

# From the EU to Latin America: left populism and regional integration

Marina Prentoulis

Must regional integration be based on neoliberal  
competition?

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**T**he EU's inability to deal with the challenges of the global financial crisis of 2008 and the refugee crisis of 2015-6, together with the (not unrelated) emergence of divisive right-wing nationalisms across the Union, has called into question the very possibility of a transnational European identity, or of a common economic and political strategy that is capable of responding to the democratic mandate of the peoples of Europe. The aim of this article is to explore ways of rebuilding a popular left politics that is capable of operating at the European level and restoring faith in the potential of a European project for social justice and equality.

These crises and the failure to tackle them made visible two major problems: the unequal position of national economies within the EU (and even more so within the Eurozone), and the lack of political will for tackling issues at the European level.

The absence of a common fiscal policy transformed the Eurozone into a mechanism that reinforced pre-existing uneven development. This meant massive gains for Germany, but increased the divisions between North and South. The latter,

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differentiated from the rest and derogatorily renamed 'PIIGS' (Portugal, Italy, Ireland, Greece and Spain), became defined as the weakest links, and were characterised by a combination of factors including higher budget deficits, trade imbalances and high interest rates for borrowing. This was the logical result of thirty years of neoliberal dominance both at national parliaments and within the EU institutions, during which time social-democratic parties and governments as well as the right had internalised its discourses, and its failures had gone unrecognised. The negotiations in 2015 between the left government of Syriza-ANEL in Greece and the Troika (ECB, EC and IMF) was the first time this consensus was brought into serious question at the pan-European level. The resistance of the Greek government and people thus opened up the possibilities for looking for a different paradigm. As we know, however, in the end, austerity, privatisations, free reign for the banking sector and protection for the financial sector - and all things celebrating the legacy of Margaret Thatcher - were all forced on Greece. But these events brought to the fore serious questions about the commitment of EU institutions to democracy, and highlighted the North South divide.

It was the refugee crisis that most exposed the weak political will amongst EU institutions for finding collective solutions to difficult problems, particularly, in this case, in a manner that respected international law or exhibited any strategic awareness. A questionable and shaky deal between the EU and Turkey that tried to block the entry into Europe of hundreds of thousands of refugees was reinforced by fence-building by states nostalgic for the long gone and in most cases imaginary days of territorial cohesion. The absence of a convincing European response was then exacerbated by a proactive and divisive intervention from the Visegrad group of countries (Czech Republic, Slovakia, Poland and Hungary). And in February 2016, a meeting initiated by Austria and including the Balkan countries tried to stop the refugee flows passing through the Balkan route, introducing border controls and closing down crossing points, effectively nullifying a passport-free Schengen zone.

At this dismal conjuncture the European project seemed pretty much at a standstill. Very few people still remember that, way back in the mid-1980s, there were once two competing paths at the heart of the European project, one neoliberal and one social. Jacques Delors, advocate of the latter, in his first speech as President of the Commission in 1985, reminded the European Parliament that a social Europe should strive for 'a balance between justice and efficiency'. Part of his vision was

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the protection of workers' rights (currently under attack): 'When will we see the first European collective bargaining agreement? ... It would provide a dynamic framework, one that respected different views - a spur to initiative, not a source of paralysing uniformity'.<sup>1</sup> The shift away from this vision started after the 1992 Maastricht Treaty, which represented a major shift towards neoliberal policies, including, amongst other things, the displacement of employment protection by moves towards the deregulation of labour markets.

At a time when the EU project seems quite shaky, and is failing to capture the imagination of large constituencies on both the left and on the right, each of which seem to converge in their nostalgia for the nation-state, even if for different reasons, it is time to reconceptualise the principles of a transnational European project. A social Europe will only be possible if it is based on relationships and connections that are able to respect difference while simultaneously recognising that, in the conditions of late modernity and increased globalisation, regional institutions, and the links between them and civil societies - and the economic and political synergies they make possible - are the only way to create spaces of agonistic democracy that are capable of disturbing the current dogmatisation of identity, and enabling experiments of cooperation and solidarity.

