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Editorial

CONTINENTAL TREMORS

EURO-TREATIES have been rejected before, but this season's unscheduled irruption of mass discontent into the internal processes of the Union is unprecedented. The repudiation of the EU constitutional treaty in the 2005 French and Dutch referenda had quite a different character to that combination of apathy and disgruntlement which saw Ireland vote down the Nice treaty of 2001, or Denmark the euro in 2000. There were high turnouts in both the Netherlands and France—63 and nearly 70 per cent, respectively. In both countries, relatively marginal forces of the unofficial left played a central role in galvanizing the arguments against the treaty. In both, the poll had a clear class character: a majority of lower-income workers, Labour (PvdA) and Socialist supporters voted No, against their party leaderships. The young were solidly opposed.

Developments within the EU rarely follow a single logic: the multiple interactions between rival state interests, political fortunes, divergent economies and outside forces make it particularly prone to the law of unintended consequences. The outcomes of this summer's upsets for the future functioning of a 25-state EU and for further enlargement are unlikely to be an exception. Nevertheless, the first reactions to the results from EU leaders have been predictable enough: fewer votes, more marketing. But how to sell their model for Europe remains a problem. Founded in the postwar era of Social and Christian Democracy, the EU has mutated and dilated into a different sort of institution in the age of liberal hegemony. Better than any Eurobarometer poll, the 2005 referendum campaigns have laid bare the continent's new political landscape. They reveal not only the gulf between electorates and elites,

widely remarked, but also the problems of envisioning a politics beyond the neoliberal order.

The Yes camp

Yet at first sight, the official case for the constitutional treaty seemed attractive and plausible enough, and had the overwhelming backing of the political and media establishments. Although ‘not perfect’, the treaty, it was argued,¹ would make the EU more democratic, more efficient, more streamlined, more transparent. It would empower the European Parliament, limit the use of the single-state veto to essential decisions, and lay the basis for a common foreign and defence policy. The result would be a stronger Europe, able to exercise a moderating influence on the imperial ambitions of the United States. Without it, Timothy Garton Ash warned readers of *Le Monde* on the eve of the vote, the American superpower would again be ‘tempted to go it alone’.

In France, the Yes campaign was launched with a glittering display of unanimity at Versailles on 28 February 2005, when Senators and Deputies assembled at a special session of Congress to ratify the treaty. The media, in full battledress, took up the campaign. Serge Halimi has described how, on France Inter, ‘Stéphane Paoli would hand over to Bernard Guetta, who would hand over to Pierre Le Marc, who would hand over to Jean-Marc Sylvestre’, without a single dissenting voice.² In an exemplary mobilization of what Perry Anderson has called the *union sacrée*,³ the President of the Republic, the leaders of the UMP and Socialist Party, editorialists from *Figaro* and *L’Express* to *Le Monde*, *Libération* and *Le Nouvel Observateur*, newscasters and talk-show hosts were joined in the TV studios by a galaxy of celebrities, film stars and footballers, all in favour. The Prime Minister of Spain, the President of Poland and the German Chancellor flew in to give Chirac their support. A supposedly neutral government information leaflet mailed to the voters was straightforward pro-treaty propaganda, as were the school brochures

¹ In *Le Monde*, *Libération*, *NRC Handelsblad* and *Volkskrant*, as in *El País*, *Corriere della Sera*, *Frankfurter Allgemeine Zeitung*, the *Guardian*, *Independent* and *Financial Times*; not to mention the *New York Times* and *Washington Post*. To its credit, the *Economist* maintained its ultra-liberal scepticism on the treaty throughout.

² Serge Halimi, ‘Médias en tenue de campagne européenne’, *Le Monde diplomatique*, May 2005.

³ Perry Anderson, ‘Union Sacrée’, *London Review of Books*, 23 September 2004.

sent out by the Education Ministry. The *Caisse d'épargne* mutual-fund chairman announced that, 'thanks to Europe', he would be increasing rates for savers.

When, despite all this, the No vote began to climb ahead in the polls, the tone grew more menacing. Those opposing the treaty were xenophobes, racists, anti-Turkish, anti-Pole, anti-Europe. The pages of the liberal press filled with transatlantic voices urging the importance of a Yes vote to build a 'European alternative' to the American superpower. An appeal to 'Our French Friends' appeared in *Le Monde*, signed by Wolf Biermann, Jürgen Habermas, Alexander Kluge, Günter Grass and others, arguing that a No would condemn France to 'fatal isolation', with 'catastrophic consequences' for the central European countries and for relations with the United States. A Yes vote was a moral duty: 'We owe it to the millions and millions of victims of our senseless wars and criminal dictatorships.'⁴ Such hysteria notwithstanding, the treaty was rejected on May 29th by 55 to 45 per cent.

