

State of the Union: 2107

The English text of Jean-Claude Juncker's 2017 address to the European Parliament can be downloaded from here:

http://europa.eu/rapid/press-release_SPEECH-17-3165_en.htm

We have read the speech carefully and in this paper we pick out what we regard as highlights and comment on them. OK, we understand that it was a political speech, but it must have taken super-human patience to sit through it, unless of course you have swallowed the propaganda whole already.

"I also want to thank the 27 leaders of our Member States. Days after my speech last year, they welcomed my agenda at their summit in Bratislava. In doing so they chose unity. They chose to rally around our common ground.

"Together, we showed that Europe can deliver for its citizens when and where it matters."

In fact, if not in his mind, there are still 28 member states, not that every one of them was welcome at Bratislava. The second sentence could be politely described as propaganda; since the EU manifestly fails to *"deliver for its citizens"*, and too many of them know it, we can more accurately characterise this claim as crude and dishonest manipulation. J-C may or may not know that he is not telling the truth; if he doesn't know it then he is completely taken up by his own myths.

Some more questionable claims follow, to warm up his audience. For example:

"We can take credit for our European Investment Plan ... We can take credit for the fact that, thanks to determined action, European banks once again have the capital firepower to lend to companies so that they can grow and create jobs.... And we can take credit for having brought public deficits down from 6.6% to 1.6%." This last on average, and by enforced, hyper-austerity in some cases, leaving little chance of actual debt reduction, which is the real problem for those countries.

But then he gets strangely defensive, as well as characteristically dishonest:

"This is thanks to an intelligent application of the Stability and Growth Pact. We ask for fiscal discipline but are careful not to kill growth. This is in fact working very well across the Union – despite the criticism."

The S&G Pact is – and has long been – working well for France and Germany, because they have consistently ignored it. It also works for Italy, for the same reason (not that Italy has grown over the past decade). However, smaller and less powerful member states cannot rely on such an *"intelligent application"* of the pact. They, notably but not exclusively Greece, are expected to conform, even if it kills growth.

"Now is the time to build a more united, stronger and more democratic Europe for 2025."

We could agree with that, although J-C doesn't, because he should say 'Union' not 'Europe' and because he is firmly opposed to anything that might resemble democracy creeping into his project.

"We set out to complete an Energy Union, a Security Union, a Capital Markets Union, a Banking Union and a Digital Single Market. Together, we have already come a long way."

They have indeed. Each of these unions draws power – and so sovereignty – away from the member states and reinforces the supra-national government that now rules them. Member states are no longer 'competent', in both the EU's and the more usual sense of that term. The clearest example, but far from the only one, is Economic and Monetary Union, which by imposing a single currency on its members disables them from managing their own economies; they are forced to rely on EU competence, which is markedly lacking except in the sense in which they use it, to mean power (not capability).

There follows a long, self-congratulatory stream of propaganda. We will spare readers our comments on that. Mostly.

"I want to make our industry stronger and more competitive." He does not say how he will do this but when he follows up with, *"I call on the car industry to come clean and make it right."* he gives a

clue that what he really means is, “I want you to make our industry ...”. And that is our point; any benefits there may be from the EU could be better and more reliably achieved by leaving things to the member states and their citizens and businesses; though if they were to succeed guess who would claim the credit?

“Europe will ensure we make our planet great again.” What may be a rather fatuous attempt at satire is overwhelmed by its sheer absurdity.

Surely he can’t get sillier than that, but he tries, *“New rules, put forward by the Commission, will protect our intellectual property, our cultural diversity and our personal data.”*

So he has a rule to protect cultural diversity. In fact the EU is working to eliminate cultural diversity, unless he means lederhosen and kilts. (We couldn’t make this stuff up.)

“I have mentioned just a few of the initiatives we should deliver over the next 16 months. But this alone will not be enough to regain the hearts and minds of Europeans.”

So he is aware that Europeans’ hearts and mind have been lost. This despite the reams of propaganda, specious claims and lies. Perhaps he feels a need to say this but does he really feel a need to take action? As so often, there is a large gap between what he feels he has to act on and what he feels he has to say. This gap, involving flat contradictions, characterizes the EU and the distance between its true objectives and its declared ones. Not to mention the distance between its peoples and its leaders.

Anyway, he doesn’t say what is needed beyond his initiatives *“to regain the hearts and minds”*. We are tempted to quote General Curtis Lemay (Vietnam), *“When you’ve got them by the balls their hearts and minds will follow.”*

What he does say next opens up another chasm between speech and truth, *“The future of Europe cannot be decided by decree. It has to be the result of democratic debate and, ultimately, broad consensus.”* He’s right of course, though this is just PR puff. Sadly it seems to convince many who should know better. The nearest he – and the EU – can bring themselves to democracy is resolutions, public events and meetings with national parliaments. Chucking out the government is not allowed. Ultimately the people will win; it is only a question of how long it will take. And the more people choose to swallow this sort of nonsense the longer it will take.

