Renfrewshire motion

The SSP will campaign for an 'out' vote in the forthcoming EU referendum.

Please see the supporting document as well:

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Why the SSP should campaign to leave the EU

Gerry McCartney, Renfrewshire Branch, December 2015

Motion for debate:

The following motion will be debated and voted upon at a forthcoming National Council meeting:

“The SSP will campaign for an ‘out' vote in the forthcoming EU referendum”.

This paper lays out the case for this motion as discussed and agreed at the SSP meeting in Stirling University in December 2015.

Summary

The EU is pro-market and undemocratic:

- The EU is an institution whose primary purpose is the creation of a free market
- The EU is fundamentally anti-democratic and it is impossible to hold decision-makers to account.
- An independent Scotland within the EU would be forced to join the Euro. In doing so, we would lose the ability to control monetary policy, issue bonds and borrow.
- The EU free trade rules prevent nationalisation, prevents contracts being given to Scottish firms and prevents the implementation of laws to control the market.
- EU membership will lead to TTIP being implemented in Scotland which will force further privatisations.
- The EU is no longer a force for peace.

Introduction

The case for the SSP to campaign for withdrawal from the EU is complex because it is not ubiquitously bad nor without some redeeming features. For example, the EU has been an important part of maintaining peace in Europe since the Second World War, it has promoted international understanding through exchange programmes and open borders and it has
introduced some workers’ rights such as the European Working Time Directive. However, the EU was set up to create a free-market in goods and services and this remains its primary purpose – exemplified by its recent treatment of Greece, its insistence on privatisation of publicly-owned industries and its interference in national law-making to control the interests of capital (e.g. denying the right to introduce legislation on Minimum Unit Pricing for alcohol). This paper lays out the key arguments for a socialist campaign for EU withdrawal, some of the relevant tactical issues and discusses some of the arguments that have been put forward for staying within the EU.

Although the tactical issues are relevant to how we organise our campaigning activities, the key market characteristics of the EU mean that campaigning for withdrawal is a matter of principle for socialists.

Why we should campaign for an ‘out’ vote

1. Democracy
The EU is not, and never has been a democratic institution. We campaigned for Scottish independence because we wanted to have a government we elected, rather than one elected by the rest of the UK. We campaigned for Scottish independence so that economic policy could be tuned to the needs of Scottish industries and to produce the goods and services that support the public good in Scotland, not to suit the bankers of South-East England. How can we possibly justify supporting a European government where the democratic accountability is even more stretched?

The EU has a complex and obscure accountability structure which makes it impossible for citizens to hold decision-makers to account – not least because most decisions are made within the council of ministers (i.e. by agreement between the prime ministers of the EU countries) rather than within the European parliament. The legal systems within the EU suit corporations and business organisations, not accountable governments or citizens.

For example, the Scottish Parliament overwhelmingly passed legislation to introduce Minimum Unit Pricing for Alcohol – a policy which has been shown to rapidly reduce alcohol-related deaths in Canada – but this was opposed by the alcohol industry who were trying to protect their profits. They have successfully delayed the implementation of the legislation because the EU courts see this as market interference. This should be extremely problematic for socialists. Legislation passed by a socialist government in Scotland would be blocked by EU courts where it interferes with the operation of the market (effectively all the legislation we would want to pass!).

A likely condition of an independent Scotland’s membership of the EU would be the use of the Euro currency. This would mean that interest rates, issuing of government bonds, money supply, public spending limits and borrowing limits would all be taken out of Scottish ministers’ hands. To repeat, an independent Scotland would have no control
over monetary policy and have its hands tied in relation to spending and borrowing. This would leave the government of an independent Scotland powerless. We could therefore be in the bizarre situation of successfully campaigning for an independent Scotland only to find ourselves having to implement EU-driven austerity no matter the election results here. Just like has happened recently in Greece with Syriza.

In short, Scots have little or no influence on the policies or practices of the EU, cannot hold EU decision-makers to account, and have to suffer from the EU stopping the implementation of policy in Scotland which interferes with the market. This is not a democratic institution and these flaws are intrinsic to how the organisation has been created. Leaving the EU would make the Scottish government and the UK government (until independence) entirely responsible and accountable for their decisions. This would mean that the SNP could no longer hide behind the EU cloak when they fail to nationalise the railways or when they privatise Cal-Mac ferries. If we were to leave the EU the pro-capitalist policies of the SNP would be exposed more fully on these issues and provide a much clearer platform for the SSP to build support for socialist policies.

2. The primacy of the interests of capital
The treatment of Greece by the EU banks and council of ministers, forcing them to adopt austerity measures has demonstrated that the interests of capital are much more protected by the EU structures than the interests of workers or the people. The imposition of austerity against the democratic will of the Greek people is a further demonstration of the anti-democratic nature of the EU.

The Transatlantic Trade and Investment Partnership (TTIP), currently being negotiated by the EU over the heads of national governments (although encouraged by many national governments) will enshrine the privatisation agenda across Europe. The dangers of TTIP are multiple. It will force the privatisation of public services such as the NHS and schools, and prevent the nationalisation of services or industry (as it allows companies to sue governments for ‘lost profits’ that they would have ‘earned’ if the industry or services was in private hands).

