

The pathway to exit from the EU

Anthony Scholefield

After a long spell of stasis, political developments on the future of Britain's own relationship with the EU have shown rapid movement in the last six months. The present scenario is that, if re-elected, David Cameron has promised to renegotiate the terms of British membership of the EU and then, by 2017 (a highly unlikely timetable), to offer a choice between continued membership on new terms and exit from the EU.

Much commentary has focussed on the unlikelihood of any serious or satisfactory changes being made to the terms of EU membership and David Cameron's unwillingness to push for drastic change or to threaten meaningfully that he would advocate withdrawal. This commentary is well founded and has been well ventilated. What has hardly been discussed is what 'withdrawal' or 'exit' would entail.

To the commentariat, this 'withdrawal' has meant Britain giving notice to immediately repeal the European Communities Act and to separate itself unilaterally from the EU and, indeed, some do advocate this.

This scenario, of course, has alarmed business and the City and many actors, such as the CBI, Japanese investors and so on, have issued warnings against withdrawal. The US government and the Japanese government have also joined in. Such business alarm would also communicate itself to the electorate

who would be offered a choice which would be portrayed as a risky step into the unknown, against the advice and vehement opposition of business, employers and the wishes of friendly outside powers. This would be bad politics to go along with such a scheme as it would lose referendum voters. If it would also be bad in principle, because a smooth transition out of the EU for business, employment and investment, is in the interest of the British people.

However, in reality, in many minds in the eurosceptic camp there has been a considerable tightening up of thinking both from the IEA, such experienced thinkers as Richard North of the eureferendum website, Ian Milne of Global Britain, Lord Stoddart and others. It is also thought that the IEA Brexit competition will throw up much agreement.

In effect, there is the beginning of a crystallization now that the road to withdrawal will be through use of Article 50 of the Lisbon Treaty, and retention of membership of the EEA (European Economic Area).

If this is the offer of the withdrawalists in a Cameron referendum, it would be a game changer. First of all, use of Article 50 is not some wild xenophobic move to jump off the edge of the world. It is part of the Lisbon Treaty, inserted by Giscard D'Estaing, with provisions for a two-year notice of leaving the EU, together with mandatory negotiation of a 'withdrawal agreement'.

Second, a proposal to remain in the EEA, 'the single market' would kill stone dead the business and foreign investment case against the change. Britain would remain in the Single Market. Trade and employment would continue as normal. Foreign investment would be unaffected.

By leaving the EU but remaining in the EEA, Britain would withdraw from the CAP, the CPP, the Customs Union, common foreign policy and defence, justice and home affairs, economic and monetary union, social cohesion, trade policy, etc. Certainly there would have to be some transitional arrangements and there is one big snag about the EEA, free movement of labour. However, this can be addressed at a later date. (Nor is the EEA arrangement the best for Britain – it is simply the best place to go now).

The pro-EU arguments have exclusively been about employment and investment. Those arguments would be dead.

One other force impelling support for the EU among the political class, but not voiced to the great unwashed, is 'top-tableitis', the urge of British politicians and civil servants to be in on every thing, unlike such statesmen as Lord Salisbury or Bismark or Washington. This is an unacknowledged but powerful motive for their support for EU membership.

While there is a move among eurosceptics to get behind the alternative of the use of Article 50,

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now supported by the United Kingdom Independence Party (UKIP) and the European Economic Area (EEA) alternative, there have been developments on the Left.

Despite confident forecasts that they would do so, neither Labour nor the Liberal Democrats are now proposing an in-out referendum. Douglas Alexander confirmed Labour's intention, not to offer a referendum at this stage, at the September conference.

If there is a Labour or Labour-led government after 2015, it is pretty certain that the Conservative Party will move towards the idea of looser association via Article 50 and membership of the EEA. Indeed, they will have no alternative, if they are to keep their activists and voters on side, if UKIP backs what is a legal, unthreatening and business-friendly path to EEA only membership.

As far as a Tory or Tory-led government is concerned, David Cameron will face, not a choice

between a renegotiated membership and what could be portrayed as a risky and destabilising exit. He would have to explain why he did not want to support proposals to keep Britain in the Single Market but jettison all the political baggage of the EU project.

While there is no guarantee of victory, the intellectual reworking and tightening up of the vision of a post-referendum and a post-EU Britain, now looks more feasible, and more attractive, and more authoritative. This vision can win in a referendum.