In the Netherlands, the mechanisms of hegemony took a more homely form. The press, the party political leaderships, the churches, trade-union leaders, employers' associations, even the Touring Club called for a Yes. The Dutch parliament, which had initially called for the referendum, endorsed the constitutional treaty by 85 per cent. Again, the official rhetoric took an increasingly apocalyptic turn as defeat loomed. Premier Balkenende raised the spectre of Auschwitz, the economics minister spoke of 'the lights going out', the justice minister of balkanization and war. The vote on June 1st went against the treaty by 62 to 38 percent.

Reading the treaty

In both countries, a key factor in the initial mobilizations for a No vote was the treaty itself. The Dutch campaign was largely animated by the 40,000 militants of the Socialist Party,⁵ whose signature flying-tomato

⁴ 'A nos amis français', *Le Monde*, 2 May 2005.

⁵ Formed in 1972, with roots in Maoism and the Dutch Communist movement, the Socialist Party shifted to a left-social democratic stance in 1991, organizing extra-parliamentary campaigns around working-class issues and running its own health-care service and 'environmental alarm team'. See www.international.sp.nl; Servaas Storm and Ro Naastepad, 'The Dutch Distress', *NLR* 20, March–April 2003, p. 147.

posters attacked both bureaucratism and free-market policies. In the Netherlands, the *SP* pointed out, those claiming a ‘good knowledge’ of the treaty opposed it by 85 per cent. The French debate, described by Bernard Cassen below, was fuelled by an intensive education campaign which reversed the initially favourable majority. The establishment message—a more democratic, efficient, transparent Europe, better able to offer an alternative to the *US*—was in jarring contradiction to the text itself.

For the treaty maintained, virtually unchanged, the uniquely opaque and undemocratic architecture of the *EU* as it had developed since 1957. The supranational Commission, with a monopoly of legislative initiative, was still to be appointed by diplomatic bargaining among member-state governments; European electorates were denied any right to determine the composition of the Union’s executive body. The increasingly powerful heads-of-government summit-meetings of the European Council, a European Court of Justice mainly taken up with commercial cases, the Central Bank and the intergovernmental Council of Ministers comprised the other features of this neo-feudalized institutional landscape.⁶ The European Parliament would remain largely consultative, with no meaningful power to resist or initiate legislation, although it would now be able to propose amendments, which the Commission could take up or ignore as it saw fit (this was the ‘more democratic’ element). ‘Streamlined’ referred to the deal cut on the weighted votes of the various countries in the Council of Ministers—essentially, an increase for Germany at the expense of France, and a slight downward adjustment for Spain and Poland on the proportions agreed in 2000. Beyond the change in Javier Solana’s job description from High Representative to Minister for Foreign Affairs, backed up by a diplomatic corps, and the appointment of an ex-prime minister to serve for thirty months as president of the Council of Ministers, rather than an acting one to serve for six, the constitutional treaty contained little new.

⁶ Alain Supiot has described the Commission as ‘a new clergy of technocrats, doctors of the single-market law’, and the Council, ‘playing the role of Estates-General under the *ancien régime*, charged with a qualitative representation (of member-state weightings) rather than a quantitative one, through universal suffrage, of the peoples of Europe’. Alain Supiot, ‘Anatomie d’un refus’, forthcoming in *Sekai*. Rather than ‘We, the People’, the constitutional treaty was proclaimed in the name of ‘His Majesty the King of the Belgians, the President of the Czech Republic, Her Majesty the Queen of Denmark’ and so on, through the twenty-five assenting heads of state.

This was not the ‘political act of foundation’, for which Jürgen Habermas once hoped.⁷ Nor was it a constitution, in the sense of a legal framework within which different policies may be debated and decided upon; instead, the treaty decreed in fine detail what those policies were to be, down to the micro-operations of free trade in goods and services. The Commission, the European Court and Central Bank were charged with driving this neoliberal programme through. Far from laying the basis for an independent foreign and defence policy, capable of opposing the us, it subordinated all security questions to NATO’s leadership and maintained the single-country veto on foreign affairs; the UK, or Latvia, could shoot down any strategy inimical to Washington.

