

Cheminade Says 'No' to European Constitution

A national referendum on the European Constitution is to take place in France on May 29, and no one dares predict, as yet, what the outcome will be. Although the leadership of the major political parties has called for a "yes" vote, there is tremendous popular opposition to it. The former head of the Socialist Party, Henri Emmanuelli, created a sensation on March 2, by announcing that he would campaign against the Constitution, and he has since been joined by other leaders of the left wing of the Socialist Party. Since then, the "no" vote has been consistently rising, and the latest polls show that 55% of the French intend to vote against the Constitution. It is well known, that if the European Constitution is rejected in France, it will have no future.

Jacques Cheminade, head of the LaRouche movement in France, Solidarity and Progress, issued a statement at the beginning of March, which is being widely distributed, in particular among the strike movements, on why his party is resolutely against the proposed text. We reprint the leaflet below.

There is an easy way to summarize the situation in France and in Europe in 2005: The financial profits made by the main companies in the CAC 40 (French blue-chip index) are exploding, but the money is not going into investments, research, education or public health, and certainly not into the pockets of wage-earners. The system of predatory financial capitalism imposes yield rates of 15% per year, which is then redistributed to the shareholders and top managers. Globalization is the law of a jungle where looting the labor force is the name of the game. . . .

By demonstrating for jobs, for your purchasing power, or for a better future for your children, you are demanding a change. But, in return, you receive only empty words. Some tout "Europe," but the merchandise they sell is adulterated. Others speak of "revolt," but propose no project, no design.

Is that reason enough to be discouraged? No. Provided we elevate the debate, because staying within the bounds of defending what is right can only lead to defeat. We must fight to create the political conditions in which what is right becomes possible.

We should first get rid of the adulterated merchandise. The Europe proposed to us in the May 29 referendum is an obscene caricature of the one of our dreams; it is a subjugated and impotent Europe. The European Constitution is a trap,

which would perpetuate present injustices:

1. Part III, which has over 300 articles, includes all the policies presently adopted by the European Union. In other words, it sets in stone the current rules of the game. Europe would be delivered over to free competition, that is, a financial dictatorship.

2. Reference to a "social market economy" (Article 1-3-3) is omitted in Part III, where it becomes "an open market economy with free competition" and the "social" part has been eliminated. The word "market" appears 78 times, "competition" 27 times, and "social market economy" once!

3. The European Central Bank System, led by the European Central Bank, has one and only one objective: "price stability." It is forbidden for any national government or European institution to try and influence the European Central Bank. This ushers in a financial dictatorship, free from any political overview or control by the citizens.

4. Competition has the absolute priority. Article III-156 prohibits "restrictions on both movement of capital and payments between member States and between member States and third countries." The free flow of capital, that is, the law of the jungle, is protected by the Constitution.

5. The principle according to which the European budget must be balanced is made perpetual. Public stimuli are banned!

6. In articles III-166 and III-167, public services and utilities are subject to the primacy of the "rules on competition." Without State aid, public services will have to finance their own costs; to survive, they will have to increase prices or reduce what they offer. That means social austerity.

7. European defense must "respect the obligations" flowing from the North Atlantic Treaty (Article 1-41-2). The clause concerning mutual aid between member States is subordinated (Article 1-41-7) to "commitments under NATO which, for those States which are members of it, remains the foundation of their collective defense and the forum for its implementation." The purpose of such aid is not to defend Europe but to allow interventions "outside the Union" (Article 1-41-1).

8. "Enhanced cooperation" among some member States could offer a way out of the trap. But, in practice, it is nearly impossible. To use this means, one third of the member states (10 out of what are soon to be 29) need to participate in it, and a proposal of the Commission is indispensable to start the whole process. Moreover, approval of the European Parliament is required. And on top of that, such cooperation may only bear upon issues related to competition or to monetary policy! Thus, tax harmonization, industrial policy, and the environment are de facto excluded.

9. Finally, it would be extremely difficult, if not impossible, to revise the text, because a unanimous decision would be required to do so. Therefore, EU policies can not be changed. That means condemning future generations to financial austerity, social regression, and industrial contrac-



The LaRouche Youth Movement campaigns in Paris for Lyndon LaRouche's New Bretton Woods System, the positive alternative to the current depression.

tion, all under the fig leaf of a Charter on Fundamental Rights, which creates not one single new right.

Another Perspective

It is not enough to say “no” to such a Europe. Revolt is a dead-end street if there is no great enterprise behind it. That is what we propose.

We need a vast program for infrastructure development in Europe and Eurasia; we need an industrial strategy and a policy for training and aiding the labor force (education, culture, research, health care). That must be the starting point for Europe, the physical, concrete economy, if it is to get off on the right foot.

To change the economic course now, to stop the war drive and guarantee social progress, six things should be done. We need:

1. A vast heavy investment program amounting to at least 1 trillion euros annually, within the European Union and beyond, reaching to Eurasia, Africa, and South-West Asia. That is the Land-Bridge policy, joining Western Europe via Russia and Turkey, to China and India.

2. A huge European research program, to which each member country would contribute 5% of its GDP, with a start-up fund of 200 billion euros. . . .

3. Cancel articles 104 and 109 of the Maastricht Treaty and the French Act of Parliament No. 93 dated Dec. 31, 1993 . . . which “prohibits overdrafts or any other type of credit to the Public Treasury or any other public agency or enterprise” and thus does away at one fell swoop with the

State’s right to issue credits for major infrastructure programs, or an industrial strategy.

The ludicrous stability pact must be rejected, and replaced by a Development Pact, based on controlled arrangements between the issuance of State credit, and large-scale industrial/infrastructure projects. The State’s powers must be used to eliminate speculation and to put into financial bankruptcy speculative agencies.

4. On a European-wide level, public health and wages policy must be defined on the basis of the highest, not the lowest-common denominator. Tax policy for business must be harmonized as well, in keeping with the required project for Europe.

5. The European Central Bank system must thus be replaced by an association of national banks in each State, that will pool their resources for the common good, and shall be answerable to the citizenry. This is critical if the national

States are to wrest their power back from the financial cartels.

6. A new Bretton Woods Agreement must be reached, to clean up the dollar system, and establish fixed parities between the world’s currencies, with a reference to gold. This will create stability for future planning, and rule out such speculative bubbles as those on the derivative and mortgage markets.

We must act urgently. Just as in the 1930s, drastic austerity policy is the weapon now wielded in a vain attempt to save the collapsing monetary and financial order. Then, as now, that policy leads to fascism and also, to war. The policy now pursued in France and Germany is very like that of Bruning (1930-1932) and Laval (1931-1932 and 1935-1936), that paved the way for Hitler and Petain. . . .

To vote *no* to the European Constitution is not just a vote for a fresh policy outlook, or for better-qualified jobs. It means a break with the financier’s and accountant’s worldview, and taking measures that will change, transform, and improve mankind’s lot. We are fighting the world over for this conception, in particular in the United States, where the stakes are crucial, and where we have a LaRouche-Roosevelt faction in the Democratic Party and a Youth Movement committed to the principle of discovery.

“Nothing is permanent but change,” wrote Heraclitus of Ephesus, as he was recently quoted by a group of French senators calling for a “European neo-Colbertism.” We still have a long way to go. The very basis of our present policy must be changed. . . .