PEOPLE'S NEWS

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Germany beats the war drums!

The speech by the German chancellor, Angela Merkel, at the World Economic Forum in Davos made it clear that the new coalition government being formed in Berlin will be dedicated to militarism and great-power politics.

Merkel sought to drum up support for an EU defence policy that would enable Germany and the EU to enforce their economic and geostrategic interests around the world.

"If Europe, with its twenty-seven future members, is incapable of sending a united message to major countries like China, India, the United States or Russia, and foreign policy is instead made nationally, the attempt to become a global player will fail," she warned. "If we want to be taken seriously as Europeans, we have one further major task, specifically to co-operate in the area of foreign policy."

Seven decades after the end of the Second World War, German imperialism again considers the United States, along with Russia and China, a global rival. According to Merkel, "we are doing this with the recent establishment of a common defence policy."

Merkel left no doubt about the fact that Europe is to rearm in order to play an independent role in the wars for redividing the world. "Why is there so much interest in a common foreign policy, the common defence policy, and the common development policy?" she asked. And she answered: "If you look at the EU's surroundings, then you realise that a large number of global conflicts are taking place on our doorstep." The EU, she says, has not done enough about "the civil war in Syria."

Merkel also demanded a much more aggressive intervention by the EU powers in other parts of the Middle East and Africa. "We bear joint responsibility for the development of the African continent. We bear joint responsibility on the issue of what comes next in Iraq. We bear joint responsibility on the issue of what comes next in Libya." On these issues the EU has been too "hesitant," and there is "a huge amount of work before us."

The "work" referred to by Merkel is indicated in the report to this year's Munich Security Conference, which will be held in mid-February. It states that the twenty-eight EU member-states and Norway must invest a further $114 billion in military spending if NATO's 2 per cent goal is to be achieved. The majority of this must be borne by Germany, Italy, and Spain, "because these countries have a large GDP but low levels of defence spending in relative terms."

Ireland would have to triple its military spending to reach this goal, to the detriment of a range of critically needed social programmes.

The entire paper, which is subtitled *Building the European Armed Forces of the Future,* makes it clear that the elite in Germany and the EU are again preparing for major military conflicts and wars between the great powers. The chapters of the document have sub-headings such as "Consolidate the European industrial base," "Address the readiness problem," and "Prioritise investment in equipment in order to upgrade Europe's armed forces."

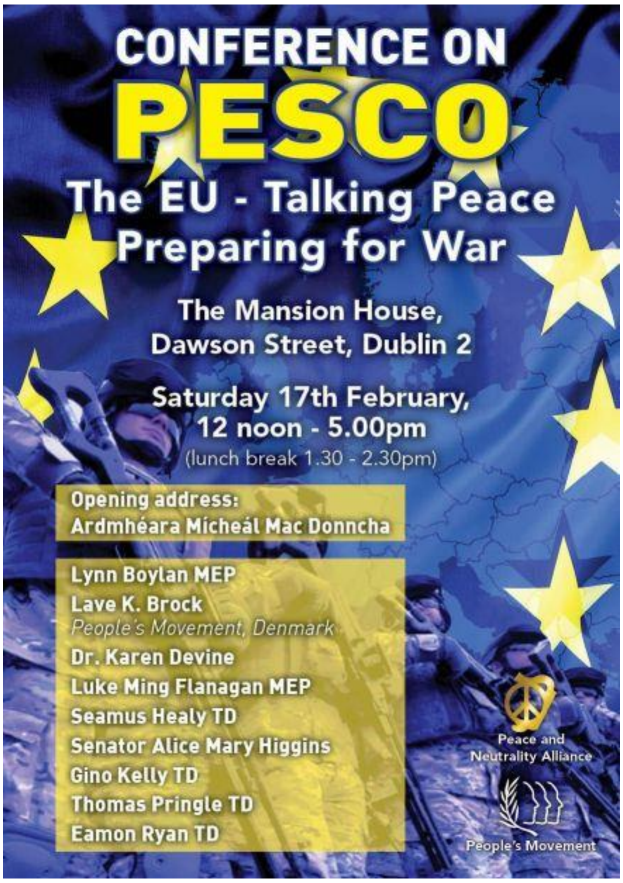
The German and EU plans for war are being measured against the capabilities of the US military. The report notes that the armed forces of the EU and NATO member-states possess 1.38 million soldiers—somewhat more than the United States. The challenge is the development of their "capabilities." While the United States has invested an average of 26 per cent of its defence budget in new equipment over the last ten years, Europe invested a mere 18 per cent, the report says.