The treaty would, in fact, ensure that Europe never had a democratic constitution, federal or otherwise. Rather, it codified afresh the whole post-Cold War evolution of the EU, via Maastricht, Amsterdam and Nice: the drive towards monetary union; the use of EU law to push through the free-market agenda; the practical definition of a ‘common foreign policy’ through the wars in Yugoslavia, Afghanistan, Iraq; the expansion eastward and the remaking of Europe’s relation with Washington, after the fall of the Soviet bloc. A Yes vote would effectively be a retrospective ratification of these developments, which the treaty sought to constitutionalize.

The Twelve

The new formula for the legitimization of the EU project carried no conviction. But nor could the old ones be stretched to cover what now exists. The European Community of the late 1980s had been a peculiar hybrid: the Single European Act of 1986—Europe’s NAFTA—decreed the transformation of the old customs union into a free-trade area, opening the markets of the twelve member states to the unfettered movement of goods, capital, labour and services. The fiscal discipline of the European Monetary System geared national economies toward public-sector cuts and the privatization of state assets. Yet ideologically, Jacques Delors’ Commission managed to sustain a vague but lofty vision of prosperity, security and progress, combining a quasi-Kantian teleology of peaceful union, technocratic expertise and the social solidarities of the

⁷ Jürgen Habermas, ‘Why Europe Needs a Constitution’, NLR II, September–October 2001, p. 6.

CD–SD tradition. It was assumed that the economic and political union that was to be the (eventual) end of this process would be democratic, and would therefore endow a European Parliament with real legislative power. During the 1980s this ideological formula proved very successful in the EC's restructuring of the statist dictatorships in Greece, Spain and Portugal—countries with strong communist parties and revolutionary traditions—into liberal capitalist democracies, safely docked within Western security alliances.

From 1989, the geopolitics of Europe were in flux. At issue was the emergence of a reunited Germany: as the world's third largest economy it would dominate a *Mitteleuropa* of some 150 million people and could, theoretically, negotiate on its own terms with Moscow. Secondly, as Soviet tanks rolled back towards the Urals, there was no longer a clear argument for NATO's presence in Europe. Finally, the collapse of Comecon and the Warsaw Pact left a swathe of states appealing to the West for economic aid and security guarantees. For the US, faced with imposing its order in new forms all across the Cold War marchlands—central Europe, the Middle East, central Asia, the Korean peninsula—the immediate priorities in Europe were to prevent any possible rapprochement between Bonn and Moscow, by binding Germany more tightly to its Western allies; to ensure there were no serious moves towards an independent European security policy; and to get the EC to undertake (and fund) the work of retooling the central European economies as open capitalist markets, as it had done so successfully along the Mediterranean. Promoting political and economic reform in the east was 'a natural vocation' for the EC, James Baker told European leaders.⁸ The US could position itself as the central European countries' major ally by backing their claims for EC entry, at no cost to itself. Better, enlargement to the east would preclude political integration, and therefore the EC's emergence as independent geopolitical power, by overstressing its feeble federative structures and bringing a herd of new wooden horses inside the city walls.

Kohl was willing to pay dearly for the other powers' diplomatic assent to immediate German reunification; the renunciation of the Deutschmark was not too much. A united Germany would offer to be bound by steel threads of monetary and political union for the common good,

⁸ 'A new Europe, a new Nationalism', *Vital Speeches of the Day*, 15 January 1990, p. 197.

so its strength could be 'beneficial to all'. In December 1989, Delors' Committee of Central Bank governors presented a plan and timetable for EMU, which would be amended over the next two years to form the basis for the Maastricht treaty. The logic seemed inescapable: monetary union would have to entail some sort of political union, and with it an increased degree of accountability. The Commission prepared further blueprints on foreign policy and home affairs, as 'pillars' for what would become the European Union.

Maastricht and Sarajevo

But political union after 1989 would have to resolve the danger that a reunified Germany might dominate any democratic federation of European states by its demographic size and economic weight. The French elite balked at this task. Given Britain's opposition to closer federalization, this meant that any genuine process of moving towards the political unification of Europe was off the agenda, and with it any chance of constitutional democracy.