It’s tiresome to keep exemplifying the gaps between rhetoric and reality but – sorry – here’s another, not far from the previous examples:

“Europe must be a Union of equality. Equality between its Members, big and small, East and West, North and South.”

For sure he is not going to say what he means by ‘equality’ but whatever it might mean it doesn’t exist. He does say that *“In a Union of equals, there can be no second class citizens...no second class workers...no second class consumers.”* And then he gives us examples of the second classes that currently exist in each category. He doesn’t say why, after 60 years, these disparities haven’t been eliminated. His remedy, despite decades of failure, is more ‘Europe’, though he doesn’t spell that out just here.

“In Europe the strength of the law replaced the law of the strong. The rule of law means that law and justice are upheld by an independent judiciary.”

Accepting and respecting a final judgement is what it means to be part of a Union based on the rule of law. Member States gave final jurisdiction to the European Court of Justice. The judgements of the Court have to be respected by all. To undermine them, or to undermine the independence of national courts, is to strip citizens of their fundamental rights.”

This is rich in deception, including self-deception. The strength of EU law is that it is the law of the strong. The ECJ interprets Euro-law and is not independent. A *“final judgement”* means exactly that. Member states have given up their jurisdiction to the ECJ. And then he goes from strange to weird, when he refers to *“the independence of national courts”* which are clearly not independent from the *“final jurisdiction”* of the ECJ. And he just throws into this tasteless mix the citizens and *“their*

fundamental rights”, to show his true disdain for both. The hidden agenda here is the familiar one of upward convergence, or ever-closer union.

Sometimes J-C gets into bother when he uses English idioms and sometimes he reveals more than he intends:

“When we talk about our future, experience tells me new Treaties and new institutions are not the answer people are looking for. They are merely a means to an end, nothing more, nothing less.”

Treaties are indeed nothing less than the means to reach the intended end, of supra-national governance. The end is nigh. He should have stopped at *“nothing more”*, which would have been less revealing – and maintained the deception better. Whoops!

He then seems to contradict himself, in the middle of this sentence, which finishes with a strange non sequitur: *“Instead of hiding behind calls for Treaty change – which is in any case inevitable – we must first change the mind-set that for some to win others must lose.”*

Who has this mind-set? He doesn’t say but we’re expected to nod sagely in agreement. More sleight of hand. The problem with Treaty changes is that in some countries they have to be put to a popular vote and if lost it would require either ignoring the people’s decision or making them try again until they get it right (e.g. Denmark, Ireland). That might appear undemocratic to nit-pickers, like us.

After these diversions J-C gets back to the substance of ever closer union.

“If we want the euro to unite rather than divide our continent, then it should be more than the currency of a select group of countries. The euro is meant to be the single currency of the European Union as a whole. All but two of our Member States [the UK and Denmark] are required and entitled to join the euro once they fulfil all conditions.”

The single currency is the mechanism through which economic and monetary union will be achieved and that in turn is central to the fulfilment of supra-national governance; we must all be managed from above. Isn’t *“required and entitled”* an odd combination? EU-speak? You may join and you must.

“Completing the Banking Union is a matter of urgency. We need to reduce the remaining risks in the banking systems of some of our Member States. Banking Union can only function if risk-reduction and risk-sharing go hand in hand.”

As usual, the solution to a perceived problem is more Union. We expect Germany, at least, to have reservations about risk-sharing.

“National social systems will still remain diverse and separate for a long time. But at the very least, we should work for a European Social Standards Union in which we have a common understanding of what is socially fair.”

Ideally we’d retire like Greeks, work each week only as long as the French do; this may not be what he means by social standards, unless employment rights are in a subset. We’re not there yet but Union remains the target. Diversity will be overcome.

“When it comes to important single market questions, I want decisions in the Council to be taken more often and more easily by qualified majority.... We do not need to change the Treaties for this. There are so-called “passerelle clauses” in the current Treaties which allow us to move from unanimity to qualified majority voting in certain areas – if all Heads of State or Government agree to do so.”

Qualified Majority Voting (QMV) has been achieved in many areas. Without this each member state has a veto and that will not do, it’s inefficient and slows the project. The UK generally resisted QMV but its people elected a Europhile Prime Minister, Tony Blair, probably not with the intention of enabling him to let us be overruled. J-C is quite right that *“unanimity”* breeds inefficiency, but it also leaves powers with national governments that should rightfully be held centrally, in his view.

“I am also strongly in favour of moving to qualified majority voting for decisions on the common consolidated corporate tax base, on VAT, on fair taxes for the digital industry and on the financial transaction tax.”

If you needed just one reason why Britain should leave, this would do. To eliminate by decree all competition between states will surely stifle whatever is left of initiative and innovation.

