

# Proof that anti-EU sentiment is not confined to the UK



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**T**HE size and status of Italy's upper house of parliament is not the most obvious subject of interest outside that country but few really think that Sunday's referendum - fought over that and related issues - was really just about constitutional reform. It is clear that many of the 60 per cent of Italians who voted treated it as an opportunity to express disgust at the way in which the political elite has treated them.

There are many problems facing Italy but what was the biggest issue as Prime Minister Matteo Renzi saw it? That he didn't personally have enough power and that parliamentary democracy should be weakened. The Italian people treated his attempt to gerrymander the political system with the respect it deserved - forcing Renzi's resignation.

While his country has been in economic crisis for years Renzi stuck doggedly to Italy's membership of the euro - even if it means his country's economy going to the dogs. It is not hard to see why there is such anger.

Italy stands as a sad reminder that - contrary to what Britain's Remain campaign tries to make out - EU membership is no great route to prosperity. The Italian economy has never emerged from the euro crisis, spending the past decade veer-

ing between stagnation and contraction. In real terms the Italian economy is 12 per cent smaller than in 2007. It is back to the size it was in 2000, the year after Italy joined the euro.

**Y**ET the EU's political establishment cannot seem to see that the euro is part of the problem. Prior to the euro the Italian currency could have responded to economic crisis by devaluing, as it had done many times since the war. The large denomination lira notes became the butt of jokes - even paupers were millionaires in Italy. Yet it was devaluation of the currency which kept Italian exports competitive. Now Italy no longer has that ability.

The value of its currency is fixed within the eurozone. As a result, exports have remained uncompetitive and the country's manufacturing base has collapsed. Unlike Britain, Italy does not have a buoyant services sector to compensate for the decline in manufacturing. Unemployment, at 11.5 per cent, is twice that in Britain. Government debt, at 132 per cent of GDP, is higher than ours.

Sunday's referendum is unlikely to lead to an Italian exit from the EU, at least in the

short term. The upstart opposition, the Five Star Movement, which may find itself the main party of government after general elections in 2018, if not before, favours remaining in the EU.

But it has promised a referendum on the euro. If Italy, the third largest economy in the eurozone, were to vote to leave the euro it is hard to see how the single currency could survive. And if its pet project were to fail how much longer before the EU itself imploded?

What will ultimately condemn the EU is the refusal to recognise the tidal wave of disaffection which is heading their way. For a decade the eurozone has been stuck in a cycle of low growth and repeated currency crisis. Italy, like Greece and Spain, has been bailed out but at a cost which many ordinary people feel weighs unfairly on their shoulders and rather too lightly on the shoulders of indebted banks.



Worst of all is the sense that decisions which once would have been taken by elected governments and parliaments have been taken out of their hands and made behind closed doors in distant capitals.

The germ of the EU's destruction has been there since its birth in the 1950s. It was founded by a generation of European leaders who did not trust democracy because they blamed it for giving Germany Hitler and Italy Mussolini – an unfair charge because in both cases the problem wasn't popular opinion but national constitutions which were not strong enough to resist being meddled with.

Post 1945, Europe's leaders began to construct a political system which attempted to eliminate nationalism by pooling sovereignty. They built institutions, such as the European Court of Human Rights,

which would introduce a permanent liberal infrastructure which they hoped could not be overruled by a future Hitler.

But in doing so they rode roughshod over democracy. The difference between the US-inspired United Nations' Universal Declaration on Human Rights, published in 1948, and the European Convention on Human Rights, signed two years later, is instructive. While the former declared that "The will of the people shall be the basis of the authority of government" the latter merely stipulated that we should have elected representatives.

**E**UROPEAN leaders didn't trust the people; they wanted leaders who would not hesitate to overrule the people if they felt that public opinion was wrong.

It is a distrust which was built into what is now the EU. We have elected representatives in the shape of MEPs –

even if we cannot name them. But the sole right to instigate legislation – which in properly functioning democracies lies with an elected government – is vested in the unelected European Commission.

The shortcomings of the EU have been obvious for years – but the EU has shown no interest in reforming it whatsoever. The result is that Europe's peoples, as in Britain over Brexit and as in Italy over the weekend's referendum, will continue to express their anger in whatever way they can.

**'The euro is part of the problem'**



**VOTE NO: Demonstrators outside Rome's Chigi Palace opposing the government**