The task of the new German government will be to rapidly accelerate the return of Germany to a militarist great-power policy, which the previous government announced at the 2014 Munich Security Conference. "Germany has to get a move on," demanded the minister of defence, Ursula von der Leyen, in a recent interview with the business weekly *Wirtschafts Woche.* "For the army … the exploratory talks with the SPD [social-democratic party] were a good start. For the medium term, we have at least agreed on an additional €10 billion for the army."

Merkel recalled in her Davos speech that "in 1918, one hundred years ago, the First World War ended," and raised the question: "Have we really learnt from history or have we not?" But her entire speech made it clear that the ruling class have learnt nothing from their past crimes.

In the face of the growing danger of world war, Merkel warned against "disruptive developments" and a return of the "Luddites." The German ruling elite is responding with its own recipes: militarism, war, and dictatorship—the latter already rearing its head in the neo-feudal governance of the EU.

The EU: Talking peace, preparing for war



Confirmed speakers now include Lave Broch (People's Movement, Denmark), Luke Ming Flanagan MEP, Lynn Boylan MEP, Séamus Healy TD, Thomas Pringle TD, Gino Kenny TD, Eamon Ryan TD, Senator Alice Mary Higgins, Dr Karen Devine, Senator Frances Black, and more to be confirmed.

Find out more about the cost to Ireland of membership of PESCO, in financial, diplomatic and especially human terms. We will be increasing our military budget by about €2½ billion per annum. Just think of the hospital waiting lists, the housing emergency, and the other social problems.

Come along and have your say in a campaign to reverse this disastrous decision.

The conference is sponsored by PANA and the People's Movement.

Farmers should be concerned about EU trade negotiations

A trade agreement between the EU and the Latin American countries of Mercosur (Argentina, Brazil, Paraguay and Uruguay) is under active discussion between ministerial teams from the two sides—the EU side led by its commissioner for trade, Cecilia Malmström, and commissioner for agriculture, Phil Hogan—with a view to giving negotiators a push to reach agreement in a matter of weeks.

Mercosur is a region with a population of 260 million people, including the world's seventh-largest economy (Brazil), and is the fifth-largest market outside the EU.

Irish farmers once again come under pressure following the Comprehensive Economic and Trade Agreement (CETA) between the EU and Canada, as it appears that the EU is prepared to increase access for European beef to the Mercosur countries from 70,000 tonnes a year to between 90,000 and 100,000 tonnes. Malmström seems willing to go beyond 100,000 tonnes in order to clinch a deal and to move towards Mercosur's demand of 200,000 tonnes.

France has shown some concern, but Ireland will hardly be able to resist—though Phil Hogan will undoubtedly make the obligatory objections designed for home consumption. The offer on the beef quota is causing Irish farmers to fear that the new Brazilian beef access could coincide with a possible imposition by Britain of steep tariffs against Irish beef after Brexit. EU markets could then face a glut of Irish and Brazilian beef, causing sharp cuts in prices to farmers.

"The moment is difficult for Europe," the chief EU negotiator, Sandra Gallina, said last week. "Beef in Ireland might be affected by Brexit, so this may be not the best time to go after such a deal."

But the negotiations are not only about beef.

The EU is seeking concessions in four areas: better access to the Mercosur market for cars and dairy products; the inclusion of maritime services; more favourable requirements on "rules of origin"; and access to public procurement at the sub-federal level.

The agreement will not cover investment provisions, so there is no need for any sort of dispute mechanism, a controversial issue in previous trade deals, such as CETA.

Malmström has described the potential deal as having "three times the value" of the EU's recent agreement with Japan.

German and French car manufacturers are particularly interested in opening up the markets for their vehicles and are determined that a deal should go through. "Can you believe that such a big, large agreement fails because of some beef?" the Italian minister for the economy, Ivan Scalfarotto, recently asked.

The Commission, which, following the Lisbon Treaty, negotiates on trade for the twenty-eight member-states, says it is determined to achieve "an ambitious, balanced and comprehensive agreement" (code for "no one sector or member-state will be allowed to stand in the way"); and no amount of hand-wringing by the Europhile leaders of the Irish farming organisations is going to change that!

