PEOPLE'S NEWS

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She can afford to laugh —but what about the rest of us?

Speaking while politicians in Cyprus scrambled to meet Monday's deadline for securing a €10 billion bail-out and avert financial meltdown, the minister of state for European affairs, Lucinda Creighton, said that Ireland's "tough medicine" had worked.

"We're really confident that we will get out of the programme this year," she told reporters at a meeting of EU policy-makers in Saariselka, Finnish Lapland. "Hopefully we'll provide not so much an example but an inspiration for other countries who are going through difficult times. If they see Ireland re-enter the market, hopefully they'll have the resolve and also the sense of hope that they can do it too."

Creighton said Ireland's experience proved that austerity measures were never easy but that debt-burdened euro countries had no choice. "I think we all know about tough medicine in Ireland"—well, those of us who have to endure it, being liberally administered by the government in which she serves.

"Unfortunately there are no easy solutions," she said. "I think that we simply have to get on with it"—and ditch health insurance, your car, television etc., as suggested by a ministerial colleague, or, if you're a pensioner, brace yourself for further cuts in allowances; and the rest, in both the public and the private sector, can get ready for Croke Park III.

Just so you know, Creighton has a basic salary—following cuts—of €191,417 plus additional payment of €76,603, ministerial travel and accommodation allowance of €12,000 to €20,000, and a mileage allowance of up to €1.14 per mile for cars of 2001 cc and above for the first 4,000 miles. That's nudging towards €300,000 per year. It's outrageous.

He's laughing too!

Did Michael Noonan support the plan to give a "haircut" to guaranteed depositors in Cyprus?

The revised deal that would have seen savers with a deposit of more than €100,000 pay up to 12½ per cent on their savings, with those below this threshold subject to a one-off tax of 3 per cent, was welcomed by the Irish government, which described it as a "positive development for Cyprus, the euro zone as a whole, and Ireland." So, it's a fair guess that he did; though in the final deal, deposits below €100,000 were guaranteed across the board—

this from the people who brought you the pension levy etc., so their €100,000 bank guarantee can hardly be secure, given that the Irish economy is by no means out of the woods and our banks may require further recapitalisation.

To compound the situation, a spokesperson for the Department of Finance added that "this agreement provides a sustainable solution, which deals with Cyprus's financial system and its funding requirements."

So—despite his insistence that there are "absolutely no circumstances" under which the Irish government would impose a levy on bank deposits, and that "we would never hit depositors in Ireland," and that "the €100,000 is absolutely sacrosanct and there is absolutely no circumstances in which we would touch depositors, because they're being guaranteed, and that guarantee applies across the euro zone"—one would at the least have to be suspicious.

European tax identification number

The EU Commission has launched two public consultations on specific measures that could improve tax collection and ensure better tax compliance throughout the EU. The first consultation is on the development of a European Taxpayer's Code, which would clarify the rights and obligations of both taxpayers and tax authorities. The second is on a European tax identification number, which would facilitate the identification of taxpayers in the EU. The consultations will run until 17 May 2013.

The commissioner for taxation, customs, statistics, anti-fraud and audit, Algirdas Šemeta, said: "As we intensify our battle against tax-evaders we must also make it easier for the willing to comply. This would be the point of an EU Taxpayer's Code, and today we are asking taxpayers themselves to help shape it."

However, there are those who would maintain that the proposed identification number is merely a prelude to the introduction of EU-wide taxes, in yet another bid by the Commission to establish a system of "own resources," as outlined in the Lisbon Treaty.

Independent foreign policy under fire again

Germany has proposed giving the EU's foreign affairs service sweeping new powers over "neighbourhood policy" (which covers relations with sixteen countries on the EU's eastern and southern rim) and development aid. Its ideas were discussed by EU foreign ministers at a meeting in Dublin last Friday week.

The non-paper has already been endorsed by thirteen other EU countries: Austria, Belgium, Denmark, Estonia, Finland, Italy, Latvia, Luxembourg, the Netherlands, Poland, Slovakia, Spain, and Sweden. It says: "The EEAS [European External Action Service] should be further strengthened to ensure a coherent, comprehensive and integrated EU approach to external action."