Europe's first steps towards a 'common foreign policy' demonstrated a similarly provincial outlook, at a time when the cables of Washington's New World Order were being laid across the globe. In January 1991 Britain and France trooped loyally behind Desert Storm, as the effects of American firepower went on display in the Gulf. In Yugoslavia, shock therapy implemented by the federal government on World Bank instructions had caused over half a million redundancies in 1989, handing victory to nationalists in subsequent elections throughout the republics of the federation. Germany and Austria, looking for Catholic client states in the Balkans, encouraged Croatia and Slovenia to secede, although it was clear that minorities in the multi-ethnic republics would oppose the breakaways. When heavy fighting broke out in August 1991 between Croatians and the Yugoslav People's Army, and between Croatian forces and Krajina Serbs, Kohl and Genscher pushed for immediate EC recognition of Croatia rather than calling for a comprehensive Yugoslav political settlement, which might have safeguarded the minorities' rights. During an all-night pre-Maastricht bargaining session in December 1991, Kohl succeeded in securing British backing for Croatian independence by offering Major opt-outs on European monetary union and the Social Chapter. Similarly, longstanding French proposals for a Eurocorps of

some 35,000–50,000 troops, independent of NATO, were temporarily given German support.⁹

The us moved swiftly to crush any notion of an independent Eurocorps and by December 1992 had extracted an agreement from France and Germany that any such force would, in practice, be under NATO command. But the EC's role in encouraging the first steps in the break-up of Yugoslavia opened the way for the Clinton Administration to launch a concerted diplomatic campaign for the recognition of Bosnian independence, over which even Kohl and Genscher had hesitated.¹⁰ Croatia's war of independence had resulted in some 200,000 refugees, 350,000 displaced persons and 20,000 dead. Between 1992 and 1994, the war in Bosnia produced nearly 2 million refugees or displaced persons and, on the most conservative estimates, 70,000 dead.¹¹ Ideologically, this was the end of the European Community's self-proclaimed mission to put an end to war on the old continent. Strategically, the effect of the bloodshed was to reveal the powerlessness of European leadership. The siege of Sarajevo saw French, British, German and Italian liberals crying out for American intervention. Only the threat of NATO firepower, they now argued, could knock some sense into the combatants. Albright united Croatian and Bosnian state forces against the Bosnian Serbs, backed up by NATO jets. Germany's Basic Law was amended to allow Luftwaffe pilots (under us command) to enforce the no-fly zone. In April 1993 Paris and Bonn signalled that, despite the disappearance of the Soviet threat, European foreign and security policy would remain subordinate to NATO.

Euromoney

European monetary union thus proceeded with political union ruled out and foreign policy subordinate to Washington's veto. In this sphere, despite the squabbling, Europe's rulers have found it relatively easier to unite around a programme of shared interests. Wynne Godley has eloquently described the types of economic management that were renounced under the Maastricht plan—the role that national

⁹ Susan Woodward, *Balkan Tragedy: Chaos and Dissolution after the Cold War*, Washington, DC 1995, pp. 184, 464.

¹⁰ According to Secretary of State Lawrence Eagleburger, Washington was concerned that Germany was 'getting out ahead of the us': Woodward, *Balkan Tragedy*, p. 196.

¹¹ Woodward, *Balkan Tragedy*, pp. 464, 283, 1.

governments might play in determining the optimum level of public provision, the burden of taxation, the allocation of expenditures, the extent and financing of deficits; interest rates, exchange rates, inflation, growth, employment, and the distribution of income and wealth.

The incredible lacuna in the Maastricht programme is that, while it contains a blueprint for the establishment and *modus operandi* of an independent central bank, there is no blueprint whatever of the analogue, in Community terms, of a central government. Yet . . . without such institutions, EMU would prevent effective action by individual countries and put nothing in its place.¹²

In effect, rather than a political federation, Europe's elites have opted for an unspoken policy union. The rigid fiscal and exchange-rate caps of the single currency system, Maastricht 'convergence criteria' and the Stability Pact rule out the options of devaluation and deficit funding, leaving the twelve disparate economies of the eurozone with no other mechanisms for cyclical and other adjustments than to wring concessions from labour. Ultimately, the largest eurozone economies, Germany, France and Italy, would be forced to adjust to the Anglo-Saxon shareholder agenda of low-wage, unprotected labour and marketized services. Even during recessions, European Central Bank interest rates have been held at 'anti-inflationary' levels, whose only discernible logic appears to be grinding down the stubbornly resilient Rhenish model. In Germany, domestic demand has remained depressed, unemployment high and growth low. The introduction of the new currency itself in January 2002 was accompanied by a further downturn.

