



## Referendum wake-up call

**T**he Labour Party's belated U-turn in support of a referendum on EU membership - which could be held as early as May 2016 - will not win it support from working class voters as the party doggedly supports EU membership.

report by **Brian Denny**

Labour went into the election with a suicidal position of opposing a referendum and saw its core vote collapse, mainly to UKIP, yet it still refuses to listen to working people and blindly supports every anti-democratic development within the EU regardless of how damaging it is to workers and the economy.

Analysis by Labour MP John Healey has revealed that UKIP's share of the vote was higher in Labour-held seats than in Tory ones yet the party's obsession with empire loyalism has continued unabated.

Labour MP Kelvin Hopkins has just launched a pamphlet *The European Union: A view from the left*, as part of the campaign to expose the true neo-liberal and anti-democratic nature of the EU.

"The reactionary Thatcherite revolution inflicted on Britain has pushed the neoliberal agenda far beyond that of Continental Europe, but the direction and objectives are the same.

"However, on the Continent, it is fear of the likely political reaction by millions of workers which has held back the neoliberal thrust," he said.

He points out that one in four workers

are now unemployed in Greece and Spain, with youth unemployment at double that. Living standards have been cut as economies have contracted under the lash of austerity and thousands have been forced to move abroad to look for work.

Unemployment in Spain has been the equivalent of over seven million without jobs in Britain.

Three-hundred thousand Irish working people have left their homes to look for work overseas since the 2008 banking crisis, the equivalent of over four million in Britain.

Membership of the euro has acted as an economic vice on these economies, fixing them at unsustainable currency parities above all with Germany.

Only when the euro is dismantled so that those EU members in severe economic difficulties can begin to manage and rebuild their own economies again will the sufferings of their peoples be reversed.

Despite the fact Syriza in Greece and Podemos in Spain have grown quickly to fill the political vacuums on the left, these parties are still wedded to the idea of staying in the Euro zone and the EU itself.

However these developments could be viewed as stirrings towards a more realistic analysis of the nature of the EU particularly as its internal crisis deepens.

Yet many on the left still refuse to understand the simple fact that the EU empire was built to increase the power of the market and monopoly → p2



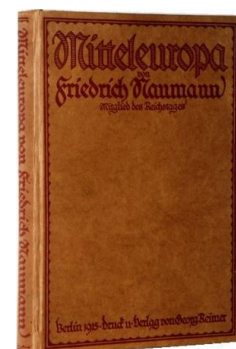
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## Literature

### The First World War: 100 years of Imperialism and Resistance



"Imperialism as we see, implies the use of machinery of government by private interests, mainly capitalist, to secure for them economic gains outside their country."  
John Atkinson Hobson 1902

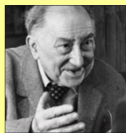
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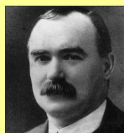


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→ capitalism and progressively dismantle the socialist and social democratic gains established following the defeat of fascism.

This refusal of left forces to face up to these economic and political realities will make them increasingly irrelevant

and marginalised.

It is time for democratic governments across the EU to reclaim power from EU institutions and begin again to represent the real interests of their peoples and move in a socialist direction.

See editorial opposite and discussion on p6

## Action on tax evasion harder in EU

Listen to the EU Commission or the EU Parliament and you'll hear from all sides that they have been working hard to tackle tax evasion by transnational corporations. Yet the real negotiations are taking place in Paris, at the Organisation for Economic Co-operation and Development, which brings together developed countries. One of the papers published recently by the OECD reveals the fact that the rules of the European Union's internal market are in reality an obstacle to effective action.

Nothing more has been heard about this, but it should and must be high on the EU Parliament's list of priorities. Because this autumn decisions need to be taken in Paris, the OECD is producing document after document dealing with possible measures to counter tax evasion, one of which concerns taxation on subsidiaries. Say, that a transnational corporation is established in the Netherlands with a subsidiary in Ireland. In the Netherlands, company taxes amount to between 20 and 25 per cent, whereas the rate in Ireland is only 12½ per cent. It's advantageous to the corporation in question to put down as much of its profit as possible to the Irish subsidiary, so that hardly any tax need be paid in the Netherlands. Income received by the parent firm in

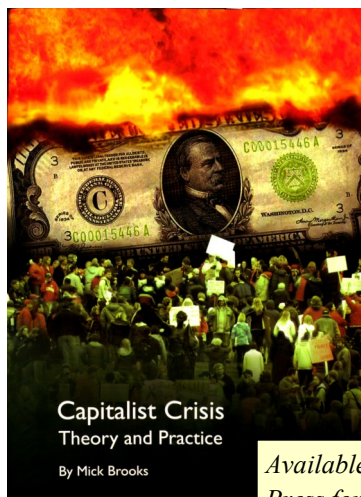
the form of dividends on its shares in the daughter company concern will remain light. However, the assumption being that tax has already been paid by the subsidiary. This may be true, but this example shows that even if this were the case it may have been at far too low a level.

The accumulation of income is something the OECD is looking at, but it's difficult to draw up precise rules. You can easily bypass this problem by stating that if a great deal of income is coming directly to the subsidiary, extra taxes will be charged to the parent company until all income is accumulated and the Dutch



rate paid on the total sum. But the EU Court of Justice has moved to prevent this from being imposed on subsidiaries within the EU, ruling that such a policy would jeopardise freedom of establishment, which is an aspect of the internal market. Only if it can be shown that a subsidiary has been set up purely and simply for the purpose of avoiding taxes, and that it has developed no economic activities of its own, is any action permitted. This is also a problem for the Conservative Government and yet another reason to leave the EU and for Britain to control the movement of capital.