France, an EU country that guards its right to an independent foreign policy, has circulated two non-papers of its own; but Ireland seems silent.

The proposal calls for the EEAS to "be responsible for neighbourhood policy" and to get "overall authority" on "strategic and multi-annual programming in the area of development co-operation." The service should also handle the negotiation of EU treaties with big states, such as China and Russia. The paper also calls for it to take "overall authority" on EU aid to African and Caribbean countries.

EEAS ambassadors should have priority over member-states' diplomats in "representing all aspects of the EU's external policy in a third country"—as we predicted would happen at the time of the referendum on the Lisbon Treaty.

The mandate of the head of the EAAS, Catherine Ashton, ends in 2014. Her spokes-person, Michael Mann, pointed out that she has transformed the EEAS "from an idea on paper to a fully functioning EU diplomatic service."

The current EEAS budget is worth €489 million a year. If it gets control of the European Neighbourhood Policy Instrument (€1.6 billion a year), the Development Co-operation Instrument (€2.4 billion), and the European Development Fund (€4.5 billion), its cheque-book would swell to a staggering €9.3 billion a year.

"Doubts about the benefits of the European Union are showing more and more"

The general secretary of the European Trade Union Confederation, Bernadette Ségol, has said that present EU policies have failed. "We are in a double-dip recession. Unemployment is up, up and up. When is growth going to come?" she asked.

At a "social dialogue" meeting before the recent EU summit, whose supposed emphasis was on boosting the economies of member-states, she said she had tried to convey a sense of urgency about member-states where "doubts about the benefits of the European Union are showing more and more."

Unemployment in the euro zone is at a record 12 per cent, and the zone's economy is predicted to have a worse-than-expected contraction of 0.3 per cent this year. But most governments, led by Germany and supported by cheerleaders in the Irish coalition, continue to stick with the austerity route of slashing public spending, inventing new charges and raising taxes to rein in budget deficits.

The conclusions of the summit acknowledge that unemployment is the "most important social challenge facing us," but the necessity of "fiscal consolidation" continues to be emphas-ised, with structural reforms as a way of ensuring growth. This merely confirms that the EU is intent on putting the burden on ordinary people, who are already paying for the crisis.

Addressing the theme of a future "Social Europe," she pointed out that "policies that are being implemented are attacking industrial relations system, are putting pressure on wages, are weakening public services and weakening social protection. These are the core aspects of the social model," confirming the view of commentators that the model is now dead.

As a footnote, on his arrival at the recent EU summit, Jean-Claude Juncker, prime minister of Luxembourg and former president of the Euro Group, said: "I wouldn't rule out us running the risk of a social revolution, a social rebellion." But then this is the same Juncker who said in April 2011 that "monetary policy is a serious issue. We should discuss this in secret, in the Euro Group … I'm ready to be insulted as being insufficiently democratic, but I want to be serious […] I am for secret, dark debates." So maybe he does know that something is stirring!

The humanitarian crisis in Syria would be worsened by EU intervention

The Lisbon Treaty proclaims that "respect for the principles of the United Nations Charter and international law" is one of the guiding principles governing EU foreign policy; but these principles were not uppermost in the deliberations of the EU politicians who gathered in Dublin to decide whether or not the EU should arm the anti-government opposition forces in Syria.

It fell to the Russian foreign minister, Sergei Lavrov, to point out to those EU states that were pushing for such a course, particularly France and Britain: “I think international law provides for the fact [that] it’s not possible, and I think that arming the opposition is a breach of international law.”

The only legitimate basis in international law for seeking to overthrow a sovereign government is with the sanction of a resolution by the United Nations condemning that government for violating the frontiers of another state, or for committing genocide. No such UN resolution has been adopted in the case of Syria.

On 14 March a report by Amnesty International warned that “armed opposition groups in the country are increasingly resorting to hostage-taking and to the torture and summary killing of soldiers, pro-government militias and civilians they’ve captured or abducted.” Even the head of the US armed forces, General Martin Dempsey, has warned that the United States has only an “opaque” view of the rebels.