Starting from the premise that in late modernity the globalisation of labour and capital cannot be reversed, and that contemporary challenges such as the environment and migrant flows can only be met with a transnational response, how can we think of the role of supranational institutions like the EU, and how can we work for the democratisation of these institutions? Can we learn anything from the resistance of the Latin American governments to neoliberalism? These are the questions Doreen Massey and myself started to examine together before her sudden death in March this year. In what follows I will try to offer some starting points to the debate, drawing on the unfinished discussions I had with Doreen, and hoping that others will take them up and develop them further.

### **Bringing the 'people' back in: lessons from Greece**

After the electoral victory of Syriza and the formation of a new Greek government in coalition with ANEL (a right-wing nationalist party), the hopes of the European left for halting austerity policies in Europe were reinvigorated. Since 2010, bailout

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agreements between Greece and the Troika had led to the disintegration of the social fabric of Greek society through the imposition of severe austerity, and had increased the already unsustainable Greek debt. The justification for these neoliberal adjustments was that this would help Greece repay its debt - a debt that under Troika supervision between 2010 and 2015 had increased from 120 per cent to 180 per cent of GDP.

The Syriza government had a mandate to reject the policy prescriptions of the Troika. So when in July 2015 a new bailout agreement (memorandum) was forced on the government after five months of intense negotiations, the charge that the EU institutions in the negotiations were unrepresentative and unaccountable, and had disregarded the democratic mandate of a national parliament, gained ground among the progressive forces of Europe. This feeling was reinforced by the results of the Greek referendum on 5 July, which overwhelmingly rejected the austerity policies and the structural adjustments proposed by the Troika. In this respect, the negotiations were unique in imposing neoliberal rule on a left Western government (though the experience of imposed austerity would have been very familiar to governments in Latin America and Africa of the 1970s, 1980s and 1990s).

From the start, Syriza maintained that the negotiations were not an economic but a political matter, and requested that the final say in the negotiations should come from the European Council (made up of Heads of States), rather than the Eurozone's unelected technocrats. This was the first serious attempt by a European government to bring politics back into the decisions of the EU institutions (and this perhaps explains why the Greek government was at the receiving end of so much open hostility from EU power centres). It was an attempt to challenge the deeply intertwined set of logics that underpins the contemporary stance of institutions across the EU: on the one hand, a post-democratic logic subordinates politics to technocratic expertise; and, on the other, the promotion of neoliberal economics by this same technocratic expertise is put forward as the only viable solution. Politics has been reduced to a game that is played out between elected governments and elites who work together towards the maximisation of business interests through structural reforms enabling market competitiveness. In this case the game was being co-ordinated by the German government leading the negotiations but had the support of the rest of the Eurozone leaders. The challenge to post-democracy represented by the 5 July referendum was summarily dismissed. As German Finance

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Minister Wolfgang Schäuble put it: 'Athens can vote as many times as it likes in favour of a deal that promises, even in the vaguest terms, to write off some of its colossal debts, but that doesn't mean the rules allow it'.<sup>2</sup> The 'rules' referred less to the rules of the founding treaties of the EU than to the rules of the neoliberal orthodoxy.

According to these rules, the soundness of neoliberal economics was above and beyond the realm of political action.<sup>3</sup> And the severe austerity proposed by the Troika as the solution to the Greek debt crisis was justified by re-evoking a 'common sense' narrative of household economics ('if you have borrowed too much on your credit card, you will have to cut your expenses until you pay it off'). The moral claims of this narrative had a powerful effect: debt and expenditure point to failure, if not some essential flaw, in the character of the Greek state and people.<sup>4</sup> But despite the conflation of macro- with micro-economics within this narrative, the exceptionality of the Greek case was asserted, and questions over the structural deficiencies of the Eurozone foreclosed. Greece was either the 'sick' patient in need of treatment or the 'unruly' child in need of punishment lest it contaminate the rest of the Eurozone.<sup>5</sup>