Debt, National Currency and Democracy

An International conference that was organised by the Greek organisation The United People's Front (E.P.A.M.) on "Debt, National Currency and Democracy" took place in Athens, Greece, at the end of November.

Economists, historians, political activists, journalists and movements from all over the world considered the debacle that is the Eurozone and the euro-currency, and how the dismantling of the Eurozone and the re-establishment of national currencies

is the only way in which money, banking, credit and debt can be managed to serve the interests of the great majority of citizens and the common good of the different EU countries.

Anthony Coughlan an economist representing Ireland, told the conference that abolishing the Irish pound and joining the Eurozone was the biggest mistake ever made by the Irish State.

He also made the point about how that disastrous mistake had come

about, even though it was so obviously against the interests of the mass of the Irish people and that what is really needed is a public enquiry in Ireland - far more than the much-mooted enquiries into the blanket bank guarantee of 2008 or the EU/IMF bailout of 2010.

Anthony Coughlan is an economist, Senior Lecturer Emeritus in Social Policy and director of The National Platform EU Research and Information Centre of Ireland.

Patriotism

Following Nick Clegg's description of EU-sceptics as "unpatriotic", The Labour Peer, Lord Stoddart of Swindon, has hit back.

Lord Stoddart said: "As usual, he speaks the opposite of the truth. Real patriots are people who are sceptical about the ongoing policy of building a country called Europe in which the nation states are all but eliminated. They believe that the United Kingdom

should be a self-governing democratic country which makes its own decisions through an elected Parliament and Government, rather than through an unelected bureaucracy and a 28 nation council that merely acts as a rubber stamp for its decisions.

"British Europhiles, like Mr Clegg, are in fact acting as a Fifth Column in assisting the process of denationalising Britain and making it a small part of a

huge undemocratic conglomerate, which is continually seeking to extend its writ in Europe and to build an empire that extends even beyond Europe, to include Turkey.

"Tony Blair attacked opponents of British membership of the single currency in a similarly disingenuous manner. Subsequent events have proven him to be wrong then and Nick Clegg is wrong now."

Is EU tax illegal?

The proposed EU finance tax (ETT) in 11 member states would be illegal, according to the bloc's lawyers.

The controversial tax aims to

discourage risk-taking by taxing transactions of shares, currencies and bonds.

The 14-page legal opinion

concludes the move would exceed member states' tax powers.

It adds that the measure is also incompatible with the EU treaty.

How much legislation comes from the EU

In reply to a written question from the independent Labour Peer, Lord Stoddart of Swindon (19th November), the Government has admitted that it has no idea how much legislation passing through Parliament originates in Brussels.

Lord Stoddart had referred to a statement by European Commission Vice-President, Viviane Reding, that 80 per cent of Swedish laws were European laws and asked if the Commission had carried out any similar research on the UK and for details of any results.

Answering for the Government,

Baroness Warsi, Minister of State at the Department for Communities and Local Government & Foreign and Commonwealth Office, said; I am not aware of the evidential basis for the Commissioner's statement, nor indeed of a European Commission calculation having been done with regard to the percentage of United Kingdom laws. Neither has this Government carried out any such analysis. It would in any case be extremely difficult to determine such a percentage - it would in part depend on the relative weight placed, for instance, on Acts of Parliament, Statutory Instruments

whether implementing EU legislation or not, and directly effective EU legislation."

Lord Stoddart, commenting on the Government's response said; "In other words, the Government is either too lazy or completely incapable of determining how much legislation is inflicted upon us from Brussels. The Prime Minister makes much of his desire to negotiate powers back from the EU. This will be remarkably difficult to achieve if you have no idea how much power you have given away!"

Shocking cost of EU "dictatorship"

The independent Labour peer, Lord Stoddart of Swindon in a hard-hitting speech in the House of Lords 24th October, outlined the shocking cost of Britain's European Union membership.

Speaking in a debate about the economic cost of EU membership, Lord Stoddart began with an examination of the membership fees: "We have heard a lot about the benefits of being a member of the EU, so let us now hear about some of the disbenefits. For a start, we pay a contribution of between £10 billion and £12 billion for the purpose of being a member of the EU. That represents £55 million per day and translates into £150 per person every year. In the case of a family, it is £500

per year per family. We are arguing about £100 on energy bills, yet every year each family pays £500 to belong to the European Union."

