



THE NEW CONSERVATIVE EUROPE

Europe's Left elites championed the introduction of the euro to "[increase political cohesion](#)" by building on the "[cultural, religious and humanist inheritance of Europe](#)". But according to Evans-Ambrose Pritchard of the London Telegraph, as a result of that cohesion "[almost 97 percent of the European Union's population is now governed by conservative or Right-leaning coalitions or EU-imposed mandarins](#):"

"The whole machinery of the European Union (EU) system is under the control of the Right, with variants of Rhenish corporatism in the Council, and pre-modern Hayekians at the European Central Bank (ECB). Whether you regard this Hegelian ascendancy as good or bad, it certainly has profound consequences.

For just as former Prime Minister Margaret Thatcher protested at Bruges that "we have not successfully rolled back the frontiers of the state in Britain, only to see them reimposed at a European level", the Left might equally protest that they have not fought the long, hard struggle for worker rights in their own democracies to see social welfare rolled back by Brussels and Frankfurt."

Pritchard offers numerous examples of the ascendancy of conservative Europe. The most dramatic change is taking place in Italy, where the European Central Bank (ECB) forced the resignation of elected Prime Minister Silvio Berlusconi and his replacement with the ECB's hand-picked technocrat, Mario Monti. Embattled by credit downgrades on Europe's second most indebted nation and the doubling of interest rates; the Italian public has turned to the conservatives out of fears Italy might be the next nation to fall into Greek style chaos. This morning [85% of the Italian Parliament approved a \\$39 billion austerity budget that cut pensions, increased primary residence taxes, and cracked down on tax evaders](#). "We had to act in a hurry," Labor and Welfare Minister Elsa Fornero told state-run television regarding Italian public finances. "[We have been called to the sick-bed of a very ill man.](#)"

Prime Minister Monti followed up this financial tough-love with an announcement his government is preparing to overhaul Italy's infamous [Labor Law Article 13](#), which mandates that after their three months of probation can file lawsuits to challenging dismissals. Lawsuits are almost always successful; employers are routinely forced to rehire fired workers, pay back

wages, and suffer large fines. Even in a case of money laundering by a bank employee, a judge ruled the employee had been unjustly dismissed and ordered bank to reinstate the employee.

The Italian government proposed modest labor reforms to relax firing restrictions in 2002. Unions responded by staging the largest general strike in 20 years. [Marxist-Leninist](#) Red Brigade members assassinated socialist lawyer Marco Biagi, who advised the center-right government on the proposal. A subsequent police investigation determined Biagi was murdered with the same gun used to kill Massimo D'Antona, who three years earlier had advised the previous government on similar labor reforms. The intimidation successfully halted reforms.

Economics Professor Ichino of the European University in Florence stated: [“The cost of the job security of the father, is the insecurity of the son.”](#) He noted that Italy's jobless rate had hovered around 10 percent for the last two decades; with more than half of people in their 20's — and nearly a quarter of men age 30 to 39 — live with their parents. For Italy: “The family is the main institution that provides unemployment insurance benefits.”

At last week's EMU summit representatives of 26 European nations with a combined population of over 500 million voted to constitutionally outlaw the right to use counter-cyclical Keynesian stimulus by: [“enshrining near-zero structural deficits in international law, with constitutional debt brakes, mandatory sanctions and budget commissars for delinquent nations.”](#)

Since the summit, Europeans are cautiously optimistic the worst of the sovereign debt crisis may be over. But as Pritchard shrewdly sums up: [“For the Left it is surely an unmitigated disaster. They cannot pursue their economic agenda ever again.”](#)

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