(Based on a report in the newsletter of the People's Movement of Ireland)



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# What must be done by 'working people'?

**M**embers of the millionaire's cabinet have probably placed bets on how many times they can say 'working people' in a speech. The phrase was even in the Queen's speech which was of course written and approved by Her Majesty's Government.

The electorate is overwhelmingly made up of the working class. Unfortunately many people were persuaded to vote for things they don't want and are not in their interest. The list is long but can be used as part of a wide ranging referendum campaign.

Austerity policies stem from Brussels and in particular the 1992 Maastricht Treaty which put in place the rules for the European Single Market drafted in 1986 in the Single European Act. The Maastricht Treaty laid the basic rules for the euro currency which were slavishly followed by the Government here, although Britain didn't actually join the single currency.

The criteria for the single currency included severe limits on government borrowing and expenditure on the public sector. From this came privatisation and knock down prices for nationalised industries. Included was PFI (Private Finance Initiative) which has hamstrung the NHS and PPP (Public-Private Partnership) schemes to make profit for the privateers. PFI schemes, especially those for hospitals, are more expensive to cancel than to complete.

Common policies and EU legislation have been carried out without any protest or objection by successive Westminster governments. In fact the diktats from Brussels have sim-

ply been passed through Parliament by secondary legislation and have not been discussed by MPs. In other words rubber stamped to become part of legislation in Britain. This undermines all forms of democracy.

The Government now wants to attack trade union rights including the right to strike – if you can't strike then you're a slave! The European Court of Justice has already passed legislation to inhibit collective bargaining and other hard won trade union rights.

A huge distraction is the myth of what is called 'Social Europe' which gives nothing whatsoever for the benefit of trade unionists. Social Europe is nothing more than a con trick and has to be exposed as such. On top of all the above we have TTIP and ISDS being 'negotiated' in secrecy by the Brussels Commission and the US Government to the benefit. The implications of these treaties are profound. Jobs will be lost and transnational corporations will 'rule the waves'. It is recognised that the NHS will be smashed to smithereens as the privateers move in more deeply than now.

Austerity policies are common across the EU hiding behind the 'need to get rid of the debt' in which we all must allegedly contribute. Everybody really knows the rich at the top have made a huge advance in their accumulated wealth and possessions. What they patently don't do is invest in industry, factories and manufacturing. Instead they purchase 'luxury' apartments,



penthouses, yachts and one or two or more very posh cars. The public purse was handed over to the banks to save them and we have not have the money back!

Meanwhile there are food banks and soup kitchens. Millions are unemployed, especially cruel for the young who see no prospects for a decent life. To say the least, for many it is an unnecessary, shameful and disgusting situation. What is required includes the right to have a job, a place to live in without paying out most of your income, to have the fundamental right to play their part in a family of their own and many other aspects of normal life.

All the above has generated a growing resistance on many issues and factors of life. We are not alone in Britain as there is a growing movement both sceptical and opposed across the EU. This is especially so in Southern Europe.

Those in Britain who oppose any item or issue in the above list must bend their efforts and energy to obtain a vote to withdraw Britain from the reactionary and totally undemocratic EU. The EU is in place and, in particular, functions for the sake of the transnational corporations. It is time to get the pitchforks out and rebut the Tory claim of being on the side of 'hard working people'.

# “3 million jobs depend on Britain being in the EU” But, what is this myth of a figure based on?



**V**arious claims that three million jobs depend on EU membership are wide of the mark and not true. If Britain were to leave the EU trade would continue and jobs do not depend on EU membership but on trade.

According to Treasury estimates the European Movement website claims that 14% of those in work in Britain are linked to being in the EU. That is over four million or 30% larger than the usual figure of three million repeated time and again to try and get this accepted as the truth.

The CBI chief stated at a dinner for 1,000 business men and women: "Most businesses and governments want to see a reform that allows us to grow. Reforms can be made that we believe can improve our competitiveness without the need for treaty change."

But, this is code for more deregulation, more neo-liberalisation, more privatisation, more austerity and 'competition' to drive wages and conditions down. This must be resisted by the labour and trade union movement.

In complete contrast, the chairman of construction equipment maker JCB, Lord Bamford, said that the UK had nothing to fear from the UK's exit from the European Union: "We are the fifth or sixth largest economy in the world. We could exist on our own - peacefully and sensibly," (Lord Bamford, BBC Midlands Today, 20.5.15)

The history of where the figure of three million came from is long and convoluted but begins back in 2000 based on a survey commissioned by Britain in Europe (BiE). The survey's author, Mr Martin Weale, director of the National Institute of Economic

and Social Research, said pro-euro supporters had misused his report to make "plain silly" claims about the impact of British withdrawal. Mr Weale blamed BiE for leaked newspaper accounts of his research which suggested that 8 million jobs were at risk if Britain pulled out of the EU. The survey, commissioned by BiE, actually suggested 2.7 million jobs were directly related to trade with the EU and another half million were indirectly linked. However, it added that it was "unlikely" that many of these jobs would be lost permanently even if Britain left the EU. (CIB leaflet *Busting the 3 million jobs lie*)

However, jobs are clearly being lost now in Britain precisely because of EU membership.

An example arises from a GMB led protest about a 30 year contract for a Merseyside recycling plant on Teesside worth £1.2 billion. However, GMB National Officer Phil Whitehurst says the employer Sita Semcorp is refusing to employ local construction workers and saves £4 million in wages. At the same time unemployed local workers are costing the tax payer £3 million.

Mr Whitehurst stated that: "Sita is not playing fair by the Teesside workforce. Sita has discriminated against them by giving them no chance to get up to three-quarters of the 400 jobs on the site at the construction phase of the job.