If the Greek government can claim a victory in spite of accepting the fourth memorandum agreement on 13 July 2015, it is in this rendering visible of the post-democratic neoliberal stranglehold on EU institutions, and the need for bringing the politics of the people back in the heart of Europe. Still, one has to question the faith in territorial democracy and national sovereignty of those on the left advocating Grexit as a means to economic prosperity, at a time when the globalisation of capital and labour demand the extra-territorial democratisation of politics. There has to be a democratic response at the European level. To explore some of the options here I will turn to the example of Latin America later in this article. For the time being it should be noted that, during the negotiations, while the assumption of the unity of the EU was taken as given by many, including the Greek government, a second plan had also been devised that was based on the idea of a neoliberal integration of the 'core' EU countries: proposals by Wolfgang Schäuble during the negotiations for a temporary 'Grexit' were predicated on a latent scenario that envisaged the division of the Eurozone into a 'core' and a 'periphery'. This could potentially enable the fiscal and political integration of the core countries and the neo-colonisation of the periphery - made up of countries

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like Greece. In other words, the integrity of the union is not a first priority for some political forces within the EU. Rather than addressing themselves to the structural problems of the Eurozone and their neoliberal prescriptions, these proposals were willing to sacrifice the vision of unity, solidarity and social justice that once upon a time was at the heart of the EU.

### **From grassroots movements to the articulation of a ‘populist’ left in Europe**

A European challenge to neoliberalism and post-democratic politics first emerged with the Indignant movements of 2011 and the subsequent electoral gains of Syriza and Podemos. Both cases demonstrate that any decisive assault against neoliberal hegemony has to simultaneously involve a strong grassroots movement and an engagement with parliamentary politics. Both parties have expressed dissatisfaction with their national political establishments and challenged the articulation of the democratic tradition to the liberal tradition. This challenge has taken the form of re-engaging with forms of direct democracy and grassroots organisations, and this continues today. Syriza, which was a pre-existing coalition of the radical left engaged in the indignant movement, started to gain electoral power at a time when the movement was being driven off the streets. Having polled a mere 4.6 per cent in the parliamentary elections of 2009, this rose to over 16 per cent in May 2012, 27 per cent in June 2012, and finally, in its first electoral victory in January 2015, to 36.3 per cent.

What Syriza and Podemos have in common (even if this is differently articulated) is that they have brought the diverse demands of the indignant struggles to the electoral level. In this respect, they show that a successful strategy has to simultaneously operate at the grassroots level (and in a manner that allows the articulation of very diverse demands in some form of unity - something that escapes many traditional left parties) and engage with existing institutions in order to transform them (which is not something many traditional left parties wish to do, even when they engage with electoral politics). The commitment of both Syriza and Podemos to the idea of ‘hegemony’ - the predominance of one politically constructed collective will over others in the sphere of national politics - and their attempt to build a hegemonic political bloc is often, mistakenly, contrasted with the ‘true’

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democracy of movements on the ground.<sup>6</sup> Nevertheless, looking at similar challenges to neoliberalism in Latin America reveals the limits of a strategy that solely operates at the grassroots movement level. The *Piqueteros* in Argentina in the 1990s were involved in massive protests against the neoliberal policies of President Carlos Menem, and later during the economic crisis organised successfully in cooperatives, but their refusal to enter the sphere of electoral politics prevented them from influencing the events that followed.<sup>7</sup>

Where Syriza and Podemos to some extent differ is in the way they envision the formation of a hegemonic bloc. On a national level they both re-appropriate a 'populist' logic - a political logic (which can be expressed in both right-wing and left-wing discourses) that is based on the articulation of a plurality of demands that enables the emergence of a 'people' on to the national stage as an aspiring legitimate totality - and the formation of an antagonistic frontier within the polity between the 'people' and those in power.<sup>8</sup>

One of the differences between Syriza and Podemos, however, lies in the ideological reservoirs that inform the specificity of their political discourses. Podemos try to bypass the left/right axis and focus on a conception of the national popular that foregrounds the construction of 'the people' within the framework of the nation state. Syriza, on the other hand, being in the first instance an attempt to unite a diversity of left groupings, and having a strong Gramscian, Eurocommunist current, aspired to rearticulating a contemporary *left* populism. This is a populist discourse that is able to go beyond a national project to also encompass a transnational conception of a 'people', and the formation of an antagonistic frontier that could challenge the constellation of power within the EU institutions, not just within a single state.

