

# EU summit: Anger over Trump hides European tensions

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The central theme of the European Union summit, which took place in Sofia, Bulgaria on Saturday, was to further integrate six western Balkan countries into the EU. But in the end, it was the conflict with the US that dominated the meeting of heads of state and government.

The imposition of punitive tariffs on steel and aluminium, and the withdrawal from the Iranian nuclear agreement by President Donald Trump, are regarded by the European powers as a major blow to their own interests. Consequently, they let their anger run wild.

“With friends like these, who needs enemies,” said EU Council President Donald Tusk. French Finance Minister Bruno Le Maire had asked before the summit: “Do we want to be the vassals of the United States, who obediently doff the hat?”

For the European powers, the termination of the Iran agreement, which they played a significant role negotiating, is not only a political affront but an economic blow. The tightened US sanctions due to come into force August 6 will hit American companies hard, but Europeans firms even more.

While US trade with Iran was negligible at \$170 million last year, European companies conducted \$25 billion worth of Iranian business over the same period, and have orders worth billions on their books. They face severe penalties in the US if they do not abide by Washington’s sanctions.

If the US succeeds in limiting Iran’s oil exports, this will also undermine its ability to pay. With a current output of 2.6 million barrels a day and an oil price of \$75 a barrel, the country receives about \$70 billion per year for its energy exports. This corresponds to two thirds of the state budget.

Germany, France and Britain are also worried that they will be outstripped in Iran by Russia and China, which are less prone to US sanctions. For example, the Russian state-owned company Sarubeschneft signed an order for €750

million in March to expand two Iranian oilfields. Moscow is considering investments of up to \$50 billion.

As far as China is concerned, Iran has announced that it will continue the billion-dollar expansion of a gasfield in the Gulf with the Chinese group Petrochina alone if the French energy company Total withdraws from the project because of US sanctions. For China, Iran is of great strategic importance both as an energy supplier and as part of its “One Belt, One Road” project.

The EU summit therefore solemnly announced that it will stick to the Iran agreement and not bow to pressure from Washington. It concerns “the economic sovereignty” of Europe, said French President Emmanuel Macron. European Union Commission President Jean-Claude Juncker spoke of a “question of honour.” Austrian Chancellor Sebastian Kurz said, “We cannot and will not let that happen.”

Chancellor Angela Merkel, Macron and UK Prime Minister Theresa May, who have experienced a more tense relationship since the Brexit decision, demonstrated their solidarity and were photographed during a walk through the “Bridge of Lovers” in Sofia.

At the suggestion of Juncker, the summit decided to reinstate an old EU regulation. It prohibits EU companies from submitting to US sanctions and compensates them with damages resulting from US assets confiscated by the EU. This regulation was issued in 1996, when the US imposed sanctions on Cuba. It served as a means of pressure, but never came into practical use. The EU subsequently reached an agreement with the administration of US President Bill Clinton.

Even now, the regulation serves as a threatening gesture, but it is unlikely that President Trump will respond. Above all, larger companies such as car manufacturers, oil companies and the aircraft manufacturer Airbus will not run the risk of endangering their business with the US because of Iran.

Merkel admitted after the summit that the EU could not protect large corporations. “Compensating the entire economy in a comprehensive way due to US actions—we cannot and should not create illusions about this,” she said. However, providing relief for small and medium-sized enterprises would be examined.

The *Frankfurter Allgemeine Zeitung*, the mouthpiece of the Frankfurt Stock Exchange, commented even more openly. “The indignation of many Europeans about Trump is only surpassed by the powerlessness that makes some EU enthusiasts really angry,” it wrote. “Anyone who believed that the European community was weighty enough to conduct world politics as an equal to the United States was ... taught otherwise.”

The conflict with the US also exacerbates tensions within the EU. Some governments, including the Hungarian and possibly the Italian, are in favour of closer cooperation with Russia. There is also support for this in the public. According to a Forsa survey, 79 percent of Germans see world peace threatened by President Trump and only 13 percent by President Putin.

Other governments, in particular the Polish, and also the majority of the ruling class in Germany, Britain and France, regard Russia as an opponent and strictly reject any rapprochement.

The EU faces a similar dilemma regarding the western Balkans. Apart from Albania, the six western Balkan countries that now want to join the EU (Serbia, Montenegro, Bosnia-Herzegovina, Kosovo and Macedonia) emerged from the collapse of Yugoslavia. The European powers, together with the US, promoted this disintegration in the 1990s using diplomatic and military means to secure their hegemony over the Balkans.

However, the regimes they helped bring to power and have supported since are so fragmented, corrupt and linked with organized crime that their accession would only further destabilize the EU. On the other hand, if they remain outside the EU, Russia, Turkey and China could set up in the Balkans. “If there is no European perspective in the Balkans, Turkish and other influences will be stronger here. We do not want that,” said Kurz.

Finally, the EU summit reaffirmed its “full support for the European perspective,” i.e., for the EU membership of the six western Balkan countries in the distant future, without, however, defining any concrete steps.

As the 2003 conflict over the Iraq war worsened, the WSWs wrote about the “European dilemma”:

From the standpoint of France and Germany, the behavior of the United States is utterly reckless and raises the danger of a complete breakdown of whatever remains of the entire legal and institutional framework that regulated the affairs of world capitalism. For the Western Europeans to submit to the diktats of the United States would mean to accept their relegation, in the words of the conservative French daily *Le Figaro*, “into a simple protectorate of the United States.”

But to openly resist would raise the risk of a potentially catastrophic military confrontation with the United States. Either alternative, or even some middle road between the two, would profoundly destabilize relations among European countries. Moreover, the social consequences of conflict between the US and the “old” Europe would inevitably intensify internal class tensions.

Fifteen years later, this dilemma has become even more acute. The only answer, of which all wings of the ruling class—pro-American or anti-American—are aware, is to massively increase military spending to assert themselves in future conflicts and wars. They are moving increasingly openly towards a third world war. Only an international, socialist movement of the working class that combines the fight against war with the fight against capitalism can stop this madness.



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