In late February the EU Council of Foreign Affairs decided to partially lift the embargo on military supplies to the rebels, allowing for the importing into Syria of non-combat mobile navigation systems and communication equipment as well as night-vision goggles. Now France and Britain want to deliver heavier weapons, such as shoulder-fired missiles and anti-tank weapons. EU sanctions come up for renewal by 1 June.

“Europe will certainly supply weapons, ammunition and money to the forces fighting Assad,” said an analyst with the European Council on Foreign Relations, Gianni Riotta. “But it won’t be the EU institutions acting in a centrally co-ordinated way.” There are also reports that Britain, France and the United States are already training rebels.

It is estimated that the number of deaths as a result of the conflict is in the region of 70,000. Many more people have been permanently injured. No really accurate figure will be possible until the conflict ends.

There are more than 3 million refugees and internally displaced people—people whose homes or sources of livelihood have been permanently destroyed. Entire cities, towns and villages are completely destroyed and need massive reconstruction.

Syrian society itself is fragmenting and splintering, with a level of polarisation that has not been seen for generations. Basic human development in the country has been set back decades. A recent report by a group of Syrian economists shows that the human development index (which measures health, education, and income) is at its 1993 level, meaning twenty years or perhaps more of a loss of economic development.

The minister for foreign affairs, Éamon Gilmore, may be “worried about the escalating conflict” in Syria, but he is only stating the obvious when he says that more guns would lead to more casualties, and that EU ministers should concentrate on a political solution to the crisis.

Rather than encouraging the present massive flow of arms and *matériel* from Qatar and Saudi Arabia to the rebels, the EU should be working to widen the arms embargo and encouraging and helping the UN mediator, Lakhdar Brahimi, in working to get a ceasefire.

The failure of the government to use the period of the Irish presidency of the EU to seriously try to halt, rather than extend, this conflict reminds us only too starkly that Ireland's loss of independent initiative is not confined to issues of economic sovereignty.

Ghost estates … now we have ghost conferences!

Delegations from 26 of the 28 member-states of NATO were at Dublin Castle for a conference last week. This is the reality of the Lisbon Treaty in operation—"a more assertive Union role in security and defence matters will contribute to the vitality of a renewed Atlantic Alliance"—where EU-NATO external action, with probable Irish participation, can be planned in Ireland. Among other issues, the conference considered "a comprehensive approach to instability in Africa."

A wide campaign of media and political events has been conducted recently, including an official visit by the secretary-general of NATO, Anders Fogh Rasmussen, designed to create a favourable public image of NATO. It will culminate in a formal invitation to Ireland to join NATO at the next NATO summit in 2014.

What can be said with certainty is that there are senior members of the present government who have for many years canvassed Ireland's joining NATO. The People's Movement rejects this softening-up process and any attempt to drag this country into the aggressive military alliance.

The People's Movement placed at Dublin Castle a picket under the theme "EU warmongers go home!" Despite the Gardaí having been informed, there were none present at the picket, and when one did turn up near the end it was to inform us that the conference was "last week." Journalists also expressed scepticism regarding the meeting and told us that the press centre was closed.

But they were there all right, as the photograph shows; and either they were up to something secret or they consider that the Irish people have become very quiescent and would cause no bother, as the gates of the Castle were wide open and unguarded.

The conference was preceded on Friday by a meeting of EU foreign ministers to consider intervention in the Syrian civil war, and it will be followed by a meeting of the EU Military Committee on 29 and 30 April and an EU Defence Seminar on 17 May—all in Dublin Castle, and all with the full participation of the Irish government.

The truth, the whole truth, and nothing but the truth!

"Taking away the risk from the financial sector and taking it onto the public shoulders is not the right approach," said the president of the

Euro Group, Jeroen Dijsselbloem, following the Cypriot deal, suggesting a major change in euro-zone policy towards the financial crisis. The comments were an open invitation to any investor with more than €100,000 in a euro-zone bank to remove it without delay, which some then did.