This is the context for the sharp class divisions over the 'neoliberal treaty' that manifested themselves in the French and Dutch referenda. In the Netherlands, 58 per cent of Labour voters turned against their party leadership. Measured by educational attainment, 71 per cent of those with 'lower' and 64 per cent with 'middling' qualifications voted No, compared to 52 per cent of 'higher'. Under Wim Kok's Labour-led governments

¹² Wynne Godley, 'The Hole in the Treaty', in Perry Anderson and Peter Gowan, eds, *The Question of Europe*, London 1997, pp. 174–5. Godley continues: 'I sympathise with the position of those . . . who, faced with the loss of sovereignty, wish to get off the EMU train altogether. I also sympathize with those who seek integration under the jurisdiction of some kind of federal constitution with a federal budget very much larger than that of the Community. What I find totally baffling is the position of those who are aiming for economic and monetary union without the creation of new political institutions (apart from a new central bank).'

in the 1990s, and under Balkenende since 2002, the Netherlands has become more Anglo-Saxon than the UK in terms of its real-estate bubble, stockmarketization of household wealth, and the replacement of industrial and public-sector jobs by a low-wage service sector.¹³ The result has been increasing polarization between winners and losers, and growing social tensions. In the wealthy enclaves of Heemstede and Bloemendaal the national percentages of the Dutch referendum on the EU treaty were reversed: 57 and 61 per cent voted in favour.

In France, 56 per cent of Socialist Party supporters voted No, as did 79 per cent of blue-collar workers and 71 per cent of the unemployed. In the poorest parts of Marseilles and the mining districts of the Nord-Pas de Calais, the Nos were respectively 78 and 84 per cent. In households with an income of under €1,500 per month, 66 per cent were against the treaty. The majority of No voters, 52 per cent, gave 'discontent with the current economic and social situation in France' as a principal reason for their vote (compared to 35 per cent who opposed Turkish membership of the EU).¹⁴ The notion of a 'French social model' can be misleading. Jospin and his finance ministers Strauss-Kahn and Fabius privatized high-profile public assets, slashed top income-tax rates and business surcharges and held down public spending.¹⁵ Raffarin continued the process. Though there is more statutory labour-force protection, trade-union membership is far lower in France than in the UK; both FDI and labour productivity rates are notably higher. Above all, the high unemployment rates firmly associated with the anti-labour project of the EU's economic policy have hit hardest the lower-income earners and the young. By contrast, the French upper-middle classes have done very well out of neoliberalism; in central Parisian *arrondissements*, where property prices have soared, the Yes vote was 66 per cent. Among those earning over €4,500 a month, 74 per cent were in favour. In Neuilly the figure was 82.5 per cent.

Europes of 2003

The *raison d'être* for the constitutional treaty was EU enlargement. If this was initially an American policy, it was championed by Germany and Britain from early on. In 1993 the Commission set the bar low on criteria for accession: a functioning market economy, stable institutions,

¹³ Storm and Naastepad, 'The Dutch Distress', NLR 20.

¹⁴ 'Le Sondage sorti des urnes', www.ipsos.fr.

¹⁵ Sebastian Budgen, 'The French Fiasco', NLR 17, Sept–Oct 2002.

ability to adhere to EU rules. During the course of the 1990s, as inter-governmental quarrels broke out over which countries should be favoured, implementation of the 97,000-page *acquis communautaire* of EU law was added to the list. With no agreement on how to revise the treaties for an expanded EU, core countries pushed through a possible 'enhanced cooperation' option in Amsterdam in 1997, permitting multi-speed integration. The decision on voting procedures after enlargement was rescheduled for the Nice Intergovernmental Conference in 2000.

In the run-up to Nice, the three major member states set out their positions. Speaking at Humboldt University in May 2000, Fischer called for a democratic federation of Europe's nation-states; a Europe-wide parliament with 'real legislative powers'; a second chamber, consisting of elected members from national parliaments; a federal government and president, with executive powers; and a founding constitution. Chirac responded in June, in a speech to the Bundestag: opposing a federal government, proposing a stronger union of nation-states with decision-making based on majority votes. He seconded the call for a new constitution. It might be drafted by a Convention, similar to the body that was then drawing up a charter of fundamental rights for the EU (an attempt to polish up Brussels' image after the entire Commission under Jacques Santer had been forced to resign in 1999 over charges of corruption). Blair, striving for an equally symbolic podium, delivered his intervention at the Warsaw Stock Exchange. In Britain's view, a constitutional debate need not necessarily end with an actual constitution; a treaty of treaties could be just as good. Most importantly, the veto-granting European Council should retain the political direction of the EU. In December 2000 the Nice IGC agreed vote weightings for a 25-state EU, and set 2004 as the deadline for a final treaty 'establishing a constitution for Europe'. By then, the three Baltic republics, Poland, Hungary, the Czech republic, Slovakia, Slovenia, Malta and Cyprus would have joined.

