A new deal for Europe

Only a progressive programme for Europe can puncture the surge in populism which currently threatens the existence of the EU

The last few days have been much the worst emotional trauma of a long political life. As the referendum results came in on early Friday morning, one’s only feeling was one of deep pain: that decades of commitment to Britain in Europe, and the nobility of the goal of a united Europe, had seemingly ended like this, and all because the cross-class centre-left coalition – the foundation of any progressive advance in this country – had been brutally ripped apart.

And let’s be clear why it happened. Of course there were faults in the Downing Street-managed campaign of ‘Project Fear’ – though the economic damage of Brexit will be real and hurt the poorest most. Of course Jeremy Corbyn as Labour leader proved a useless political campaigner, constantly spreading confusion (perhaps deliberately, perhaps not) about which side he was on. Of course the pro-European side were paying the penalty that for decades that politicians in all parties had, with some rare exceptions, failed to make a positive case for the EU.

However what clinched the result for Leave was far more unworthy. It was the disgraceful opportunism of the two leaders of the Leave campaign, two of the most expensively educated members of the British elite, Michael Gove and Boris Johnson, who deliberately chose to ride the tiger of anti-immigration populism. They now tell us that they love Europe; but never forget the official Leave campaign’s inflammatory poster – just at the moment the postal ballots were being filled in – suggesting five million Turks would enter Britain by 2020. It was not only Nigel Farage who played unscrupulously to the xenophobic gallery. At the same time they propagated a pack of lies that the British EU budget contribution of £350m a week (a deliberate exaggeration by about a factor of three) would be spent on our struggling NHS and cutting VAT on fuel.

Now they claim they only meant that we should take back national control of immigration, not cut it significantly, as the people who voted Leave were led to expect. And as for the £350m, that is brushed aside as the kind of thing that happens in political campaigns! The truth is that they are going to let down millions of Leave supporters, particularly working-class people who turned out to vote in massive numbers on the council estates in the English north and Midlands, many voting for the first time in 30 years. Of course one should welcome people’s reengagement in politics. But Gove and Johnson will end up disillusioning this group in society even more. I hope and pray that the Conservative party ensures that they will not profit by their opportunism. Their legacy may well be creating the breeding grounds for fascism if leaving the EU results in serious economic problems.

Yet within 36 hours these feelings of anger had turned to determination – to not let these opportunists get away with it. Friends told me of young people in tears that their grandparents’ generation had deprived them of their future. A petition for a second referendum gathered huge momentum. Pro-Europeans must continue the fight and this time do it better.

The first battle is to ensure we have a Labour party with a leader prepared to fight the pro-European cause. Many Corbynistas see Brexit as an opportunity to return to the ‘socialism-in-
one-country’ policies that the left promoted in the 1970s and early 1980s. That is a total dead end in a global world: a return to protectionism is not the answer to the unacceptable inequalities that globalisation is strengthening in British society. We must have a new leader who is a committed pro-European.

Second, we should back a new progressive settlement with the EU. Core to this is that Britain remains in the single market. This has to be the top priority for the Article 50 negotiations. If the Conservatives remain in government and are in charge of the conduct of these negotiations we should ‘hold their feet to the fire’ on this central point. If they renge on achieving this goal, Labour should demand a parliamentary vote of confidence. Only then would it be legitimate to demand a second referendum on whether Britain actually wants to leave the EU on this economically crippling basis.

Third, we must undertake a period of serious reflection and fresh policy thinking on the underlying causes of why we lost this referendum.

Leave voters did not believe that they had benefited from the single market and European economic integration. That is why ‘Project Fear’ flopped. The awkward truth for the Remain side is that the economic benefits of the single market – and more widely of free trade and globalisation – have not been distributed in a fair and transparent way.

Jacques Delors grasped the need for action to ensure this when he launched the single market programme in the mid 1980s. He argued that the single market had to be accompanied by a more social Europe. His successes were the social chapter, guaranteeing workers’ basic rights and the doubling of the structural funds to assist the disadvantaged regions and retrain the unemployed through the social fund. But the British blocked progress from the start. Even worse, the enlargement to central and eastern Europe was undertaken without any increase in the EU budget or any other form of ‘social’ preparation. This has proved a major error. We have lost the social dimension to the EU. EU economic integration, together with globalisation, has been allowed to run amock through our societies. I remain pro-free trade and pro-open markets: but the economic dividend has to be much more explicit and more fairly shared. Business can be persuaded that this in their interests. A good starting point would be common corporate tax rules to eliminate tax competition between existing EU member states, with the additional tax revenues set aside into funds that spread economic opportunity on a more equal basis.

In the absence of a more social Europe, the spectre of uncontrolled migration is a big fear factor for the ‘left behind’, even when it little affects their own communities. British social democrats should make the case with our sister parties on the continent that we take a long hard look at all aspects of the migration question: free movement of labour within the EU as well as refugees and economic migrants from outside. We need a new deal for the whole of Europe, including Britain: equal treatment for migrants after a period where, through hard work, they demonstrate commitment to the host community; strong integration policies; tougher enforcement at the EU external border (in which the UK, in or out, has a strong interest); an ‘aid and trade’ Marshall plan to stabilise the European neighbourhood and provide more help for refugees near their country of origin; a migration impact fund to relieve local stresses such as overcrowded school classrooms and doctors’ surgeries; as well as new mechanisms that recognise there are limits to any area’s absorption capacity.

These measures are necessary across Europe, not to deal with the ‘British question’, but to
puncture the surge in populism which threatens the existence of the EU itself. In other words, a progressive programme for Europe which can provide the basis for a progressive European settlement for Britain.

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