Greece: the Protectorate

As far back as 2013 the *Financial Times* was pushing the line of "Greece seen as over worst of crisis" (30 January 2013). It quoted a Greek central banker as saying that Greece "had turned the corner," and that confidence in Greece had been boosted by euro-zone politicians' "push for greater European [EU] integration."

Last year (24 July 2017) the Greek prime minister, Alexis Tsipras, gave an interview to the *Guardian* (London), in which he said, "The worst is clearly behind us." He promised to defy his critics by taking the country out of its longest-running crisis in modern times. "We can now say with certainty that the economy is on the up … Slowly, slowly, what nobody believed could happen will happen. We will extract the country from the crisis … and in the end that will be judged."

Now, on 15 January 2018, the Greek government has introduced a new bill (a so-called "multi-bill," of some 1,530 pages) that was required as part of the latest bail-out plan from the Troika. It contains some interesting components that have been described by the Defend Democracy Press as serving only to "deepen the despotism of capital."

Tsipras claimed that the bill introduces no new fiscal cuts, which on the surface is true; but previous legislation has embedded automatic fiscal cuts that are aimed at generating a primary fiscal surplus of 3½ per cent of GDP by 2022 and a permanent 2 per cent surplus by 2060, irrespective of what is going on in the non-government sector.

The new bill introduced:

(1) electronic auctions—aimed at reducing public exposure of the forced sale by banks of the homes of households that are in mortgage default;

(2) prohibition of strikes—new rules to make it harder for unions to call strikes;

(3) integration of fourteen public services and utilities (DEKOs) in the Privatization Mega-fund—to accelerate the forced sale (privatisation); at present 40,000 workers are employed in these public institutions;

(4) benefit cuts—further restrictions on who receives state income support; only the "extremely poor" will now qualify for state subsidies;

(5) energy stock market—the financialisation of energy to encourage more privatisation and higher energy charges for consumers;

(6) new casino licences—with tax concessions and state subsidies for construction, further exposing Greece to money-laundering and "black money."

And more.

Meanwhile we learnt that while the payment of a Christmas bonus to workers is still legally required, "some employers … fired employees who refused to return the Christmas bonus" after the bosses demanded that they be returned. The local television station ERT TV reported that some businesses had also assigned a kind of "bully" who would accompany workers to ATMs in order to get back the employer's share of the bonus.

This is present-day Greece: a euro-zone protectorate.

A gravy train for lobbyists

A common complaint by those in the Brussels corporate world used to be about the riches showered on their counterparts in the EU institutions. After 2009, even assistants to members of the EU Parliament began to receive generous pay and pensions comparable to those enjoyed by the Parliament's permanent civil servants.

But it's not as if the estimated 25,000 lobbyists and consultants do too badly, if a report by Ellwood Atfield, published on 1 February, is anything to go by.

There's a gravy train, all right, and it buys loyalty and not a bit of arrogance. From its offices in Brussels, Ellwood Atfield specialises in the recruitment of EU corporate affairs staff with public affairs, communications or regulatory functions.

As the legislative power and influence of the EU institutions has expanded, particularly since the late 1990s, the Brussels lobbying industry has boomed; it is now second only to that of Washington. If EU lobbying contracts have become increasingly lucrative, so too have salaries, it appears.

The average head of EU affairs pockets about €140,000 per year, according to the Ellwood Atfield report—a generous wage even if the Belgian taxman takes a hefty slice of it. It's a tidy amount more than the €101,808 paid to members of the EU Parliament, though still some way short of the €250,000 that a member of the EU Commission takes home. Well done, Phil!

EU officials, it should be noted, pay a much lower "community" tax than ordinary Joes. However, more than 70 per cent of the Brussels lobbying world report that they get private pensions and health insurance, and smartphones with the bills paid, along with that uniquely Belgian institution, meal vouchers.

With this largesse it's hardly surprising that almost 70 per cent of the EU corporate affairs workers are "happy" with their lot, according to a survey annexed to the report.

But there's uncertainty in the air for many in the sector. Britain, with its well-established lobbying industry, is the best-represented EU country in the Brussels consultancies. A chaotic Brexit, leaving lobbyists without rights to freedom of movement, could also leave them out of work.

Humble journalists meanwhile could be forgiven for questioning whether they made the right career move.