Propelled forward by the ambitions of small-state prime ministers, the Convention on the Future of Europe assembled in the EU Parliament building in Brussels in February 2002. But just as war in the Gulf and the Balkans had been the backdrop to the Maastricht negotiations, so now the deliberations of Giscard d'Estaing and his colleagues were played out against the bombardment and occupation of Afghanistan and Iraq. While Youth and Civil Society made their depositions to the Convention, *Guernica* was shrouded, WMD mythology confected, a battle-fleet

assembled in the Mediterranean.¹⁶ Over a million people in London, two million in Madrid, three million in Rome might march against the invasion of Iraq, but Aznar in Spain, Berlusconi in Italy, Barroso in Portugal, Blair in Britain, Rasmussen in Denmark, Medgyessy in Hungary, Miller in Poland and Havel in the Czech Republic trumpeted their support for it in a joint statement to the *Wall Street Journal*.

This was the occasion for Jürgen Habermas and Jacques Derrida's joint appeal for a 'core Europe'.¹⁷ Evoking the 'morally obscene' preparations of the war machine, and the 'civilized barbarism' of coolly planned death and destruction—'of how many residential districts and hospitals, how many houses, museums and markets?'—the two philosophers explained that 'the war has made Europeans conscious of the failure of their common foreign policy'. The worldwide debate over the legality of the us invasion had, they felt, sharpened faultlines between the 'Anglo-American countries', the central and eastern European countries, and 'Old Europe'. If the EU was not to fall apart, the countries of its humanitarian core should make use of the mechanisms for 'enhanced cooperation' agreed at Amsterdam and once again become the EU's locomotive, moving forward to determine a European foreign policy that would be based on the norms of international law.

In fact, of course, the core countries had already shown their hands. The enlargement over which they had presided—the accessions of the new countries had been formally agreed in October 2002, a month before UNSC Resolution 1441—had permanently altered the balance of power within the EU. De Villepin's sonorous remonstrations in the Security Council were accompanied by assurances from the French ambassador to Washington that a second UN resolution was anyway unnecessary, and Chirac's offer of free passage for us bombers through France's airspace.¹⁸ The following spring, bicentenary of Toussaint L'Ouverture's declaration of Haitian independence, Chirac and De Villepin sealed their reconciliation with Bush and Powell in a joint invasion of Port-au-Prince. While the Convention in Brussels proclaimed the promotion of

¹⁶ Retort's *Afflicted Powers*, London 2005, is one of the best evocations of the time.

¹⁷ Jürgen Habermas and Jacques Derrida, 'February 15, or, What Binds Europeans Together: Plea for a Common Foreign Policy, Beginning in Core Europe', in Levy et al, eds, *Old Europe, New Europe, Core Europe*, London 2005.

¹⁸ The Turkish parliament's rejection of the Pentagon's demand to use their country for a land attack on northern Iraq had much more impact on the course of the invasion.

peace as Europe's Number One objective, Schroeder was preparing to make Germany the second biggest force in NATO-occupied Afghanistan, replete with its American torture chambers.

Blair and Chirac

At the Convention for the Future of Europe, London had once again taken charge of the drafting. John Kerr, former head of the British Foreign Office, ran the Convention Secretariat and penned successive versions of the constitutional treaty.¹⁹ Unsurprisingly, the British press could announce in December 2003 that the end product changed almost nothing: the European Council's rule was upheld; the veto maintained on tax, social security policy, foreign policy; 'enhanced cooperation' could not apply to areas with defence implications; even workers' right to strike, though enshrined in the charter, was granted only 'in accordance with national laws'.

Meanwhile, the details of the EU accession deal were agreed elsewhere. The new member states would be given second-class status: direct payments under the Common Agricultural Policy would apply to them at 25 per cent of western rates, labour mobility would be limited and Structural Fund payments set at less than half those of Greece, Spain, Portugal and Ireland. Negotiations over vote weightings remained deadlocked—two of the *huits mercénaires*, Spain and Poland, refusing to give up their favourable allowances from Nice—until the bombings at Atocha Station, and Aznar's exploitation of them, brought Zapatero's Socialist government to power in the March 2004 elections. One of Zapatero's first acts was to offer to reduce the Spanish vote.

