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Book Review

*Corporate Europe: How Big Business Sets Policies on Food, Climate and War* by David Cronin

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David Cronin’s book is based on years as a journalist in Brussels looking at the way in which the European Union’s institutions really work. This reviewer spent thirteen years working at the European Parliament and, before that, five years sharing his time between academe and work as an advisor to a Member of that same Parliament. Cronin and I have come to very much the same conclusions. If our analysis is not largely reflected in that of the vast majority of academic ‘experts’ on the European Union, it has become almost ubiquitous out there on the streets and in the workplaces of Europe. The European Community may have been founded, in part at least, for its ostensible purpose of preventing a return to the warlike past. As the European Union, however, it has been hijacked by corporate interests which have sought to institutionalize a particular form of the capitalist system, a hyper-exploitative form which has been called ‘neoliberalism’. In this, as Cronin demonstrates in page after page of solid evidence, they have largely succeeded.

One of the principal means by which this has been achieved is the army of corporate lobbyists which form the central topic of Cronin’s book. As he says, only Washington, DC has a greater concentration. In Brussels, there are at least 15,000 and as many as twice that figure, two-thirds of whom represent private sector interests. Yet if this means that a third are there as advocates for NGOs, labor unions and the public sector, the imbalance in spending is far greater than this would suggest. This is difficult to establish with any accuracy as the recently-introduced register of interests is poorly maintained and policed, and as a consequence not to be relied on.

The secrecy shrouding contacts between corporate lobbyists and those who are supposed to defend the interests of the peoples of the EU is reflected in the general lack of openness which characterizes the behavior of the Union’s institutions. The main legislature of the EU is not the Parliament, whose powers, while they may be greater than in the past, remain extremely restricted, but the Council. In fact there are several ‘Councils’: the Council of the European Union brings together heads of government in periodic meetings which determine the direction of policy and respond to developments, as well as crises; and the various versions of the Council of Ministers – one for each broad area of policy – are more routine bodies which share responsibility with the Parliament for amending and approving legislation proposed by the Commission which, despite being unelected, retains (with rare and minor exceptions) the exclusive right of initiative. It is extraordinarily difficult to achieve any democratic input into any of the institutions, with the partial exception of the elected European Parliament. Even there, however, real decisions tend to involve carve-ups behind closed doors, so that before measures reach the plenary they are almost invariably already determined by ‘compromises’ between the two major groups, or the biggest and third biggest, both of which are as things stand from the center-right of the political spectrum.
Unlike the citizenry, corporations, as Cronin notes “are involved in almost every stage of the formulation of the Union’s laws and policies.” Hence the spread of the now dominant – yet patently absurd – idea of ‘self-regulation’ on the basis of Corporate Social Responsibility. As Cronin points out “the overriding responsibility of corporate decision-makers is to maximize corporate gains”, quoting Joel Balkin’s simple, uncontestable observation that this is the case in almost every country, and certainly in every OECD country: “The law forbids any other motivation for their actions,” Balkin wrote in The Corporation, “Corporate Social Responsibility is thus illegal – at least when it is genuine.”

This would be bad enough if it were limited to the pursuit of direct interests, such as was clearly the case when the owners of BMW donated €690,000 to Angela Merkel’s party just as the German Chancellor was vetoing new regulations on car exhaust emissions. These would have meant extra investment for manufacturers of bigger, more powerful vehicles, and thus eaten into BMW’s profits. Yet it goes well beyond this. The current drive to destroy Europe’s welfare states – a system which is Western Europe’s and humanity’s greatest post-war achievement - is led by and conducted in the interests of the private corporations who will step into the breach, providing services not on the basis of need, but to those who can pay.

Cronin’s book is admittedly partly polemic, but he amasses enough evidence in defense of his arguments to pass tests of academic rigor with which many established texts on international politics would struggle. In detailed examinations of the lobbying activities conducted on behalf of a number of individual sectors – finance, armaments, the food industry, tobacco, big oil and chemicals – he produces documented histories of activities which reveal the real nature of European ‘governance’.

Perhaps of most interest to IR specialists will be Cronin’s final chapter. Provocatively entitled, in a reference to the former trade Commissioner, ‘the malign legacy of Peter Mandelson’, this parting blow shows how the European Union’s Free Trade Agreements (most of which are known now as ‘Economic Partnership Agreements’ – EPAs) are designed to continue, in renewed form, the neo-colonialism which became the norm of North-South relations after the dismantling of the continent’s empires.

The problem for critics such as Cronin and myself is that those whom we are criticizing feel no need to respond. Corporate power underwrites the current undemocratic structures of the European Union, and finances its politics. Going along with the standard narrative of a peace-loving ‘unique experiment’ in multinational democracy is a sure route to a comfortable niche in the mainstream media, mainstream politics or in the academy. The fact that it flies in the face of everyday experience scarcely seems to matter.

Cronin’s book is therefore important, and should be widely read. It is also entertaining and highly informative, and should figure on any course purporting to deal with the European Union and the way in which it operates. It would be a fine thing if we had a clear statement seeking to refute its arguments, but that is unlikely to be the case. The ‘Europhiles’ will continue to pretend smugly to themselves and promote to others the idea that critical voices are motivated by nationalism or other atavistic ideologies.
Steve McGiffen is an Associate Professor of International Relations at the American Graduate School in Paris. He has a PhD in US political history, a subject he has taught at the University of Manchester, England and the UK’s Open University. From 1986 to 1999 he was political assistant to a Member of the European Parliament, after which he joined the secretariat of the European Parliament’s United Left Group, representing the Socialist Party of the Netherlands, for whom he continues to work as a translator and occasional consultant. His books include Globalisation (2002), The European Union: A Critical Guide (2005), Biotechnology: Corporate Power vs the People’s Interest (2006), Poisoned Spring: The European Union and Water Privatisation (2009, with Kartika Liotard), and a historical novel, Tennant’s Rock (2001). His most recent publication is “European Neighbourhood Policy: Path to Democracy or Road to Co-option? Dynamic versus Passive Revolution in the Arab Spring” in Osha, S (ed) The Social Contract in Africa (Pretoria, Africa Institute of South Africa, 2014).