Significantly for Ireland, Dijsselbloem said the change of policy meant that the euro zone's rescue fund, the European Stability Mechanism, would be less likely to be used to recapitalise struggling banks—a cornerstone of the government's continuing campaign for debt reduction.

"We should aim at a situation where we will never need to even consider direct recapitalisation," Dijsselbloem said. Ireland is seeking retrospective direct recapitalisation for AIB and Bank of Ireland from the fund. Last year it was advanced by proponents of the Austerity Treaty that voting Yes would practically guarantee assistance from the ESM.

The suggestion that uninsured depositors are likely to contribute to banking bail-ins in future would mean a major change in euro-zone policy. Ireland, for example, was required to repay private investors, mainly senior bond-holders, in Anglo-Irish Bank.

Well, Dijsselbloem said exactly what is not supposed to be said, namely that what happened in Cyprus is a "template" for dealing with other banks in the future. Even though he subsequently issued a denial, a taboo has been breached: that a major bank shouldn't be allowed to fail. Dijsselbloem's statements confirmed this.

On the road

Before its official launch on 14 April the German anti-euro party *Alternative für Deutschland* held its first public event, attended by 1,200 people.

One of the party's founders, Bernd Lucke, a professor of economics, said that, rather than waiting for a "disordered break-up of the euro" because of imbalances in the euro zone, "solidarity burden-sharing among EU partners" needs to be discussed to prepare a departure from the euro.

Ireland votes against the bees

An attempt by the EU to ban some of the world's most widely used insect-icides, which have been linked to serious harm to bees, has failed. At a meeting of experts from member-states on Friday, nine countries voted against the ban, including Ireland, while five abstained.

The chemical companies that dominate the billion-dollar neo-nicotinoid market, Bayer and Syngenta, were relieved. The chief operating officer of Syngenta, John Atkin, said: "We are pleased [that] member-states did not support the EC's shamefully political proposal. Restricting the use of this vital crop-protection technology will do nothing to help improve bee health."

The Irish Farmers' Association says that more than half Ireland's bee species have undergone a substantial decline in numbers since 1980. Three species have become extinct, six are critically endangered, ten are endangered, and fourteen species are vulnerable.

Bee populations are in decline throughout the world. It is estimated that since 2007 the number of bees in Britain alone has fallen by 30 per cent. In January the European Food Safety Authority said the three types of pesticides were potentially dangerous to bees and should not be used on flowering crops.

Prof. Dave Goulson of the University of Stirling, who led one of the studies that show that neo-nicotinoids harm bumblebees, said: "The independent experts at EFSA spent six months studying all the evidence before concluding there was an unacceptable risk to bees. EFSA and almost everybody else—apart from the manufacturers—agree this class of pesticides were not adequately evaluated in the first place. Yet politicians choose to ignore all of this."

It is considered a serious problem because approximately three-quarters of crops are reliant on pollination by bees, and therefore the decline in the number of honeybee colonies because of harm caused by pesticides has prompted serious concern.

Germany loses competitiveness

The labour costs in the German private sector are nearly a third above the EU average. In 2012 private companies spent approximately €31 per hour for wages and non-wage costs, the Federal Statistical Office said. Labour costs in Germany were ranked eighth within the European Union, it said.

In the 27 member-states, an average of €24 was paid, while in the euro zone the figure was €30.10. Sweden, with €41.90 per hour, was the most expensive and Bulgaria, with €3.70, the lowest.

German employment costs were 11 per cent above those of France. This is considered significant, as for decades France has been by far Germany's most important trading partner.

Employment costs are particularly high in those industries that face strong international competition: €35.20 per hour, 47 per cent higher than the EU average but 3 per cent less than in France.

However, from 2001 to 2010 German labour costs grew more slowly than in the EU. In 2011 and 2012 this long-term trend reversed. This is apparent even in comparison with France. From 2001 to 2010 French labour costs increased by almost 35 per cent—more than twice as much as in Germany, where wage costs grew by 16 per cent. In 2011 and 2012 the increase in Germany was 5.9 per cent but in France 5.4 per cent.