“We need a European Minister of Economy and Finance: a European Minister that promotes and supports structural reforms in our Member States. He or she can build on the work the Commission has been doing since 2015 with our Structural Reform Support Service. The new Minister should coordinate all EU financial instruments that can be deployed when a Member State is in a recession or hit by a fundamental crisis.

“I am not calling for a new position just for the sake of it. I am calling for efficiency. The Commissioner for economic and financial affairs – ideally also a Vice-President – should assume the role of Economy and Finance Minister. He or she should also preside the Eurogroup.”

When you have supra-national governance you can't have important decisions being made at a lower level – at national level. There must be a means to eliminate such diversity; a minister should do it.

“I want our Union to become a stronger global actor. In order to have more weight in the world, we must be able to take foreign policy decisions quicker. This is why I want Member States to look at which foreign policy decisions could be moved from unanimity to qualified majority voting. The Treaty already provides for this, if all Member States agree to do it. ... By 2025 we need a fully-fledged European Defence Union.”

The plot sickens. Why do so many member governments fail to resist, or even to question, the irrepressible centripetal force of the EU? The aim is complete governance, relegating the member states to subsidiary actors. It seems that this ever-closer Union appeals to our governors (well, perhaps not all of ours) though not to us who are governed. Reasons? Two come to mind: it relieves governments of some tasks and it gives them someone to blame for any decisions their electorates don't like. Is there any more to it than that?

Eastern European states looked to the EU to shelter them from Russian re-colonisation, not to be dominated by a different set of commissars – sorry, Commissioners. The Visegrad Group has repeatedly demonstrated this.

“I want our Union to have a stronger focus on things that matter, building on the work this Commission has already undertaken. We should not meddle in the everyday lives of European citizens by regulating every aspect. We should be big on the big things. We should not march in with a stream of new initiatives or seek ever growing competences. We should give back competences to Member States where it makes sense.”

As far as we are aware, not a single competence has been returned to the member states. And marching in with a stream of new initiatives is exactly what the EU does. So this gem is one of the deceptions that the EU feels both obliged and confident to utter; confident because many people take them at their word without examining whether actions match the words. They so frequently don't. Note the barely disguised insult: the EU will “*focus on things that matter*” while things that don't matter, i.e. “*where it makes sense*” (to them) competences should be given back. However, insulting though this is, it seems that everything matters too much to give anything back.

“Our Union needs to take a democratic leap forward.

“I would like to see European political parties start campaigning for the next elections much earlier than in the past. ... Today, the Commission is proposing new rules on the financing of political parties and foundations. We should not be filling the coffers of anti-European extremists.”

Of course he should say ‘EU political parties’ but that displacement has now suckered so many that it has become Newspeak. To J-C campaigning much earlier represents “*a democratic leap forward*”. This gives us an idea of his notion of democracy. ‘We will spend your money on our supporters only’ that sounds fair, to him at least. As for “*anti-European extremists*”, i.e. anti-EU parties, this “*democratic leap forward*” will be to stop funding them, although they represent a not-insignificant proportion of the EU's citizens. A shot in the foot?

“More democracy means more efficiency. Europe would function better if we were to merge the Presidents of the European Commission and the European Council. ...

“Europe would be easier to understand if one captain was steering the ship.

“Having a single President would better reflect the true nature of our European Union as both a Union of States and a Union of citizens.”

This notion has been described as the President flying a kite. More likely it is intended to distract attention from the true agenda. Not even J-C can mean the first sentence as a definition, and he surely doesn't believe it as a fact. The kite may fly but the idea won't, of course. It would reduce the significance of the heads of the member states still further, which he would like to see but doesn't expect to. The provocation will work as a distraction though.

He closes his 'roadmap' with a wish-list, a mix of ambition and hope. It carries the implication that all that has been stopping achievement is the presence of the UK (if only it were so!).

We may as well let him have the last word(s) since they quite neatly summarises the goal, the wishful thinking, the propaganda and the deceit:

“My hope is that on 30 March 2019, Europeans will wake up to a Union where we all stand by our values. Where all Member States firmly respect the rule of law. Where being a full member of the euro area, the Banking Union and the Schengen area has become the norm for all EU Member States. Where we have shored up the foundations of our Economic and Monetary Union so that we can defend our single currency in good times and bad, without having to call on external help. Where our single market will be fairer towards workers from the East and from the West. Where we managed to agree on a strong pillar of social standards. Where profits will be taxed where they were made. Where terrorists have no loopholes to exploit. Where we have agreed on a proper European Defence Union. Where a single President leads the work of the Commission and the European Council, having been elected after a democratic Europe-wide election campaign.

“If our citizens wake up to this Union on 30 March 2019, then they should be able vote in the European Parliament elections a few weeks later with the firm conviction that our Union is a place that works for them.”

We could pick holes in this too but a stiff drink would be more welcome.