Still, few on either side of the politico-lobbyist divide are ever fully satisfied with their wage. Can we ever forget the pleading of Pee Flynn for the understanding of the little people, and him having to maintain two houses!

Officials of the EU Parliament will propose that the Parliament's annual budget exceed €2 billion for the first time. According to a note by its secretary-general, Klaus Welle, seen by the newspaper, the budget should increase by €76 million (4 per cent) in 2018, including €17 million for European political parties.

The campaigns for the next EU Parliament elections will begin in late 2018, and the Parliament wants to avoid European parties being financially or politically subservient to national parties. The note says that the Parliament's election communication efforts will concentrate on citizens who are open to the EU and the Parliament but who are not intending to vote.

Anneleen Van Bossuyt, a Flemish centre-right MEP, condemned the use of taxpayers' money to finance political parties instead of practical projects.

The EU security-industrial complex

Transnational corporations are winning millions in public research funds for developing ever more intrusive surveillance and snooping technologies, a new report by Statewatch and the Transnational Institute reveals.

The report shows how the EU's €1.7 billion "Secure Societies" research programme has been shaped by the "homeland security" industry, and in the process is constructing an ever more militarised and security-focused EU.

The research programme, operating since 2007, has sought to combat a panoply of "threats," ranging from terrorism and organised criminality to irregular migration and petty crime, through the development of new technologies, such as automated behaviour analysis tools, enhanced video and data surveillance, and biometric identification systems.

The principal corporate beneficiaries of these research funds have been Thales (€33.1 million), Selex (€23.2 million), Airbus (€17.8 million), Atos (€14.1 million), and Indra (€12.3 million). Major applied-research institutions have also received massive amounts, the top five being Fraunhofer Institute (€65.7 million), TNO (€33.5 million), Swedish Defence Research Institute (€33.4 million), Commissariat à l'Énergie Atomique et aux Énergies Alternatives (€22.1 million), and Austrian Institute of Technology (€16 million).

Many of these organisations and their lobbies have played a significant role in designing the research programme through their participation in high-level public-private forums, EU Commission advisory groups, and lobbying undertaken by industry groups such as the European Organisation for Security.

The report also examines the EU's €3.8 billion Internal Security Fund, which provides funds to member-states for acquiring new tools and technologies, such as border control drones and surveillance systems, IMSI catchers for spying on mobile phones, tools for monitoring the web, and predictive "pre-crime" policing systems. It is foreseen that the fund will eventually pay for technologies developed through the security research programme, creating a closed loop of supply and demand between private companies and state authorities.

Despite the continuing economic crisis, EU funds for new security tools and technologies have grown from under €4 billion to almost €8 billion in the period 2014–2020 (compared with 2007–2013). The report warns of a risk of further empowering illiberal tendencies in EU governments that have taken unprecedented steps in recent years towards normalising emergency powers and undermining human rights protection in the name of fighting terrorism and providing "security."

The report argues that coming negotiations on the next round of funding schemes (2021–27) provide a significant opportunity to reform the rationale and reasoning behind the EU's development of new security technologies and its funding of tools and equipment for national authorities.

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Some internal contradictions in the EU Brexit negotiations

The web portal German Foreign Policy reports that, in the course of the Brexit negotiations, apprehension is mounting in Brussels over possible divisions among the remaining twenty-seven EU countries, according to a leaked document on the current debate between EU member-states.

The German government is obviously seeking to delay as long as possible the formulation of EU positions on the future relationship with the United Kingdom, to prevent giving the British government tactical advantages in the negotiations.

The twenty-seven countries have in fact quite diverging interests in relation to Britain. The German car industry is exerting massive pressure to keep it in the customs union. German car companies expect annual losses of up to €2 billion if new trade barriers are erected.

On the other hand, the eastern and south-eastern European countries attach great importance to freedom of circulation. For example, the money that Polish residents in Britain send home amounts to 1½ per cent of the Polish gross domestic product. Other countries receive 3–6 per cent of their GDP this way.

Fears are growing that Brussels will not be able to take a united stand in its negotiations on the EU's post-Brexit relationship with Britain, because of heavily diverging interests among the remaining twenty-seven. Because of this divergence, according to a report in the daily *Frankfurter Allgemeine Zeitung* on the leaked document, Germany is pleading for delaying the formulation of EU positions as long as possible, demanding that Brussels wait until Britain concretises its suggestions before taking its own position.