This has led to an outcry from one of the usual suspects, the president of Germany's foreign trade association, Anton Börner, who said: "Key indicators, such as labour costs and energy costs, show that Germany is losing competitiveness."

Beware the "close relationship"!

Following President Obama's announcement of the start of "talks on a comprehensive transatlantic trade and investment partnership with the European Union," at which "everything is on the table," the president of the European Commission, José Manuel Barroso, also declared that formal talks towards such a free-trade agreement will begin. 2015 is the target for signing the agreement, according to reports.

Claiming another "initiative" for the government, Éamon Gilmore said: "Securing a negotiating mandate for a comprehensive free-trade agreement with the United States was a top priority for the Government when we established the jobs and growth agenda for the Irish Presidency of the EU. I anticipate that these negotiations will begin during the Irish Presidency, and we will of course make the most of Ireland's 'close relationship' with the US to get talks off to a good start. I look forward to engaging in constructive dialogue with our US colleagues as we begin working on this together."

Such an agreement is presented as eliminating protectionism, for the good of boosting growth, creating jobs, and so on. It is envisaged that the agreement would remove tariffs between the EU and the United States, as well as non-tariff restrictions, for example health, safety and environmental regulations.

The key word is "harmonisation": the bringing together of laws, regulations, standards and other arrangements surrounding raw materials, the production and distribution of goods, state-run enterprises and public services, labour relations, competition and related areas in a common, binding framework.

Attempts have been made in this direction for some twenty years. The aim of this and other free-trade agreements is to benefit the transnational monopolies against the interests of the people. At the EU-US summit meeting of 28 November 2011 the Transatlantic Economic Council was directed to establish a High-Level Working Group on Jobs and Growth, to look at how to increase trade, investment, and international competitiveness—in short, all the themes of the proposed agreement. Its final report, which was published on 11 February, can therefore be seen as setting the agenda of the coming talks.

On services, which is certain to include public services (certain "sensitive" sectors), it recommends that "the goal should be to bind the highest level of liberalisation that each side has achieved in trade agreements to date, while seeking to achieve new market access by addressing remaining long-standing market access barriers, recognising the sensitive nature of certain sectors."

Further, an agreement should contain "steps aimed at promoting regulatory compatibility in specific, mutually agreed goods and services sectors … including consideration of approaches relating to regulatory harmonisation …" The EU and United States should "reach bilateral agreement on globally relevant rules, principles, or modes of co-operation in … state-owned enterprises and other enterprises that benefit from special government-granted rights" and "measures designed to protect, favour, or stimulate domestic industries, services providers … at the expense of imported goods, services …"

In the sphere of state-run services this translates into the liberalisation of state-run services and their opening up to the monopolies and the markets they dominate. This includes privatisation.

In an article for the Socialist Health Association a researcher on international trade, Linda Kaucher, exposed how, at a civil-society meeting in 2010, the EU Trade Commission stated its intention to push forward a US-EU Free Trade Agreement. The Commission admitted that the economic crisis would be used to push through the agreement as quickly as possible, that the important preparatory process would be regulatory "harmonisation," and that the first area to be "harmonised" would be health.

Such an agreement will be a direct attack not only on public services but also on standards of public health and safety. According to Food and Water Watch, EU and US officials have already been meeting to discuss meat safety, food-labelling, regulations on chemicals in foods, and other "barriers to trade."

In short, the free-trade agreement being planned is for furthering the powers of the global monopolies to plunder the economies on both sides of the Atlantic, through new regulatory arrangements that suit their narrow interests, including the direct and indirect privatisation of social schemes.

Global trade is necessary in the modern world. Yet that between the dominant and dominated, controlled by powerful transnational monopolies, cannot be called free. These monopolies seek the freedom to exploit and plunder. This is the conception of "neo-liberal globalisation." Countries and peoples must be free from such oppression before they can freely trade for their mutual benefit, which requires the restriction of the assumed rights of the monopolies.

The alternative is always democratic international relations on the basis of equality, regardless of size and strength, between sovereign, self-reliant economies, and trade for mutual benefit.

