, the feeling that they no longer have any future in the present society.

But history has also proven that the development of the class struggle does not automatically produce socialist consciousness. That it does not resolve the crisis of revolutionary leadership. That is our task. We cannot do that by adapting to the present confusion. We can only do that by continuously analyzing, understanding, and developing a comprehension of the crisis of the capitalist system, by fighting within the working class for such an understanding. That is what the WSWS does.

We had the example of Egypt. There was a massive revolutionary movement, not only in Tahrir Square but also in the big industrial cities, in the textile factories, where millions of workers went into struggle. That revolution was betrayed and defeated because of the total absence of revolutionary leadership.

We also have the great example of the Russian October revolution, whose 100th anniversary will be next year. Lenin and Trotsky did not capitulate to the illusions that existed amongst Russian workers in the Kerensky government in the spring of 1917. They based their policy on their understanding of the driving forces of the Russian revolution which they had developed over many years. Many important works, like Lenin's *Imperialism*, were devoted to that question. They understood the Russian revolution, not as a national event but as part of the world socialist revolution, in the context of Trotsky's Theory of Permanent Revolution.

They knew that the working class would come into conflict with the provisional bourgeois government and they prepared for it. That's why the Bolsheviks, in the course of 1917, developed into a mass movement and were finally able to take power.

The enormous significance of the campaign for an active boycott of the referendum is that the SEP has built up a historical record. It has built enormous authority. It will be more and more seen by workers as a party which fights for principles, that is not adapting its policy to whatever seems opportune. And that will make it a factor in the coming class struggles.

It is also important that this perspective was not just based on the circumstances in Britain. It centred on an understanding of European developments and world developments. The strength of Trotsky's perspective in 1917 was that his was based on an analysis of world capitalism. You could only understand the Russian revolution—its potential and difficulties—in that way.

One hundred years later, in the 21st century, under conditions where the working class has enormously grown, where there is literally no place on the earth where there is not a massive working class, this international perspective is even more important. Workers follow international events. We saw this during the Egyptian revolution when workers in Wisconsin, America, were copying its slogans. When a revolutionary movement of the working class starts, it spreads all over the world.

What makes our party attractive is the fact that we are increasingly seen as those fighting for principles, those who are not maneuvering or adapting to Farage and other right-wing figures, who are not mingling their banners with either a nationalistic, anti-immigrant campaign or with a campaign supporting the EU, which is an instrument of the main companies and financial interests in Europe.

The International Committee can be very proud of the work that has been done by the comrades here in Britain and we can look forward confidently to the coming class struggles internationally.

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