

Labour market reform is the new euphemism for systematic job precarity. We need a new platform for European Socialists to fight the new dogma of austerity.

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Recent changes to the Lisbon Treaty have essentially declared the debt-financed increased spending of Keynesian economics to kick-start growth to be unconstitutional. Austerity has become the new dogma. Sir Julian Priestley argues that with right-wing parties now dominating Europe's policy agenda, the left needs to mount "a coherent intellectual onslaught of these ruinous policies".



There was a fleeting moment at the end of the 1990s when what passes under the broad term 'the Left' was simultaneously in power in London, Paris, Berlin and Rome. In the European Union (EU) institutions the centre-left dominated the European Commission, and had a plurality in the Parliament. However, the 'socialist moment' did not last long. You can analyse the reasons for this meagre legacy as long as you like- the flirtation with deregulation by some governments, the preference for other relationships- with Washington for British New Labour, with Moscow for the Germans- and the kowtowing to a Eurosceptic media, particularly in the UK, but the results- or the lack of them- are obvious.

At the heart of this missed opportunity was the failure of European socialists to work together, to define common goals, and to use institutional leverage to achieve them. New Labour, as the one government with a clear majority, the luxury of being in power for more than a decade, and seeming at least at the outset to be the leader of a New Wave in politics, bears a heavy responsibility. At times it seemed deliberately to prefer bilateral cooperation with Aznar or Berlusconi on the right, to working with Jospin or Schroeder on the left.

The moment passed. Fifteen years on, the right enjoys a similar if not greater hegemony. In power simultaneously in most national capitals, controlling the European Council, the Council of Ministers, the European Commission, and, with a little more effort, the European Parliament, the conservatives in Europe call the shots. Only this time they are using their numerical strength to achieve their political ends. They are actively supporting the national election campaigns of their fellow conservatives. Look at Angela Merkel and Nicolas Sarkozy, for instance.

And the economic crisis has provided an almost heaven-sent opportunity to apply right-wing economic policies continent-wide. Austerity has become the new dogma. Keynesian economics- increasing spending to kick-start growth- is not merely shunned; under the new Treaty, it is to become unconstitutional. Member States are to be bullied and brow-beaten to enact deep cuts in their welfare states. Competitiveness is to be achieved by low wages; labour market reform is the new euphemism for systematic job precarity.

Instead of using the EU budget as a modest catalyst for infrastructure and social investment, and as a lifeline for Europe's response to the technological challenge, it is to be squeezed to such an extent that there will be no new resources to fund extra growth. This is a recipe for sustained depression for large parts of the Union, and a veritable slump in some regions. Unless the Left mounts a coherent intellectual onslaught on these ruinous policies, the political beneficiaries of the wasteland legacy of the Right, will be xenophobic and nationalist forces.

Last December a small group of us, at the initiative of Glyn Ford- longstanding socialists and social

democrats- met up in Brussels, inevitably perhaps over a dinner table, to bemoan the seemingly unstoppable progress of the Right's agenda, and the sometimes half-hearted and disparate response of our respective national parties. Only the French Socialist Party, and in our group we counted Harlem Désir, the deputy leader of their party, had a clear line on the then mooted Austerity Pact. We decided to work on a short text which would provide a brief critique of the consequences of the Right's domination in Europe, and a few alternative ideas around which European progressives could coalesce.

A draft of 'A European Socialist Alternative' was circulated, amended, and then sent on to a wider group of first signatories, including a number of national and European socialist politicians from most of the member states, among them the newly elected leader of the socialists in the European Parliament, the Austrian Johannes Swoboda and former European Parliament's President and Spanish Socialist Workers' Party leader, Josep Borrell. Because this is an exercise in democratic participation, everybody had to accept adding a little water to their vino. The text is not protectionist, but does call for fair trading rules to circumvent social and environmental dumping; it is not outright anti-nuclear but places most emphasis on growth stimulation through support for renewables; it is not euro nationalist, or resistant to the geopolitical changes which are perhaps a kind of historical rebalancing of forces in the world, but it does seek to empower Europe to defend its values more efficiently in international organisations. And drawing lessons from past mistakes it puts forward constitutional change as the consequence of political objectives, not as an end in itself.

The text is now circulating widely in parties, on progressive websites, and is being launched in Brussels by Jacques Delors at the end of the month. All new signatures from supporters of reform are welcome. It is not an attempt to subvert the Party of European Socialists which will have to draw up the 2014 manifesto for the European elections. But it is an attempt to influence those who will write the programme, to embolden them to put forward a clear set of proposals which will distinguish Left from Right in Europe, make the elections a moment of democratic vitality not some third-order yawn, and above all give some hope to Europeans in contrast to the dismal and doom-laden prospectus of Europe's current right-wing management.

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Note: This article gives the views of the author, and not the position of EUOPPP – European Politics and Policy, nor of the London School of Economics

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Sir Julian Priestley was Secretary General of the European Parliament from 1997 to 2007. He now chairs the board of EPPA, a Brussels-based public affairs company, and sits on the boards of Notre Europe, a Paris-based think-tank, founded by Jacques Delors, and of eu.votewatch, a transparency campaign. His latest book, "Europe's Parliament; People, Places, Politics", co-authored with Stephen Clark, is published in March 2012 month by John Harper.



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