Even without TTIP coming into force, the current EU free trade rules increasing prevent and discourage national governments from running public services and industry through public ownership. This has been exemplified in Scotland recently with several recent examples:
- The SNP government have been forced by EU rules to split Cal-Mac into two separate entities and open the ferry services out to private tendering.
- The SNP government have said that they could not nationalise Scotrail because it would breach EU rules.
- The implementation of Minimum Unit Pricing for alcohol is being blocked using EU rules against market interference – again allowing the alcohol industry to profit from the misery of working class communities across Scotland.
EU rules have prevented the Scottish Government from giving ferry shipbuilding contracts to Scottish companies.

These EU free-market rules encourage a race to the bottom whereby the companies within the EU which pay the least to workers, and which work to the lowest environmental standards, will win the contracts. This is not in the interests of the working class or the environment.

The dominant forces within the EU, particularly Germany, have forced Greece and Spain into an austerity straitjacket. The entire economic model of the EU is now a neoliberal one. Any deal that David Cameron gets from the EU will only encourage a more neoliberal EU with less workers’ rights for us. There is little in the EU for the left or for workers now.

3. Peace
In the past the EU has been a force for peace, but the narrative and actions of EU have now changed. The EU has provoked conflict in Ukraine through its Eastward expansions and creation of an EU armed force. In the Mediterranean it has adopted a policy of ‘fortress Europe’ rather than a caring and humanitarian organisation in the face of international migration.

Tactical considerations

Making a socialist case for withdrawal

There is a strong tradition of left wing opposition to the EU and by supporting this motion you will enable the SSP to lead the Scottish ‘out campaign’ and redefine the terms of the debate away from the UKIP ‘little England’ and racist narrative to one about democracy, public ownership and peace. The out campaign in the 1970s was led by Tony Benn and the Labour left in the 1970s. Today this should be the place of the SSP.

Without a strong socialist case for EU withdrawal, the EU debate will be between a pro-market coalition of Tory/Labour/ SNP and UKIP (supported by a fringe of the Tory right). As such they debate will centre on whether EU membership will be good or bad for the economy (when they actually mean ‘big business’), and how much each side can limit immigration. There will be no room for a socialist case for EU membership (even if this could be articulated).

A principled and confident SSP campaign for EU withdrawal would ensure that the right would not have a monopoly during the referendum campaign and provide the SSP with a substantial platform to get its radical messages across.

Another independence referendum?

Some people may argue that we should campaign for EU membership in Scotland in case that could ‘trigger’ a further referendum. This is a somewhat bizarre case based upon the fearfulness
of the SNP to put a referendum in their manifesto and their failure to argue for an independent Scotland *for a purpose* (i.e. a republic, with its own current and an economic strategy designed to promote equality). We should not be drawn into a Faustian pact with the SNP where we campaign for their policies until we achieve independence. Furthermore, if we campaign for EU membership we will make a UK-wide 'in' vote more likely, thereby preventing the SNP premise for indyref 2.

**Critique of the case for staying in**

**Human rights?**

The SSP supports human rights and human rights legislation.

Some people have argued that they wish to stay in the EU because they believe that it is EU membership which ensures that human rights legislation applies here. This is not true. Human Rights legislation is on the UK statute and does not require EU membership (see the comments by Liberty (the human rights campaign group) on this [https://www.liberty-human-rights.org.uk/news/blog/liberty-and-europe-debate](https://www.liberty-human-rights.org.uk/news/blog/liberty-and-europe-debate)). Furthermore, where human rights cases have been taken to the European courts, the UK government has refused to implement these decisions (e.g. prisoners’ rights to vote). Unlike on economic matters (e.g. nationalisation), there are no companies who sue for compensation or government fines for failure of implementation of legislation. Human rights legislation, although admirable, is therefore a very weak bulwark against government abuses. It is also worth noting that the Tories are planning to introduce a ‘bill of rights’ in place of the human rights legislation in place in the UK, demonstrating that the EU legislation in this case is subordinate to the UK legislation (otherwise there would be no point in the Tories legislating in this area).

**The EU provides protection for Scotland?**

Some people have argued that somehow the EU provides some sort of protection for Scotland from the UK government. This is simply not true. EU trade rules have supported the privatisation of services and the economic policies of the Euro countries have been pro-austerity.

The EU grants that were previously provided for Scotland on the basis of its higher deprivation have dried-up and were always a small part of public-sector investment. Furthermore, the UK has always contributed more to EU funds than it received back from these EU grants and so withdrawal would provide more money (and in a more democratic, accountable and integrated way) for investment.

In short, EU legislation (which would generally be helpful) on social issues is not implemented in the UK, but EU legislation on economic issues (which is generally unhelpful), is.

**The EU can be reformed into a socialist union?**
Many within the SSP have rightly pointed to the difficulties of achieving socialism within a single country. However, if we were to become a powerful force within Scotland and we were looking to co-operate with emergent socialist countries elsewhere in Europe, it would be bizarre to use a pro-market organisation as a tool to do so. Far more likely would be the creation of new institutions designed to fulfil a new and different purpose from the EU. Furthermore, dismantling and disempowering the current pro-market EU can help reduce the influence that this capitalist organisation has today and make that alternative future more likely.

**Conclusion**

The EU is an anti-democratic, pro-market organisation which promotes the interests of capital. The SSP should therefore campaign for withdrawal in the forthcoming referendum. As Cameron negotiates in advance of the referendum, the EU on offer will only become more right-wing than it is now. TTIP is currently being negotiated through EU structures and will force more privatisations in Scotland in the future. A principled ‘out’ campaign would provide the SSP with an important platform to make the socialist case for withdrawal and disempower the right-wing nationalist voices.