It was at this point that Blair, rattled by the UK tabloid press, announced that he would put the constitutional treaty to a referendum (after the British general election of 2005) and Chirac decided to make good his own pledge, given in 2002. The Maastricht treaty only just scraped through on the last referendum France had held on EU matters. But then the establishment had been split, with powerful opposition to the treaty from the Gaullist Right, led by Séguin. Now it appeared to be united around the Anglo-French pabulum Giscard brought home from Brussels. Initial polls were favourable. Chirac's calculation looked safe enough.

¹⁹ Peter Norman, *The Accidental Constitution*, 2nd ed., Brussels 2005, pp. 32–3. Thatcher's protégé Arthur Cockfield had drafted the Single European Act, and Leon Brittan the 1993 Copenhagen Criteria for EU admission.

But a decade had gone by since Maastricht had been put to the vote. In the interim, popular anger at everything that it represented, or which had been imposed on the country by successive governments in its name, had been steadily deepening—to a point where even the conformist ranks of the PS leadership could not be held together. Once Fabius, sensing the mood from below, and hoping to topple his rival in the party, opted to defy the line, the consensus of respectable opinion was broken. The mobilization of ATTAC and its allies, extraordinary in scale and ingenuity, did the rest.

Barbarians inside the gates

Media reactions to the French and Dutch referenda demonstrated, once again, a striking unanimity. The No voters were irrational, if not pathological—motivated by ‘pain, fear, anguish, fury’, according to *Libération*. *Le Monde* thought the vote expressed ‘a deep regression’; it was ‘an identity crisis’ to the *New York Times*. For the *Guardian*, France was ‘deeply divided, ill-at-ease, fearful and mistrustful . . . agonised and unhappy’. In the eyes of Timothy Garton Ash, it was ‘a no of fear. Fear of immigration. Fear of change’. Although it was clear that the majority against the treaty were Socialist supporters, broadly of the centre-left, they were driven by ‘nationalism, xenophobia, dogmatism’ (*Le Monde*), by ‘unthinkable xenophobia’ (*Libération*); it was ‘France for the French’ (*Guardian*). At the same time, they were ‘infantile’, ‘regressive’. ‘It was the politics of Peter Pan’, according to one *Guardian* columnist. ‘Foucault would have appreciated the correlation between knowledge and power’, Alain Badiou has suggested: ‘The *oui* was the choice of enlightened opinion (experts of all stripes, including the journalists), the *non* was that of the ignorant. Criticisms of Chirac’s decision to hold a referendum took up the same argument: matters as important as Europe should not be entrusted to an ignorant mass.’ In this context No voters, whether of left or right, would inevitably be labelled as ‘barbarians’.²⁰

For Anglophone commentators, Chirac and the French political leadership were much to blame. It was not just that their economic reforms were behind schedule; after all, Berlusconi’s were more laggard still. The key point was that they had failed to inculcate their electorate with the conviction that there is no alternative. But for tough-minded neoliberals there was a silver lining. The French Centre-Left was in crisis: not only

²⁰ Alain Badiou, 18 May 2005, unpublished text in circulation.

had most of the leadership of the ps been abandoned by most of its voters, but on 4 June François Hollande and Dominique Strauss-Kahn, expelling Fabius and his associates from the executive committee of the party, deepened the split within it. The crisis of the Centre-Right UMP is just as acute as that of the ps. But if Washington's candidate of choice, Nicolas Sarkozy, can break free of the lame-duck Chirac–De Villepin government, and Schroeder, for all his reforming merits, is ousted by the CDU in Germany, by 2007 the leadership of Europe could be recast with a more trustworthy pro-American trio in Paris, London and Berlin. A smoother period of transatlantic relations should ensue.

How reliable would a Merkel or Sarkozy government prove? The SPD's loss of North Rhine–Westphalia in May 2005 was due as much to abstentions by social-democrat voters, unimpressed by Schroeder's tax-breaks for companies and benefit cuts for the unemployed, as to a swing to the CDU. Merkel is a more ideological Atlanticist than Schroeder, but her party bloc has close ties with the middle-sized German companies at the heart of the Rhenish model. If he wins in 2007, Sarkozy will still have to face the problem of a French electorate that has punished every deregulating, privatizing government of the past two decades by ejecting it from office at the end of one term. May 2005 saw another generation of French youth secure a political education for itself in the cafés, streets and meeting halls. Ejecting the barbarians from the city may not be such an easy task. 'The real fear we are dealing with,' Slavoj Žižek has commented,

is the fear that the No itself provoked within the new European political elite. It was the fear that people would no longer be so easily convinced by their 'post-political' vision. And so for all the others, the No is a message and expression of hope. This is the hope that politics is still alive and possible . . . There was a positive choice in the No: the choice of choice itself; the rejection of the blackmail by the new elite that offers us only the choice to confirm their expert knowledge or to display one's 'irrational' immaturity.²¹