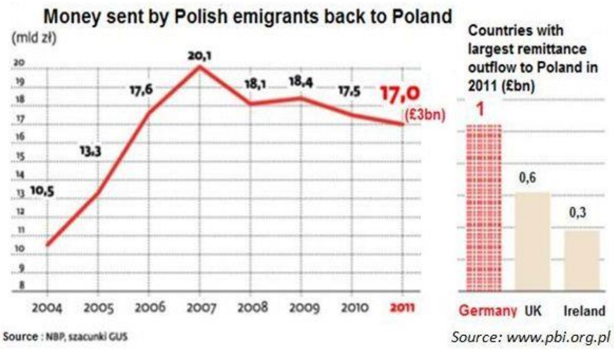
This could prevent bringing divergences among the twenty-seven EU countries into the open, and giving the British side tactical advantages. Germany's approach, the report comments, threatens to "put the talks on both sides' future relationship—already on a tight schedule—under pressure even before negotiations begin."

Trade barriers for the car industry would hardly affect the EU-27 majority. The opposite is true for German companies, such as BMW, which has taken over the British traditional brands Rolls-Royce and Mini. Both makes are produced in Britain, and up to 80 per cent of the Minis are being exported to the EU-27.

Conversely, Britain is BMW's fourth-largest sales market, close behind Germany itself. In 2016 the company sold more than a quarter of a million cars, more than 180,000 of them delivered from the Continent. BMW must expect substantial losses from trade barriers. In addition, the company has its engines produced in Birmingham—more than a quarter of a million in 2016 alone.

According to reports from the industry, German car manufacturers and their suppliers maintain almost a hundred production sites in Britain, whose supply chain extends through several EU countries. Calculations by the German Chambers of Industry and Commerce suggest that a return to World Trade Organization regulations would threaten the

German car industry alone with annual customs costs of “more than €2 billion.”



The interests are very different for several eastern European countries, from where a large number of citizens have emigrated to Britain in search of work. About a million Poles are at present living in Britain, and the money they send home amounts to 1½ per cent of Poland’s GDP. Already during the first seven years after Poland’s joining the EU nearly £23 billion—an annual average of £3 billion—was sent to Poland.

Citizens from other EU-27 countries who had emigrated to Britain provided an even higher share of their home countries’ GDP. In the case of Slovakia it amounted to nearly 3 per cent of GDP, while Hungary has long since surpassed the 3 per cent mark.

The money that the 200,000 Lithuanians living in Britain send home (Lithuania has a population of only 2.9 million) oscillates around 4 per cent of Lithuania’s GDP. The money sent home to families and friends by the approximately 100,000 Latvians living in Britain (5 per cent of Latvia’s population of hardly 2 million) accounts for 6 per cent of Latvia’s GDP.

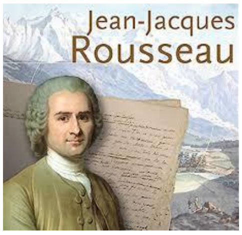
This helps to explain why some of the most anti-migration countries of the EU want to ensure their citizens’ comprehensive freedom of movement within the EU.

Even though diverging interests provide considerable potential for conflict, tensions among the EU-27 have already been significantly increasing. Germany’s dispute with the Visegrád countries (Czech Republic, Hungary, Poland, and Slovakia) over the admission of refugees, the conflict with Poland over restrictions on the independence of its judiciary and a similar dispute with Romania are some examples. In addition, Britain has been contributing €14 billion in net annual payments to EU budgets, which will be missing in the future. This will probably provoke severe cuts, and accompanying conflicts among the EU-27 over how the remaining money should be used.

The fact that the Brexit negotiations are being determined at the highest working levels by Germans is not contributing to a relaxation of tensions. Martin Selmayr, head of cabinet to the president of the EU Commission, Jean-Claude Juncker, and Sabine Weyand, deputy chief negotiator to the Brexit negotiator Michel Barnier, are both natives of Germany, as is Elmar Brok (CDU), the EU Parliament’s Brexit emissary.

That they will be taking German interests into consideration can be taken for granted. The same cannot be said for the interests of eastern EU countries—or, indeed, for Ireland.