Continued competitive austerity assures us of a bleak future

Martin Wolf, chief economics commentator of the *Financial Times*, wrote on 26 March that one of the lessons of the Cypriot crisis "is that what I have called the bad marriage that binds the euro-zone members together has become worse. Cyprus is not significant for the euro zone as a whole … But the crisis is another occasion for anger to bubble to the surface.

"Old fears that the euro would undermine European unity rather than strengthen it seem more plausible," and what he described as the "strategy of competitive austerity … guarantees a feeble euro-zone economy and debt, banking and joblessness crises in weaker economies for the indefinite future."

Wolf recently gave a lecture to the TCD Philosophical Society in which he explored the work of Hyman Minsky. Although, like many economists, he considered himself a follower of John Maynard Keynes, Minsky was uncomfortable with the way most mainstream economists interpreted Keynes.

He argued that for any model of the economy to be realistic it had to allow for a Great Depression as one possible outcome. So he rejected conventional economic ideas, such as the efficient-market hypothesis, in favour of what he called the financial instability hypothesis.

Minsky held that, over a prolonged period of prosperity, investors take on more and more risk, until lending exceeds what borrowers can pay off from their income. When over-indebted investors are forced to sell even their less speculative positions to make good on their loans, markets spiral lower and create a severe demand for cash—an event that has come to be known as a "Minsky moment."

Orthodox macro-economic models of recent decades did not and could not allow for a major crash—little surprise, then, that the crash was not predicted and, moreover, that many prominent economists thought that inflation control had eliminated the possibility of such a major crash occurring.

From the standpoint of private capital it is normal to want minimal interference by the state in private profit-making activities. EU law drastically limits the possibility of such interference. Any national law that seeks to enforce a national common good in the economic sphere must give way to EU law in areas covered by the treaties.

This is what makes transnational capital, firms with branches in different EU countries, the principal lobbyists for ever further EU economic integration.

The constitution of the EU, the Treaty of Rome and its amending treaties, is in effect the first state or quasi-state constitution in history to be drawn up entirely in the interest of big business, without the slightest popular or democratic input in its making. The EU's foundational "four freedoms"—free movement of goods, services, capital, and labour—enshrine the basic principles of classical laissez-faire as constitutional imperatives, which no government or elected parliament may legally change or violate, regardless of the wishes of their voters.

The immediate cause of the post-2008 financial crisis, which centred on the United States, the

EU, and Japan, was the collapse of various asset bubbles that had been blown up by years of unregulated bank lending in the so-called free-market economies. The cause of these asset bubbles in turn was insufficiency of economic demand among citizens consequent on the decline in the wage share of national income and growing income inequality during the previous boom years. This drove people to resort to excessive borrowing to maintain conventional living standards.

The resulting asset bubbles and their sudden collapse cut government revenue in many countries, while government spending on public services and unemployment benefit grew. This engendered soaring public-sector deficits, especially in the countries where the bubbles were greatest. These were the peripheral countries of the euro zone.

Governments in these countries added to their deficits by pouring billions into bailing out their national private banks for the benefit of their creditors and bond-holders, the latter being mainly banks and investors in the core of the euro zone, in particular Germany and France. The European Central Bank, which controlled their currency, insisted that this be done.

In relation to Ireland, Wolf noted that the interests of taxpayers were sacrificed for senior bond-holders because of pressure from the EU. He described this as "insane" and "immoral" and commented that the blanket guarantee was a "catastrophe," which resulted in Ireland holding a great deal of debt that we should not have. He also expressed concern about the French economy, as crisis in France would, of course, strike to the heart of the euro zone.

"Far too many Europeans are returning to a regional and national mindset"

An interview given recently to the German magazine *Der Spiegel* by Jean-Claude Juncker, prime minister of Luxembourg and former president of the Euro Group, is very revealing about the mentality of the mainstream European media in their coverage of EU matters.