Faltering hegemony

What conclusions should be drawn from the demise of the 'European Constitution'? First, the illusion that the EU—or even its core—could still emerge as an independent power, offering a more humanitarian, social-democratic alternative to the US, should be laid to rest. For it to do

²¹ Žižek, 'The constitution is dead. Long live proper politics', *Guardian*, 4 June 2005.

so now would require a tectonic shift comparable to the end of the Cold War. From the quasi-Thatcherite Single European Act onward, European elites have deployed the EU's legislative and executive powers to gut the social-democratic legacy of the postwar years: marketizing the public sector, flexibilizing the labour force, opening the national economies to global finance capital. In the process their 'Europe' has become a socially empty vessel.

The corollary has been the acceptance of American global leadership, on the terms Washington has dictated. The EU's course of development since 1989 has followed, by and large, the Anglo-American prescriptions. Liberalization and enlargement have created a sprawling, spineless entity, assiduous in its attentions to the US corporate lobby in Brussels, ruthless in its disregard for its citizens' wishes. The 'multi-speed' EU that has emerged over the last fifteen years—the Eurozone Twelve, the NATO Nineteen, the differential status of the 2004 accession states—is a measure of the failure of European integration. It also offers a wide choice of coalition vehicles for Washington to pick from. Currently the EU3, Britain, France and Germany, are attempting to strong-arm Iran into renouncing a programme that is child's play compared to the nuclear arsenal of Israel, which they sedulously protect.

In trade wars the EU may return punch for punch over American jumbos or Chinese T-shirts. But in terms of geopolitical power, the post-Cold War era has seen it locked into a subordinate role within the US hegemonic system. One of its functions there has been to provide a proliferation of clean-up and regime-creation services in the Balkans, the Caucasus, eastern Europe and Asia Minor; often in the wake of US military depredations or its own. Typically, these operations bypass representative structures in favour of planting key advisors in the core ministries and substituting externally funded NGOs for elected local or public-service government. The past decade has seen the application of the EU's 'natural vocation' for social engineering—disciplining labour forces, coaching elites, opening up markets to American and European capital—extended across a broad swathe of its periphery: the 'imperialism of neighbours', in Robert Cooper's commendation.²² In this process, the hope of eventual EU membership has played a crucial role in persuading Turkish workers to accept a higher retirement age, Poles to forego their pensions.

²² Robert Cooper, 'The Next Empire', *Prospect*, October 2001.

Could the faltering of EU hegemony in its own heartlands presage a weakening of its role as free-market management-training team? One of its senior practitioners noted with alarm the celebrations that greeted the Euro-referenda results in Belgrade, and the sentiment that Serbs no longer had reason to 'mindlessly meet every demand from Europe'.²³ Fittingly, the week of the French and Dutch repudiation of the constitutional treaty saw the arrival of an EU team in Baghdad to play its part in drafting a parallel document for occupied Iraq. It is to be hoped that the Iraqis will send their charter and its military backers the same way as its Brussels predecessor.

Popular rejection of the EU treaty raises the possibility that the general political narcosis induced by Brussels may now be failing. The EU as a social-disciplinary force can no longer draw on the ideological capital of the Delorsean era, long since squandered in marketization, restructuring and wars. The teleology of social progress has vanished; how can there be a better future when there is no alternative? Mass media, consumerism and apathy were supposed to bridge the gap. 'It is the EU that has given you your mobile phones and cheap air fares', Sarkozy told a young French audience in May. Their No recalls the small coins flung at departing Italian politicians during the Tangentopoli crisis. The extent of the revolt should not be exaggerated. In Britain, Poland, Ireland, Denmark, electorates have meekly accepted the cancellation of their referenda. Yet the gap between European electorates and neoliberal elites has never been so large; Blair won the support of only 21 per cent of UK voters in May 2005. Aimed above all at the 'economic and social' aspects of EU rule, the No vote once again lays bare the crisis of representation on the Left, with PvdA and Socialist leaders squarely opposed to the majority of their electorates, leaving the field to marginal forces. In doing so, it revealed how far off the construction of an alternative overall programme to the neoliberal project still remains. But in illuminating its absence, the summer lightning of 2005 also flickered forth for a moment a future horizon under which it might exist.

²³ Carl Bildt, 'Europe must keep its "soft power"', *Financial Times*, 1 June 2005.