

The fiscal and banking union is an assault on democracy and social rights in Europe!

Fiscal pact, ESM, six-pack, two-pack – under the pressure of the crisis, the powerful are pushing through their murky "reform" measures at a rapid pace. The logic is always the same: Reduce debts through cuts in social services and privatisation, raise competitiveness through wage cuts and eliminate workers rights. The consequences: A deep recession, further aggravating the economic crisis. In southern Europe the 'Troika' of the ECB, EU Commission, and the IMF dictate one so called Memorandum (austerity package) after another. The reality is a devastating social crisis. Mass unemployment, poverty, homelessness, soaring crime and waves of suicides are once again part of European everyday life. And "coincidentally" our democracies are being hollowed out: highly indebted countries are forced to transfer their sovereignty from their elected parliaments to the EU. Every day, the technocrats of the EU Commission and the ECB gain yet more power for themselves.

Can things get even worse, after all the reform packages so far that have established a neo-liberal, anti-democratic politics throughout Europe? Yes they can. In the European Council the introduction of a fiscal and banking union is being prepared right now. The diktat of austerity, through which Greece, Spain and Portugal suffer right now, will be institutionalised on the European level. Or as the European Commission President Barroso put it: A quiet revolution has been taking place.

What does the fiscal and banking union mean?

- All Eurozone countries will be required to conclude treaties with the European Commission, in which they will be obliged to carry out so-called "structural reforms";
- A communal budget of the



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Eurozone countries will be created in order to deal with "structural weaknesses";

- The budget monitoring will become stricter, for example through the right of Veto of the Monetary Affairs Commissioner on national budgets.

Should these measures be carried out, then the pressure on wages and social entitlements will be permanently cemented, because neoliberal policies will be enshrined in treaties. What is meant by "structural reforms" and the "clearing away of structural weaknesses" is nothing more than the clearing away of the welfare state, repression of wages, sabotage of the public sector, deregulation, and privatisation.

Social rights and democracy are under fire together. For the democratic control of a possible Eurozone budget there is no credible model proposed. And the Veto right of the Monetary Affairs Commissioner against decisions of national parliaments degrades democratic politics to a mere sideshow.

Resistance now!

It is not yet too late to hold back this fiscal and banking union! The process is only yet at the beginning. Resistance is forming in many European countries; for the summit in March a Europe-wide day of action will take place.

The European policy of austerity will never be able to overcome the crisis. It serves only to redistribute the costs to the citizens, creating a Europe for banks, corporations and the super-rich against the interests of the people of Europe.

We demand a stop to the neoliberal fiscal and banking union!

We demand a repeal of the austerity measures of the last years, the abolition of illegal and illegitimate debts, strict regulation and control of financial markets as well as a European coordinated capital levy.

Moreover, we demand a thorough democratisation of the EU and the comprehensive participation of the European Parliament in all legislative processes of the EU.