Juncker trotted out the usual "there is no alternative" line about austerity. He also jabbered on about "sleeping demons" and claimed that circumstances in Europe in 2013 are similar to those of a hundred years ago. That would take us back to 1913, the year before the outbreak of the First World War.

He made no rational case to back up the claim. But the report in *Der Spiegel* went further in asserting that he was comparing the fascism of 1930s Europe with "today's anti-European [sic] sentiment." The report went on to claim that he referred "to the growth of Euro-sceptic and nationalist parties with electoral success in European countries, including the United Kingdom, Austria and the Czech Republic."

In fact he made no such comparison or claim. What follows is an examination of a claim that he did actually make. "For my generation, the monetary union has always been about forging peace. Today, I notice with a certain sense of regret that far too many Europeans are returning to a regional and national mindset."

The facts are that the first step towards supranational economic integration, the European Coal and Steel Community of 1951, was to facilitate German rearmament at the start of the Cold War with the Soviet Union and to reconcile France to that fact. The United States wanted a rearmed West Germany inside NATO. This greatly alarmed France, which had been occupied by Germany only a few years before.

Jean Monet, who was America's man in the affair, came up with the solution. To assuage France's fears he drafted the Schumann Declaration, proposing to put the coal and steel industries of France, Germany and the Benelux countries under a supranational authority as "the first step in the federation of Europe." Thus we see that, historically, the EU in its origin is an out-of-date legacy of the Cold War, pushed by the United States in the 1950s to provide an economic underpinning to NATO in Europe.

Forty years after the setting up in 1951 of the European Coal and Steel Community, and the Treaty of Rome (1957) setting up the European Economic Community that followed, another shift in Franco-German power, Germany's reunification as a side-effect of the dissolution of the USSR in 1991, led these two countries to establish the European Economic and Monetary Union and its single currency, the euro.

The big increase in Germany's population and territory on reunification greatly alarmed France. However, France had nuclear weapons, which Germany was precluded from having under the postwar treaties. The deal between the two of them was EU Monetary Union for Political Union or, put crudely, the Deutsch-mark for the Euro-bomb.

Germany would give up its national currency—the symbol of its postwar economic achievement—and share with France the running of a new supranational EU currency, while France agreed to work jointly with Germany towards a supranational EU political union with a common foreign, security and defence policy.

The Lisbon Treaty also provides that from 2014 law-making in the EU will be put on a population basis, just as in any state. From that year a qualified majority for the purposes of making EU laws on the Council of Ministers will consist of 55 per cent of the states—which means 15 out of the then 28—as long as that 15 comprise 65 per cent of the EU's total population, some 500 million. Germany and France between them have half that percentage, which gives them a blocking minority vote.

As Germany is the most populous EU state, this means that from 2014 Germany's voting weight in making EU laws will rise from its present 8 per cent of Council votes—29 votes for each big state, out of a total of 345, Ireland having 7 votes—to 16 per cent on a population basis.

The voting weight of France, Italy and Britain will rise from their present 8 per cent each to 12 per cent each, and the relative voting weight of smaller states will fall, in Ireland's case from its present 2 per cent to less than 1 per cent.

An EU member-state on its own cannot decide a single European law. Its people, parliament and government may be opposed to an EU law, its government representative on the Council of Ministers may vote against it, but they are bound to obey it nonetheless once it is adopted by qualified majority Council vote.

This devalues the vote of every individual citizen. Each policy area that is transferred from the national level to the supranational level devalues it further. This reduces the political ability of citizens to decide in the national common good and deprives them of the most fundamental right of membership of a democracy: the right to make their own laws, to elect their representatives to make them, and to change those representatives if they dislike the laws they make.

European integration is therefore not just a process of depriving Europe's states and peoples of their national democracy and independence within each member-state: it represents a gradual coup by government executives against legislatures and by politicians against the citizens who elect them.

What was once national politics becomes provincial politics. Citizens more and more sense this, and it depoliticises them in turn. The EU has hollowed out the nation-state, leaving its traditional institutions formally in place but with their most important functions transferred outside, to the external EU level. It turns the state itself into an enemy of its own people while clamping a form of financial feudalism on Europe.