"The project is being built predominately using migrant workers from Eastern Europe who are being paid £5 per hour below the agreed rates for engineering construction workers.

"This protest is not against European labour working in this country but unscrupulous employers who

insist on undercutting existing terms and conditions." He accused the government and employers of exploiting free movement of workers in the European Union to undercut wages. (*Morning Star* 18.5.15)

An increase in the number of jobs arising out of the Transatlantic Trade and Investment Partnership (TTIP) between the US and EU is a forecast without any foundation.

The US Tufts University Researcher Mr Capaldo said: "According to our study, TTIP will exacerbate, not solve, Europe's economic problems — increasing unemployment, worsening inequality, reducing workers' purchasing power, undermining the dynamism of intra-EU trade, and exposing European countries to asset bubbles and financial contagion from the United States...At this fragile time in Europe's economic recovery, TTIP looks like a mistake."

Guy Taylor, trade justice campaigner at the World Development Movement said: "TTIP falls down even on its own terms, as it's supposed to bolster growth in the EU but in fact it will result in fewer jobs and lower wages...The research shows that some will actually benefit — profits for a small number of corporations grow at the expense of ordinary workers. This is truly a deal for the 1 per cent, and we have to stop it." (WDM and *Morning Star*, 8.5.15).

Meanwhile one million under 25's are unemployed and nearly two million adults are out of work.

**The answer is to have an economy based on manufacturing in an independent self governing Britain trading across the world peacefully without interfering in other nation-states.**

## Ups and downs of opposition to TTIP in US

In a massive piece of political cynicism, the United States Senate—members of both Republican and Democratic Parties—voted on 14 May to open a debate on a bill that would allow President Barack Obama to “fast-track” the authority he needs from Congress to wrap up trade negotiations with the EU, Japan, and nine other countries. The deal came days after members of the Democratic Party in the Senate had blocked the bill’s progress. It allows five hundred corporate trade advisers to have access to the text of secret trade agreements and to set the country’s trade agenda.

“Fast-track” is an extreme procedure created by President Richard Nixon to get around public debate and congressional control. Under the Constitution of the United States, Congress is supposed to write the laws and set trade policy. For two hundred years the “checks and balances” between the legislature and the executive helped ensure that no branch of the government had too much power. But, beginning with Nixon, presidents have tried to seize those congressional powers, using the fast-track mechanism. The procedure has been used sixteen times, often to enact the most controversial of “trade” agreements, such as the North American Free Trade Agreement (between the United States, Canada and Mexico) and the establishment of the World Trade Organisation.

The procedure allows the executive branch to control Congress’s voting schedule. Unlike normal legislation, both the House of Representatives and the Senate are required to vote on a fast-tracked trade agreement within ninety



days of the President submitting it. No amendments from the floor were allowed, and debate was limited. As a candidate, Barack Obama said he would replace this anti-democratic process. But now he has got Congress to grant him this extraordinary authority—in part to try to overcome growing public and congressional opposition to his controversial TTIP deal. Congress has now given away its right to amend international trade deals for the next five years and has limited the legislature’s influence to a yes-or-no vote. This is a serious set-back to those in the USA and the EU who are opposed to TTIP.

However on the Trans Pacific Partnership (TPP) between the US and twenty other countries there is some resistance and objection by Senators about the secrecy.

Senator Jeff Sessions (R-AL) is one of the few members of Congress who has taken the time to jump through the hoops and read the Trans-Pacific Partnership (TPP). But, he has gone a step farther than other members - he told members of Congress what he read. He told the truth about what the TPP says and why Congress should oppose it in a five page letter to his colleagues.

It is time an MEP in Brussels carried out a similar exercise on TTIP. That would do all of us a service, especially in the referendum campaign in Britain.

## Transnationals want control of seaweed

On the BBC Food Programme of 24 May was an item about seaweed on the shores of Ireland. Local people have been harvesting seaweed for fertiliser and food for hundreds of years. The local people say the seaweed belongs to Ireland and not anybody in particular. Seaweed is used in

food which has some benefits, as long as you don’t eat too much, and in commercial products such as cosmetics. Now, a Canadian transnational corporation wants exclusive access to the seaweed. There is local resistance to this. No doubt the corporations will use CETA (Comprehensive Economic Trade Agreement between Canada and the EU) and ISDS secret tribunals to get hold of all the seaweed for themselves and their profits.

EU

## Watch your Language Efficiency and privatisation

When the postal services were privatised it was forecast that the competition would increase efficiency and lower prices. It is obvious that TNT turned into Whstl has failed. Two postmen going the same rounds at similar times is highly inefficient. Who pays? The customer of course and the low paid on the minimum wage who worked for TNT/Whstl who are now redundant.

There are rumblings within the CWU that they may join the No! To EU camp.

## What they say

Steve Hilton, former chief strategist to David Cameron taken from his book talking about democracy being bought---“America is a democracy. The EU is no better---spend time in Brussels and you will find in the European Parliament and Commission a vast, stinking cesspit of corporate corruption gussied up in the garb of idealistic internationalism”. (*More Human: Designing a world where people com first*)

It is estimated that there are 30,000 lobbyists in Brussels.



# The 2015 General Election

*A different perspective for discussion by John Boyd*

The outcome of the General Election was a shock and depressing as opinion polls had indicated a hung parliament. The exception was that the SNP was forecast to win a large number of Labour seats in Scotland. These would have to be made up by Labour with gains in England and Wales. It was clear the Liberal Democrats were going to lose seats as they had broken manifesto promises and joined in a coalition with the Conservatives which imposed austerity policies.