What is missing from an analysis that explores populism solely in relation to the nation is any kind of regional contextualisation. So, in Europe we can see that the 'national' element has been appropriated by successful right-wing populisms, which are pushing away from the European project and towards the re-enactment of state boundaries as a means of finding security from external threats - and at this particular conjunction their main focus is on the refugee crisis. This cannot be countered by a left populism that confines itself to national boundaries.

The only way to counter this kind of right-wing populism is to establish a sense of 'a people' through a European left-wing populism. It is true that the traditional

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right/left frontier cannot be reactivated in its previous form, especially since many traditional centre-left parties have now internalised neoliberal ideology, which makes it very difficult to form the kind of left alliance familiar in earlier periods. However, new forms of subordination are being experienced in common across Europe, and the diversity of contemporary struggles and movements has the potential of forming a network that could assist the emergence of a 'people' - a 'people' that will reclaim national democratic institutions but will also recognise the need for a regional bloc that extends the reach of democratic politics and the struggle against neoliberalism beyond the confines of the nation state.

## Regional identity and lessons from Latin America

It's about forging another path; a search for something because integration is vital to us. Either we unite, or we drown. Which is why I say: 'Let us choose the alternatives!'

President Hugo Chavez

In late modern life, the nation state as the exclusive site of democratic politics becomes obsolete. The global processes of financialisation and marketisation exceed the reach of sovereign states, and the pressures they experience can often lead to the institution of repressive measures against the most vulnerable elements within the state. Sovereignty therefore has to be connected to supranational institutions that can extend democracy beyond the confines of the state.<sup>9</sup>

This is certainly true of the South American experience. While resistance there to neoliberal hegemony started at the national level, it also extended beyond state territories, leading to the creation of a continental - transnational - identity and the formation of institutions that promoted democratic integration across a number of South American and Caribbean countries. This unity is not based on the elimination of political and/or economic differences, but on the idea of contestation while simultaneously respecting difference - sometimes referred to as agonistic respect. Connolly describes this as 'a reciprocal virtue appropriate to a world in which partisans find themselves in intensive relations of political interdependence'.<sup>10</sup>

This is the opposite of the political and economic uniformity that the EU is imposing today. The structural reforms that have been imposed by the memoranda



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agreements on Greece share many similarities with the structural adjustments that have been imposed by international institutions on countries in the global south for a very long period, including Latin America in the 1990s. The striking difference is that the Greek structural adjustments were imposed for the first time, and in such a visibly authoritarian manner, on a 'Western' country, part of the 'developed' world. This is one of the key differences with South America, where the 'enemy' can be located not only internally at the national level (the national oligarchies) but also externally (US imperialism). The construction of a 'people' starts at a national level and creates a frontier with the national political establishment and oligarchies, but also moves to a transnational level, uniting diverse demands across borders, forming a 'people' which stands against the external neoliberal domination of the US.

In Europe this process is more tricky. Not only have we not yet succeeded in bringing a significant number of left-leaning governments to power across the continent; we also do not have in the same way an external 'enemy' that a potential European 'people' can stand against. If the enemy is neoliberalism hidden behind technocratic expertise and inhibiting participatory democracy, this enemy is internal, and more difficult to identify as such; and the process of creating a regional alliance is further undercut by right-wing nationalisms. If a significant number of socialist governments were elected in Europe, the task would be to challenge the constellation of power within the existing EU institutions. Starting with the neoliberal policies imposed on Greece, we could point to the similarities between them and those advocated in the Transatlantic Trade and Investment Partnership (TTIP), which will reach across the EU if the deal comes to fruition. A further parallel could also be drawn between TTIP and the trade agreements between the West and Latin America since the 1990s, which have involved privatisations, the minimisation of state expenditure and liberalisation of the labour market: neoliberal logic is based on the dictum 'one size fits all' - it takes no account of national and regional differences.