Rousseau v. Blair



More than 250 years ago Jean-Jacques Rousseau wrote in his *Abstract and Judgement of Saint-Pierre’s Project for Perpetual Peace*: “Anyone can understand that war and conquest without and the encroachment of despotism within mutually support each other; that money and people are habitually taken at will from a people of slaves to bring others beneath the same yoke; and that conversely war furnishes a pretext for exactions of money and … for keeping large armies constantly afoot … In a word, anyone can see that aggressive rulers wage war at least as much on their subjects as on their enemies, and that the conquering nation is left no better off than the conquered."

As in so many other aspects of the European Union, there is a serious popular lack of support for that militarisation project. In fact it is safe to say that, when asked, the vast majority of people in EU states would oppose it and would argue for rigorous cuts in military budgets instead of continual cuts in social spending.

The project of EU and euro-zone integration is at bottom an attempt to overturn the heritage of the French Revolution and the right of nations to self-determination, national independence and national democracy in much of Europe, in the interests of a powerful political and economic elite. It is increasingly possible to speak of an elite consensus for the militarisation of the EU among a wide spectrum of EU political forces, allied with the European armaments industry.

From the beginning of the 1990s, which saw the liquidation of the Soviet Union, the gradual loss of the power of the United States, German unification, and a consequent German willingness to throw its weight around in the world, using the EU as an instrument of this politics, the stage was set for the EU making a play to be a world power.

Where was the democratic control of this process? The EU Parliament offers no challenge to the control by the political-military-industrial complex of EU policies, and the majority of its members support those policies, even without the massive corporate lobbying that forms a fundamental part of its deliberative processes.

Moreover, the Commission, the Parliament and the Court of Justice share a common interest in having ever more powers shifted from the national to the supranational level, where the three institutions are involved together in exercising them. They are ideal instruments of the militarisation process.

But besides these political developments, changes in the foreign trade and trade policy of the EU are another driving force for the new European world-power ambitions. As one commentator has put it, "when considering strategic main ideas determining EU policy, a policy shift can be noted at least since the 1990s …" but even before that time "the global sales and investment strategies of European transnational corporations which had significantly gained importance and influence as a result of merger and thus concentration process have dominated … the scene. The inwardly focused objective of consolidating a joint economic area was cut out thereby."

So EU foreign trade policy is being determined by a network of elites, consisting of the Commission (bureaucracy), globalised companies, and individual EU and national politicians and experts. Their project is supported by the media through the rhetoric of a necessary world-power role to be assumed by the EU.

But, given the ambitious aims, reality is looking grim for EU claims to be a world power. No-one can deny that the global power and global influence of the United States and also of the EU are decreasing. For example, in September 2011 a draft report of the EU Parliament stated that "the current economic crisis has accelerated the process of the transfer of powers from existing to emerging powers." But it made it unmistakably clear that there is no intention of quietly accepting such a development. "The European Parliament … strongly rejects the contention that in view of the emergence of new economic and foreign policy powers and potential rivals, the West should agree to relinquish its leadership and focus on managing its decline."

Tony Blair summed up this attitude in June 2011: "For Europe, the crucial thing is to understand that the only way that you will get support for Europe today is not on the basis of a sort of post-war view that the EU is necessary for peace … The rationale for Europe today therefore is about power, not peace … In a world in particular in which China is going to become the dominant power of the 21st Century, it is sensible for Europe to combine together, to use its collective weight in order to achieve influence."

Even more frightening than Blair was the German edition of a collected volume in May 2011, "What Ambitions for European Defence in 2020?" in which it was expressed openly that the EU military has to be prepared for armed conflicts with rival great powers. The publication was produced by the EU's in-house think tank, the Institute for Security Studies in Paris. Tomas Ries, director of the Swedish Institute for International Affairs, and others catalogued proposals for the EU's future military policy.

Referring to Russia and some other countries by name, the article states: "By 2020 we can expect the European Security and Defence Policy to need to perform several tasks … Towards the Alienated Modern States a capability to support hard power politics both for Clausewitzian influence and possible direct military confrontation."

The more the EU elite presses ahead with a militarisation project the more national voters everywhere dislike and resent it, and the more hostile will be popular reactions against it when it implodes.

In the meantime we should take note of Angel Merkel's comments in May 2010: "We have a shared currency but no real economic or political union. If we were to achieve this, therein lies the opportunity of the crisis … And beyond the economic, after the shared currency, we will perhaps dare to take further steps, for example for a European army."

We are back to Rousseau's warning: "in a word, anyone can see that aggressive rulers wage war at least as much on their subjects as on their enemies".