**On reflection with hindsight and disregarding the opinion polls it should not have been a surprise.**

## EU Membership

The issue of EU membership was a factor in the election reflected in the large vote of 4 million for the United Kingdom Independence Party. UKIP addressed the majority of voters who want Britain to leave the EU and are concerned about immigration which is actually the free movement of labour within the European Single Market.

The Conservative Party have for some time promised an IN/OUT referendum in 2017 and repeatedly made this point both to appease part of the anti-EU section of the Tory party and to fend off UKIP.

## TTIP

The Transatlantic Trade and Investment Partnership (TTIP) between the EU and US featured only at the start of the election campaign where Cameron and Milliband disagree over whether or not the NHS would be included or excluded in TTIP.

TTIP is an Achilles Heel for the Yes! EU camp as TTIP will expose what the EU is really about on behalf of crypto-capitalism. TTIP and other 'free trade agreements' are a means for the transnational corporations to rule with secret courts and to override national governments and par-

liaments. That is why it should have been fully discussed in the election campaign.

## Labour Party

The Labour Party was defeated because they failed to counter the accusation that they were fully responsible for the financial and banking crisis in 2008. The Labour vote overall went up by one million but seats were lost in the North of England and down the East Coast. The LP tried to occupy the centre ground instead of adopting left policies for the benefit of the working class. They also stated they would continue with the austerity policies which are hated and opposed by many. The LP opposed a referendum in 2017 and do not want Britain to leave the EU. This has now changed to one of supporting a referendum but remains besotted with the EU. The Party opposed independence for Scotland in the recent referendum and then stated they would not form a coalition with the SNP. This is a total rejection of the national question and right of nations and nation-states to self determination.

## SNP

The SNP have addressed the national question and this has taken hold across England and Wales. The question of a federation rather than a union is being discussed. The right of Scottish MPs to vote on English matters and of English and Welsh MPs voting on Scottish matters is firmly on the agenda. Without doubt SNP MPs will press at every opportunity the objective of independence for Scotland and more powers to be transferred from Westminster to Edinburgh. The SNP opposes the austerity policies but is in favour of being an EU Member State and of NATO after independence and wants to be rid of the NATO nuclear submarine base at Faslane. Retaining

NATO and EU membership is a complete contradiction to independence. The longer term quest for Scottish independence does open up a debate and discussion amongst the electorate about the future in regard to EU and NATO membership. This is part of the democratic struggle for the people of Scotland.

Despite the SNP policy on the EU and NATO the right to self determination of Scotland must be supported as it should open the way for the peoples of Scotland to win a position where they leave both the EU and NATO.

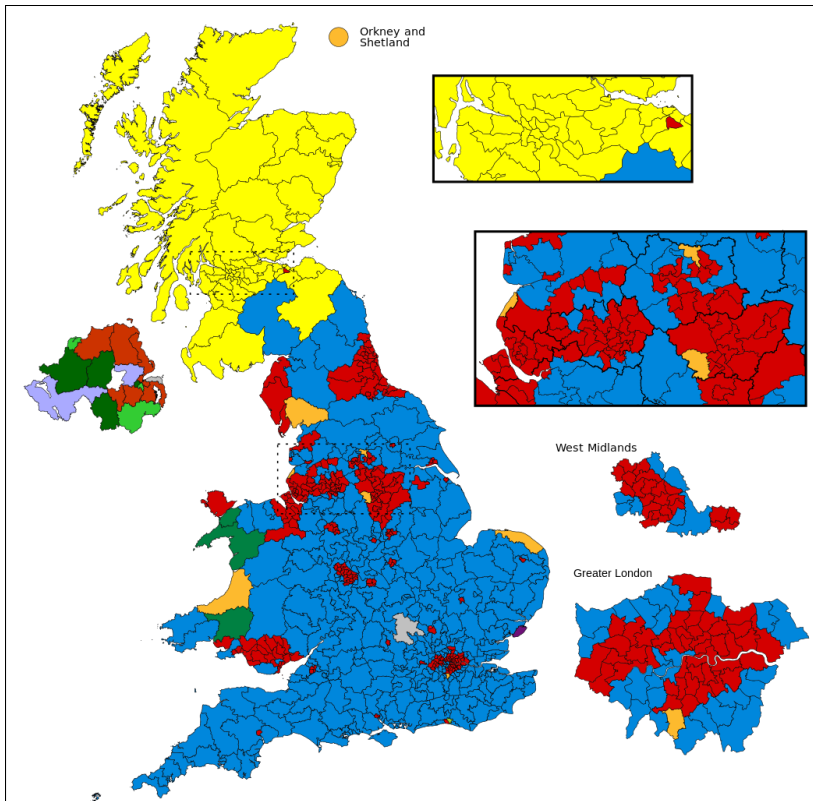
## Irony

Ironically because the Tories are now in government there will be a referendum on the EU. However, the Tories were elected by only one third of the electorate. In the immediate period Cameron is at work on a public and media exercise to give the impression of reforming the EU to obtain a 'better deal for Britain' in the run up to the expected referendum. This poll is to be within two years but could be as early as May 2016 to coincide with local elections.

Part of the Government's objective will be to write a suitable question for the referendum and gain a Yes! result to stay in the EU. The Conservative Party is split over EU membership. The SNP, Labour Party and Liberal Democrats with other MPs are for remaining members of the EU and against a referendum. So, even if Tory MPs rebel, their numbers will be swamped by the official opposition in the House of Commons.