The trade treaties of the Latin American countries are a response to the neoliberal impositions of successive US and European trade treaties - which never deviated from their single economic model, and consciously disregarded regional variation - and an attempt to create the conditions for fair and complementary trade between the countries of Latin America and the Caribbean. Their solution has been to set up a (still expanding) regional bloc that could play a significant role in the world

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economy: there was a recognition that development and independence were not possible in isolation from each other. This was the cornerstone of the Bolivarian vision: Bolivar wanted to see ‘... the biggest nation of the world emerge in America, not less for its extension and wealth, but for its freedom and glory’.<sup>11</sup>

There are differences within this regional bloc, but the underlying goals of the participating states are broadly similar. The differences between Hugo Chavez and Lula de Silva are those that are best known. They had different leadership styles (Chavez sought to forge unity while Lula attempted convergence across difference) and different economic approaches (Chavez adopted a more statist approach based on the oil reserves of Venezuela, while Lula relied more on favourable shifts in trade flows and on independent business decisions that could then enable the regional projects). But, rather than inspiring division, the way these different approaches were negotiated is testimony to the ways in which it is possible to unite towards a common path in spite of difference.<sup>12</sup> Both visions are underpinned by the same anti-neoliberal politics and a commitment to the alleviation of poverty in the global south.

From 1994, states from across the Americas had been discussing continent-wide trade agreements at the Summits of the Americas, but at the Summit in 2005, the long discussed FTAA (Free Trade Area of the Americas) was blocked by countries led by governments that saw it as a neoliberal agreement biased towards US interests. ALBA (the Bolivarian Alternative for the Peoples of Our Americas) was set up as an alternative;<sup>13</sup> and a series of other alliances were also put into place to form a socialist alternative for Latin America, including Petrocaribe, CELAC and UNASUR.<sup>14</sup> These initiatives are underpinned by a whole new set of principles. Firstly, trade and investment are not seen as ends in themselves but rather as instruments to achieve sustainable state regulated development. Contrast this with the ‘investment’ proposed within the neoliberal agreements: a path to growth that deliberately inhibits state regulated development. Second, instead of the principle of ‘competition’, the Latin American agreements are based on the principle of ‘complementarity’, and ‘special and differential’ treatment, playing on the strengths of each country and taking into account the levels of development of each country. Co-operation, solidarity, respect for national sovereignty and defence of the identity of the people of the region (against the US cultural hegemony) - all these pave the way for regional integration.<sup>15</sup>

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These agreements have become experiments in agonistic respect, and this approach was further manifested in the growth of a mosaic of regional organisations that allowed for a more flexible, differentiated, space for negotiation.

### **A democratic future?**

At a time when EU institutions have been colonised by neoliberal orthodoxy masquerading as bureaucratic expertise, and when new right-wing nationalisms are calling for the building of fences and stronger border controls across Europe, there is an urgent need for new conceptualisations of European relationships. There is much to learn here from the idea of relationships based on agonistic respect: we need to find a means of enabling countries to unite across differences, and of bringing the peoples of Europe together.

The ability to create these different relationships will depend on political organisation across (at least) three social sites: within grassroots movements; through the creation of left-wing hegemonic blocs at national level; and through the formation of new progressive alliances at EU level. It is important to find ways of linking these different levels.

The negotiations between the Syriza government and the Troika brought the idea of politics as the ‘will of a people’ back to the heart of the European project. But, though there were some attempts at solidarity with the Greek government, they received little support for their position from either member states or the European institutions themselves. But despite this, and the subsequent imposition of a new agreement that has paved the way for structural reforms of the kind neoliberal hegemony is aspiring to impose across Europe, these negotiations pointed to the possibility of a left-wing populism that can operate at both national and international level, through creating a frontier of opposition between the ‘people’ and the economic and political establishment of Europe. Instead of restricting left-wing populism within the confines of the nation state, we should aspire to the formation of a regional European bloc that can enable the struggle against neoliberalism.

