Five minutes with Noam Chomsky – “Europe’s policies make sense only on one assumption: that the goal is to try and undermine and unravel the welfare state.”

by Blog Admin

In the first of two interviews with EUROPP editors Stuart A Brown and Chris Gilson, Noam Chomsky discusses technocratic governance in Europe, why the eurozone’s austerity policies are failing to solve the crisis, and the rise of the far-right in countries such as Greece and France.

What do you think the use of technocratic governments in Europe says about European democracy?

There are two problems with it. First of all it shouldn’t happen, at least if anybody believes in democracy. Secondly, the policies that they’re following are just driving Europe into deeper and deeper problems. The idea of imposing austerity during a recession makes no sense whatsoever. There are problems, especially in the southern European countries, but in Greece the problems are not alleviated by compelling the country to reduce its growth because the debt relative to GDP simply increases, and that’s what the policies have been doing. In the case of Spain, which is a different case, the country was actually doing quite well up until the crash: it had a budget surplus. There were problems, but they were problems caused by banks, not by the government, including German banks, who were lending in the style of their US counterparts (subprime mortgages). So the financial system crashed and then austerity was imposed on Spain, which is the worst policy. It increases unemployment, it reduces growth; it does bail out banks and investors, but that shouldn’t be the prime concern.

Europe needs stimulus – even the IMF is coming around to that position – and there’s plenty of capacity for stimulus. Europe’s a rich place, there are plenty of reserves available to the European Central Bank. The Bundesbank doesn’t like it, investors don’t like it, banks don’t like it, but those are the policies which should be pursued. Even writers in the US business press agree with that. If Europe doesn’t change policy, they’re just going to go into a deeper recession. The European Commission just released its report on expectations for next year, which are for very low growth and increasing unemployment, which is the main problem. It’s a very serious problem: unemployment is destroying a generation, which is not a trivial matter. It’s also economically outlandish. If people are forced into unemployment then that’s not only extremely harmful from a human point of view – to individuals – but even from an economic point of view. It means there are unused resources, which could be used to grow and develop.

Europe’s policies make sense only on one assumption: that the goal is to try and undermine and unravel the welfare state. And that’s almost been said. Mario Draghi, the President of the European Central Bank, had an interview with the Wall Street Journal where he said that the social contract in Europe is dead. He wasn’t advocating it, he was describing it, but that’s essentially what the policies lead to. Perhaps not ‘dead’, that’s an exaggeration, but under attack.

Is the rise of the far-right in countries like Greece and France simply another symptom of the eurozone crisis?

There can’t be any doubt. I mean in Greece it’s obvious, though in France it’s been going on for a while. It’s based on anti-Islamic, anti-Muslim racism. Actually it goes beyond that in France. There are things which, amazingly to me, aren’t being discussed. Suppose that France today began expelling Jews from the country and driving them to a place where they would be attacked, repressed, and driven into poverty
and misery. You can’t even describe the uproar that would follow, but that’s exactly what France is doing: not to the Jews, but to the Roma, who were treated pretty much the same by the Nazis as the Jews were. They were Holocaust victims. They’re being forced out to Romania and Hungary where they’ve got a miserable future ahead of them and there’s barely a word being said about this. And that’s not the far-right, that’s across the spectrum, which is pretty remarkable I think.

But the developments of the far-right are frightening in Europe. Germany is also experiencing something similar. For example there are neo-Nazi groups in Germany, though they don’t call themselves ‘neo-Nazi’, which are now organising to condemn the bombing of Dresden, claiming that 250,000 people were killed: ten times the actual number. Well, I think the bombing of Dresden was indeed a crime – a major crime – but not the way that neo-Nazi groups are using it. If you go a little farther east, say to Hungary, just last week a legislator, Zsolt Barath from the far-right Jobbik party, made a scandalous speech in which he was denouncing the presence of Jews in decision-making positions: “we’ve got to make a list of them, identify them, get rid of this cancer” and so on. You know, I'm old enough to remember that personally from the 1930s, but we all know what it means. That’s happening in large parts of Europe – mostly through anti-Muslim racism – and it’s a frightening phenomenon.

In the short-term, can you see Europe resolving its crisis?

Right now the eurozone is just putting off its problems – what’s called ‘kicking the can down the road’ – it’s not addressing them. There are serious problems. The eurozone, in my view, is a positive development in general, but it’s being handled in a way that is undermining the promise it should have. I think it’s widely agreed that there has to be more political union. You can’t have a system in which countries cannot control their own currencies and have austerity imposed on them, when they can’t carry out the measures that any other country would carry out if it were in economic crisis. That’s just an impossible situation and it has to be dealt with.

It should also be recognised that Europe is suffering to an extent from its relative humanity. If you compare Europe with North America, the single currency was agreed upon approximately when the North American Free Trade Agreement (NAFTA) was established, but they were done in very different ways. Before poorer states were brought into the project in Europe there were significant efforts made to raise their standards in many ways, using reforms, subsidies and other measures. This was done so that they wouldn’t undermine the employment and living standards of workers in more developed European countries. That’s a relatively humane way of moving towards integration. In the United States, something quite similar was proposed by the US labour movement and even by the US Congress research bureau, but it was dismissed without comment. Instead Mexico was integrated, in a fashion, in a way that was quite harmful to Mexicans and also to American and Canadian workers. Europe is suffering from that.

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

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