## What next for Labour?

There is now much discussion in the labour and trade union movement over the debacle of the Labour Party's losses in Scotland and lack of gains and unexpected losses in England. One aspect of this is the call by leading Labour Party people and



tives say they are opposed to the EU they want to retain membership of the European Single Market with the four freedoms for capital, goods, services and labour. Some want to be members of the European Economic Area (EEA) and European Free Trade Area (EFTA). However, staying in either the Single Market or the EEA or both is not actually leaving the EU where the four free movements remain.

others for an English Labour Party which reflects an understanding of the national question. There is also a call for the electoral system of 'first pass the post' to be changed to a proportional representation system.

### More austerity unless stopped

The Conservative Government has announced further and larger austerity cuts which have generated some widespread opposition and growing resistance. The major weakness of the widespread resistance to austerity is a failure to recognise that these policies emanate from Brussels and EU membership.

### Building the No! campaign

There are moves amongst trade unions towards the No! camp with a possible change of heart led by the GMB trade union and in at least one other large trade union to change from support for EU membership to opposition. Although not a large trade union, the RMT has always opposed EU membership and consistently raised the question at TUC Congress.

Meetings are planned in the near future to bring together forces for a campaign during the referendum and to take a lead in the trade union movement. CAEF will play its part in this.

Although UKIP and some Conserva-

### US position

The US have always supported European integration (more or less openly), as a pair to the NATO military alliance. This is particularly the case today with TTIP which means Washington has one more reason to oppose Britain leaving the EU.

Today President Obama has stated publicly that the UK must remain a member of the EU. The US would apply a great deal of pressure probably both political and economic to keep the UK in the EU which includes TTIP. In the 1960's the US persuaded the French Government to agree to the UK joining the EU, or EEC as it was then.

### What must be done?

**There is a deal to carry out and problems to solve from today onwards to win the referendum especially within the labour and trade union movement. This requires bags of agitation, education and organisation at grass roots level.**

[Based on an interview with *Ruptures* a successor to *Bastille Republique-Nations* a progressive journal in France]

Succinct contributions to this discussion and the referendum campaign are welcome with a limit of 500 words.

## Greece

### Bailout by Brics

Greece has been invited by Russia to become the sixth member of the BRICS New Development Bank (NDB). The \$100 billion NDB is expected to compete with Western dominance and become one of the key lending institutions.

BRICS is the acronym for Brazil, Russia, India, China and South Africa.

The invitation to Greece to join BRICS was made by Russian Deputy Finance Minister Sergey Storchak on Monday during a phone conversation with Greek Prime Minister Alexis Tsipras, according to a statement on Greece's Syriza party website. Tsipras thanked Storchak, who's currently a representative of the BRICS Bank for the invitation, and said Greece was interested in the offer.

"The Prime Minister thanked Storchak and said he was pleasantly surprised by the invitation for Greece to be the sixth member of the BRICS Development Bank. Tsipras said Greece is interested in the offer, and promised to thoroughly examine it. He will have a chance to discuss the invitation with the other BRICS leaders during the 2015 International Economic Forum in St. Petersburg," the statement said.

During the 6th BRICS summit in Fortaleza in June 2014 the members agreed to forge ahead with the \$100 billion NDB, as well as a reserve currency pool worth over another \$100 billion. In March this year, Russian President Vladimir Putin ratified the NDB.

The new bank is expected to challenge the two major Western-led institutions, the World Bank and the International Monetary Fund. It will finance infrastructure projects in the BRICS countries and across developing countries. (*Global News* 13.5.15)

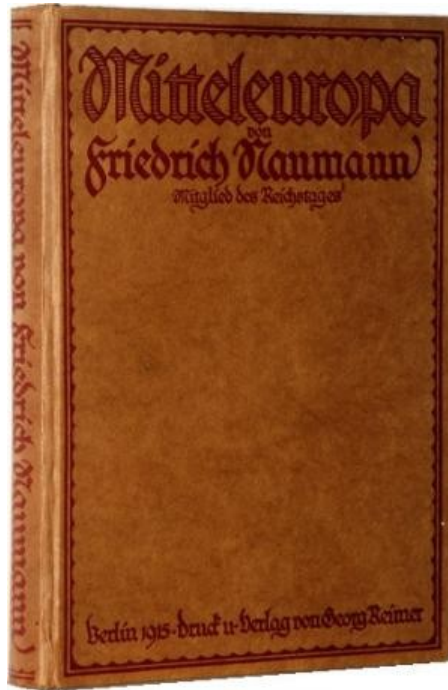
# Roots of the EU dominated by Germany

Exclusive by Horst Teubert

When the First World War entered its second year in the summer of 1915, Friedrich Naumann was working on his book "Central Europe".

Naumann, a well known liberal politician and a member of the German Reichstag, had published a series of books before; but "Central Europe", released in October 1915, became his biggest success, a real best-seller sold more than 100,000 copies. Even abroad, the mass media took notice of the book. "Austro-German Union after the War", the *Manchester Guardian* informed its readers on October 14. It pointed out that Prussia was planning "a new 'Central Europe'", one could read in *The Times* on December 6. On the same day, even the *New York Times* published an article on Naumann's intent to establish "a Zollverein of Central Europe which weaker states must join".

For Naumann, "Central Europe" was more of a political than a geographical term. Its core was the German Reich and Austro-Hungary which Naumann wanted to integrate into one single entity. The reason was simple. Looking west, the Germans were confronted with the huge British Empire. Looking east, they perceived the gigantic Russian Empire. Then there was, as everyone knew, the United States of America, a likewise giant country. Compared to their size, Germany and Austro-Hungary seemed too small to compete with them in the long run. As Naumann put it in his book, everyone felt that "small and medium powers" were no longer able "to do high-level politics", and so, he proposed to create a bigger "Central Europe" in the middle be-



tween the British Empire in the west and Russian Empire in the east. Naumann was not at all the first to propagate this idea. Even the German Chancellor Theobald von Bethmann Hollweg had demanded, in a memorandum on the German war aims in September 1914, to form a "Central European economic community".