The Latin American example, although it cannot be transferred to the European context, can offer some interesting insights for such a development. It shows the possibilities that open up when movements, left-wing governments and regional blocs work together to resist the globalising effects of neoliberalism. At the

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moment the left in Latin America is in trouble: as these lines were being written, the campaign against President Dilma Rousseff by the Brazilian elite is reaching a critical stage. Once more we are witnessing attempts by the establishment to bypass democracy in the name of the neoliberal fix. The lesson to be taken from Brazil only serves to reinforce my argument that a struggle confined on one social site will not be able to resist the neoliberal onslaught. What Brazil needs above all is strong social movements, a popular counterforce to the offensive of the right - just as Europe needs a pan-European movement enabling the election of left-leaning national governments, while simultaneously extending demands for democracy, solidarity and social justice across the continent.

**Marina Prentoulis** is Senior Lecturer in Media and Politics at the University of East Anglia. She was a Syriza London spokesperson in 2015 and is currently one of the spokespeople of the 'Another Europe is Possible' campaign.

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## Notes

1. Quoted in Michael Gold, 'Social Partnership at the EU level', in D. Hive and H. Kassim (eds), *Beyond the Market; The EU and National Social Policy*, Routledge 1998.
2. Phillip Inman, 'Greece's debt can be written off - whatever Wolfgang Schäuble says', *Guardian* 17.7.15: [www.theguardian.com/commentisfree/2015/jul/17/wolfgang-schauble-greek-bailout-morally-right](http://www.theguardian.com/commentisfree/2015/jul/17/wolfgang-schauble-greek-bailout-morally-right).
3. For a discussion on the shift away from politics and towards rules, see John Grahl, 'Locking in austerity', *Soundings* 62, 2016.
4. For a more detailed discussion on neoliberal hegemony, see Doreen Massey, 'Vocabularies of the Economy' in *After Neoliberalism? The Kilburn Manifesto*, Lawrence and Wishart 2015.
5. Yannis Stavrakakis, 'Dispatches from the Greek lab: Metaphors, strategies and debt in the European crisis', *Psychoanalysis, Culture & Society*, Vol 18, 2013.
6. For more on this criticism see among others: Marina Prentoulis and Lasse

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Thomassen, 'Political Theory in the Square: Protest, Representation and Subjectification', in *Contemporary Political Theory* 12:3, 2013; and William Connolly, *Identity/Difference*, Minneapolis: University of Minnesota Press 2002, p212.

7. The discussion that follows draws on Inigo Errejón and Chantal Mouffe, *Podemos: In the name of the people*, Lawrence and Wishart 2016, pp84-85.

8. Ernesto Laclau, *On Populist Reason*, Verso 2005, p74.

9. Connolly, *Identity/Difference*, pp215-8.

10. Connolly, *Identity/Difference*, pxxvi.

11. <http://alba-tcp.org/en/contenido/alba-tcp-eng>.

12. For these debates see, amongst others: Sean W. Burges, 'Building a global southern coalition: the competing approaches of Brazil's Lula and Venezuela's Chávez', *Third World Quarterly* 28.7, 2007; and John D. French, 'Understanding the Politics of Latin America's Plural Lefts (Chavez/Lula): social democracy, populism and convergence on the path to a post-neoliberal world', *Third World Quarterly* 30.2, 2009.

13. This was changed to the 'Bolivarian Alliance for the Peoples of Our Americas' in the 2009 summit to signify that the FTAA was no longer a threat.

14. Petrocaribe was set up in 2005 as an oil alliance between eighteen countries of Central America and the Caribbean. CELAC (Community of Latin American and Caribbean States) was set up in 2011, with thirty-three Latin American and Caribbean member states. UNASUR is an economic and political alliance of twelve South American States, set up after a meeting in 2004.

15. See [www.alba-tcp.org](http://www.alba-tcp.org).