What Naumann proposed 100 years ago resembles strongly today's EU. He demanded to create a customs union which was to become a fully fledged economic community. His long-term goal was to establish a confederation of nation states built on treaties between countries which were to renounce an increasing part of their sovereignty.

It was obvious, Naumann wrote, that a full-blown economic community would have to be supplemented by a common military policy; both would demand a common foreign policy of the member states of "Central Europe". And, according

to Naumann, there was no doubt that "Central Europe" would have to be bigger than just Germany and Austro-Hungary. Dependent on importing food and natural resources as well as on exporting industrial goods, a German-Austrian "Central Europe" would have to integrate neighbouring countries which could provide agricultural and mining products as well as to buy German and Austrian commodities.

According to Naumann, two things were crystal clear. One: The First World War was about whether a "Central Europe" could be built. "The people of Central Europe play for their power in the world", he wrote: "If we lose the fight, we will probably be damned forever to be a satellite nation; if we win halfway, we will have to fight again later". So, there was no choice but to win outright and to become one of the few world powers rivalling against each other. Two: It was obvious that Germany was to be the dominating force inside "Central Europe". The other nations and states between Russia and the British sphere of influence certainly had no interest in helping the Germans to act as a major power in the world. But, as Naumann declared, they had no other option: Staying outside the "Central European" federation would mean isolation, cut off from any power and wealth. "That is a hard fate", Naumann admitted and went on: "But it is the categorical imperative of human development."

As the German Reich lost the First World War, "Central Europe" finally was not established by then. Today, the German dominated EU fulfills what Friedrich Naumann was aiming at 100 years ago.



# EU factors on the railways

by Miles-n-miles

On 1 March 2015 the operation of the East Coast main line franchise was taken over from the Department for Transport (DfT) subsidiary East Coast Trains by Virgin Trains East Coast, a consortium of Stagecoach and Virgin Group (90% to 10% shareholding respectively). This marked completion of an about face in train franchising that started with the farcical franchise exercise held on the West Coast Main Line franchise (51% Virgin Group to 49% Stagecoach).

So at time of writing, Stagecoach holds sway on three major routes out of London, the third being East Midland Trains (100% Stagecoach). The only other major rail route north of London is now controlled by Deutsche Bahn Regio trading as Chiltern Railways. The poor passenger is confused by the plethora of train companies, a chaotic fare structure and apparent competition between the train companies. There seems to be a negative attitude to state operation of trains even though it would be cheaper to the Treasury to do this: had Labour come to power in the last general election the party might have changed this attitude.

On the same day as the East Cost franchise changed hands, Abellio (subsidiary of Nederlandse Spoorwegen) took over at ScotRail. Network Rail and Abellio ScotRail have formed a route alliance, which means joint control of both infrastructure and train operations. This has the effect of partially privatising Scottish railways. This follows a similar move that Network Rail followed a while ago when its Wessex route was recast into a deep alliance with Stagecoach South West Trains. Network Rail alliances have so far only been proposed where the route has one predominant train operating company, but effectively this gives the private train operator some control over the infrastructure maintainer, something train operating companies have long wished to do.



Meanwhile Network Rail, the national rail infrastructure owner and manager, has had to become a state owned company, subsidiary to DfT. There are signs that similar austerity being imposed on other government departments is being applied to Network Rail, who are currently negotiating pay deals with the rail unions. On the insistence of UK government, Network Rail was forced to go to a devolved Route structure, which means each route taking control of everything in its route area.

It is a similar move to localism that UK government is keen to promote, particularly since the Scottish referendum and the general election success of the SNP. Localism is an alternative to austerity in a way, since it moves responsibility for local spending from central government funding to local government funding. This is particularly popular with the current and former Passenger Transport Executives, which have increased powers over local bus and train operators, the most active of which is Transport for Manchester. Centro, the West Midlands PTE, is confident it will gain control of West Midlands rail routes currently operated by London Midland when this comes up for renewal.

The European interest in British public transport is becoming more apparent. Arriva, once a British plc, was acquired by Deutsche Bahn in 2010, but is only now showing this take-over to the public in a re-brand of all train and bus companies owned by Arriva. Each vehicle will show the logo "Arriva, part of DB". In Malta, having chalked up losses of €50 million after running Malta's buses, the company did withdraw from Malta in 2014.

## Foreign news

### US support

A recently declassified memo of the US Defense Intelligence Agency (DIA) reveals that the West had supported the creation of the "Islamic State" (IS). Using jihadist forces has been a Western tradition for decades, as the Afghanistan war in the 1980s and an analysis of the Western power struggle with Iran (especially since 2003) show. In the 1980s, western countries - in collaboration with Saudi Arabia - had supported jihadists associated with Osama bin Laden, to defeat Soviet military forces in Afghanistan. Since at least ten years, they have been supporting Arab jihadists in an effort to weaken Iran's main allies. These activities, accompanying the official "war on terror," are "a very high-risk venture," warn US intelligence officials. Saudi Arabia, one of Germany's main allies in the Arab world, is playing a central role in supporting jihadists.

(*German Foreign Policy* 20.5.15)

### German arms for India

German Minister of Defense Ursula von der Leyen will begin several days of talks in New Delhi on questions of military and arms policies. India's new armament projects are the immediate reason for von der Leyen's visit. India wants, among other things, to construct German submarines under license, and Berlin is seeking a more intensified cooperation in foreign and military policy. This visit will prepare numerous agreements, within the framework of the German-Indian government consultations, scheduled for October. It takes place in the context of India's efforts to roll back China's influence in the Indian Ocean—an effort Berlin supports.

## Puzzles

### Quiz No. 146

Solve the dingbats

1. **Mind caught mined**
2. **MTWTFSS S**
3. **BREAKER**
4. **IT  
MED ATE**
5. 

Over
Over
Over
Over
Over
6. **SHOPPING  
QUEUE**
7. **Quack Quack  
Gobble Gobble  
Cluck Cluck**
8. **AffluentTshortbread**
9. **B  
FIRE**
10. **Freezing  
Chilly  
Frosty  
Bitter  
Sub-Zero**

### Answers No. 145

1. Banana split
2. Friends in high places
3. World Wide Web
4. Cash on delivery
5. Thunder Cloud
6. Wise after the event
7. ` Drink to excess
8. Can't spell for toffee
9. Morning after pill
10. Bed and Breakfast

## Appeal

We now need more money than ever before to play our part in the Referendum campaign which is now upon us following the General Election result. We have a press which will be put at the disposal of the Referendum campaign and have our own material to publish, meetings to run and to make use of the social media. **A big help would be payment of due membership subscriptions.** Please send what you can af-

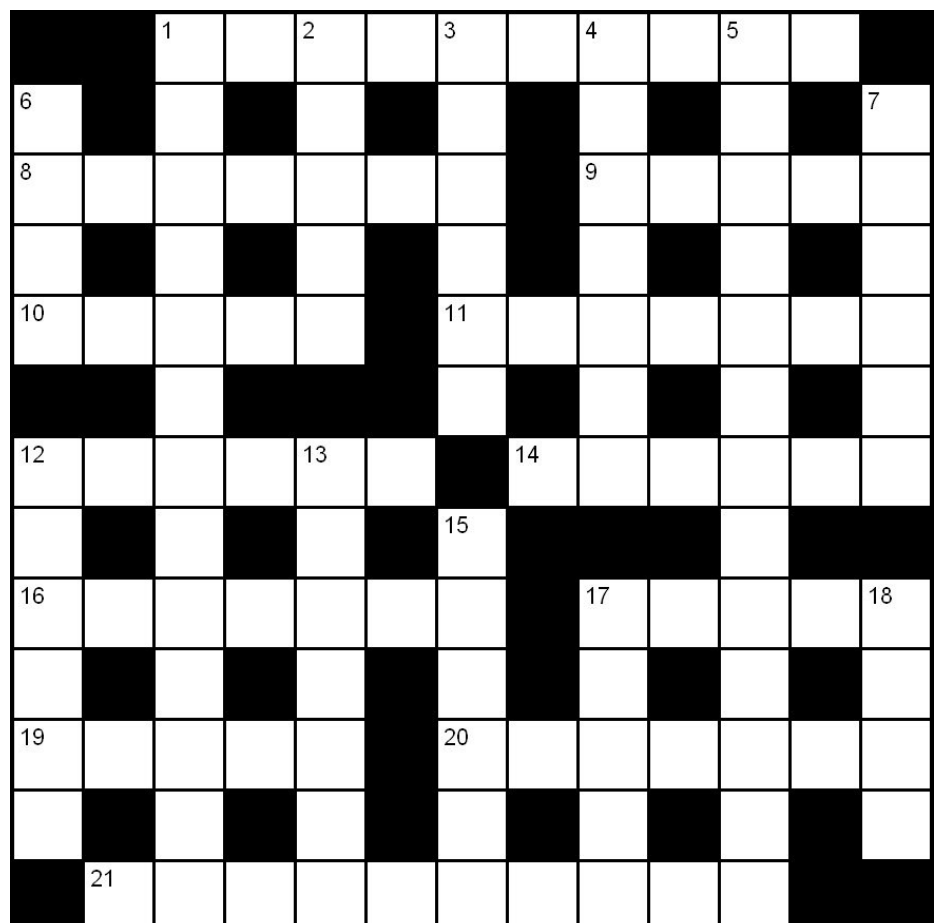
### Crossword puzzle No.146

#### ACROSS

- 1 Antiviral drug (10)
- 8 Festoon (7)
- 9 Pass a rope through (5)
- 10 Tent (5)
- 11 Incompetent (7)
- 12 Elegant (6)
- 14 Wide plain (6)
- 16 Stern (7)
- 17 Male duck (5)
- 19 Leg bone (5)
- 20 Christian recluse (7)
- 21 Replicable (10)

#### DOWN

- 1 Indescribable (13)
- 2 Name (5)
- 3 Regretful (6)
- 4 Serious (7)
- 5 Exaggerate (13)
- 6 Sharp blow (4)
- 7 Tenant (6)
- 12 Meagre (6)
- 13 Adolescent (7)
- 15 Return to normal (6)
- 17 'Uncool' child (5)
- 18 Level (4)



## The Campaign against Euro-federalism

CAEF was founded in 1992 and is oriented towards the labour and trade union movement, socialists, pensioners, students and democrats. CAEF is not a political party or a socialist organisation. The Executive Committee has members of several political parties and those of none which is probably unique in Britain. The organisation consists of individual members and affiliated organisations. CAEF has its own press, *Democrat Press*, a website with over 500 pages as well as facebook

and twitter accounts. CAEF produces a bi-monthly journal called the 'Democrat' which is circulated to all national trade unions. Leaflets and pamphlets are published, public meetings are held and speakers are available. Without doubt CAEF has influence and punches way above its weight'.

**If you are not a member of CAEF why not join us? We do need all the support and help in the Referendum campaign in which we will play our full part.**

### Democrat subscription

Please forward the next five issues of the *Democrat* to the address below. CAEF members are sent the paper free through the post. Please make cheques and POs to *Democrat Press*

I enclose £5 and a donation to the paper of £      Making a total of £

Name .....

Address .....

.....

..... Postcode .....

Return to **Democrat Press, PO BOX 46295, London W5 2UG** (d146)

### Campaign against Euro-federalism

To join the *Campaign* I enclose £15 membership fee (£10 for unwaged)

Please make cheques or POs to **CAEF**

Name ..... Date / / 2015

Address ..... email address

.....

..... Postcode .....

I agree to abide by the rules of the *Campaign* .....

CAEF objectives, aims and rules can be found on the CAEF website or by request

As a member you will be sent copies of the *Democrat*

Return to **CAEF, PO Box 46295, London W5 2UG** [d146]

## Useful Websites

*CAEF does not necessarily agree with everything in these sites*

Campaign against Euro-federalism with data from current, many feature articles and back issues of the *Democrat*.

**www.caef.org.uk**

*EUobserver* reports daily on EU matters with links to other newspapers and sources.

**www.euobserver.com**

Scottish CAEF:

**homepage.ntlworld.com/  
foster-prendergast/  
scaef/index.files**

Trade unionists against the EU Constitution (TUAUC):

**tuauc.org**

No2EU yes to democracy:

**NO2EU.com**

TEAM the European alliance of EU critical organisations.

**www.teameurope.info**

Democracy Movement, a broad movement with a large number of supporters:

**www.democracymovement.org.uk**

Campaign for an Independent Britain (CIB):

**eurofaq.freeuk.com**

Labour Euro-Safeguards Campaign, for Labour Party members:

**lesc.org.uk**

Peoples' Movement Ireland:

**people.ie**

National Platform of Ireland:

**nationalplatform.org**

German foreign policy group of journalists:

**german-foreign-policy.com**

Open Europe—an influential think tank of leading business people:

**openeurope.org.uk**

Corporate Europe Observatory (CEO):

**eulobbytours.org**

*Data on other sites welcome*

## Campaign against Euro-federalism

The Campaign opposes:-

- the EU Constitution which hands over more powers to unelected and unaccountable bodies and reduces further the influence of Britain in the EU;
- the so called trade treaties such as TTIP, CETA and ISDS which are grave threats to all forms of democracy and national independence;
- the introduction of a Common Foreign and Security Policy and an EU Foreign Secretary;
- the formation of a European Army and battle groups as part of rapid reaction forces would be a threat to peace.

The Campaign is a democratic organisation and primarily oriented to the labour and trade union movement and people whom these organisations normally represent, including democrats, socialists, trade unionists, students and pensioners.

The Campaign is for democracy and accountability, independence, jobs the pound and against racism.

## The Democrat

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Arthur Smelt on

# Democracy not Hypocrisy

The Labour Party was formed in 1900 in combination with trades unions and socialist groups, to support the interests of ordinary working people in an attempt to bring about a more egalitarian society.

At the end of the Second World War the need to stand together to solve society's problems was well to the fore. Clement Attlee the leader of the Labour Party (1935-55), who served in the coalition government of Winston Churchill during the Second World War, was able to succeed Churchill as prime minister in 1945. He presided over the establishment of the welfare state, nationalisation of major British industries and the creation of the NHS.

These moderate reforms of British society have been opposed from the start in a multiplicity of ways by those political elements aiming to preserve the old order, whereby working together for the common good has to be eroded. The scramble for private profit goes on no matter what degree of damage is inflicted on the rest of society.

During the recent general election chicanery, gobbledegook and blather trotted out by politicians and the media must have reached an all time high. There were lies about the economy, numbers in employment, future prospects, character assassination and so on. Poverty, food banks, zero hours employment and austerity were seldom mentioned. Expressions of surprise and disappointment which came from a number of leading labourites, were for want of a better description, diversionary. Many ordinary voters refrained from voting, or voted for other parties because they see little difference between Red Tory and Blue Tory.

It was under New Labour that the banking Mafia was allowed to surge. The banking system was brought to the point of bankruptcy and the Mafia

walked away with millions. Public money was then used to save the banks and small investors from disaster. Who are the real social security scroungers?

The voting system too is chaotic. We have government allowed to take power with 37% of the votes cast. 1.1 million votes were cast for the Greens. they got one seat. 3.8 million voted UKIP and they obtained one seat. 3.4 million voted Lib/Dem. They obtained 8 seats. 1.4 million voted SNP they now have 56 seats. No wonder some people see voting as a waste of time.

Those who support EU are condoning bizarre policies like those contained in CAP where millions in financial subsidy is handed to rich landowners based on the amount of land they own. Royalty own thousands of acres and receive huge sums in financial subsidy paid for by the taxpayer.

**DEMOCRACY IS NOT A SPECTATOR SPORT**

Owners of large areas of moorland in Scotland and elsewhere, used for grouse shooting, receive large sums in subsidies. Meanwhile, the

British taxpayer pays something like £55 million a day to be members of EU. Since its inception the EU has never balanced its books. Billions are lost to corruption, fraud and incompetence. These examples amongst many others need to be brought out into the open so that the true nature of EU can be seen and not blotted out in a smokescreen of scaremongering.

We are constantly told that the NHS is not being privatised but the bricks and mortar of many hospitals are already in private hands due to PFI. Reports indicate there are now more than 50,000 private contractors involved in work for the NHS. The privateers are on the march.

The word socialism is to do with government for the people by the people which is why the Labour Party came into being. It now seems as if the word has not to be used in some 'New' Labour circles in case it offends the glitterati or damages political careers.