Lord Stoddart then turned to Britain's trade with the EU and provided some devastating statistics exposing the rapidly dwindling amount we trade with Europe: "We have heard a lot about the trade figures, so let us look at some of them. In 2007, our exports to the European Union were £318 billion. In 2012, they were £278 billion. That means that, instead of becoming a better market for us, Europe is becoming a worse one. In 2007, exports to the rest of the world were £370 billion and in 2012 they were £394 billion, so our trade with Europe is declining but our trade with

the rest of the world is going up. I think we should take note of that.

He concluded his speech with a reference to the democratic deficit and a caustic comment about the Prime Minister's hopes for a renegotiation of Britain's membership: *I would like to see this (the deficit) reduced to nil and for us to get our own democracy and central government back. Unfortunately, that is not easy. As the President of the Commission, José Manuel Barroso said, David Cameron's attempt to renegotiate Britain's relationship with the EU was doomed before it began. That really says everything about the centralised nature—almost dictatorship—of the EU."*

Cameron still backing the EU

David Cameron has yet again tricked the UK into thinking he is acting on behalf of the UK during his China visit, promising to create "partnership for growth", when in fact he is promoting the EU-China trade agreement not a UK-trade agreement -

which under EU law is not allowed.

Visiting China with more than 100 UK business leaders, the prime minister, who met Chinese Premier Li Keqiang, pledged to put his "full political weight" behind a proposed EU-China trade agreement, so much

for promoting the UK.

In his defence he did urge Chinese business members at a lunch in Shanghai's business centre to invest in the UK, saying the UK and China had "deep complimentary economies", not however with other EU members.

The Harrogate Agenda

Dr Richard A.E. North

The trouble with leaving the EU is that we would simply switch from the undemocratic idiocy of Brussels to the same at Westminster! Does anyone seriously suggest that we have proper democracy in this country at National or Local level?

So it was on 14th July 2012, a small, invited group of people assembled at the Old Swan Hotel in Harrogate to help answer the vital question as to how we can improve the system of government in this country after we have left the EU. Our object was to frame six demands in the manner of the "People's Charter" published by the Chartists in 1836, and in so doing to found a new political movement. This we have called "The Harrogate Agenda" (THA).

We certainly argue for a strong and vibrant parliament, but the premise on which our movement is based is that democracy means "people power". The word democracy stems from the Greek word, *dēmokratía*, comprising two parts: *dēmos* "people" and *kratos* "power". Without a *demos*, there is no democracy. But people without power is not democracy either.

Thus we believe that the term "representative democracy" embodies a misuse of the word democracy. When people do not hold power, the political system cannot – by our definition – be a democracy. Accordingly, we seek to return power to the people.

For a long time, the association between power and democracy has been blurred. When we see a real example of people exerting power, as in Switzerland where the outcomes of referendums are binding on governments, this is sometimes called "Direct Democracy". But there is only democracy – a system in which the people hold the ultimate power, and are able to exert it. It needs no qualification. Direct Democracy is just democracy.

In our movement, there is no confusion about the relationship between power and democracy. Our

focus is on enabling people to acquire power. And once we ourselves, the people, hold the power, we can then attend to the many problems and injustices that plague modern society. But without power, there is only protest – we achieve nothing of any lasting value.

Here, the original strategy of the Chartists is, we feel, particularly clever. In framing a very limited number of achievable demands, this focuses our strength, and thereby allows the movement to build an unstoppable momentum.

Our **first demand** turns on its head the fundamental assumption on which the United Kingdom is based, which is that Parliament is sovereign. This is an archaic convention which belongs to the days of the horse and cart, when the outlying provinces had to send their representatives to Westminster in journeys lasting days, then not to see them for months, perforce to trust their judgement.

In a world of instant communication, it is no longer necessary to argue for a sovereign parliament. In modern democracies, the people exert their sovereignty. The people of the United Kingdom comprise the ultimate authority of their nations and are the source of all political power. That fact should be recognised by the Crown and the Governments of our nations, and our Parliaments and Assemblies.

However, when it comes to real democracy, this frames our **second demand**. We believe that the foundation of our democracy shall be the counties (or other local units as may be defined), which should become constitutional bodies exercising under the control of their peoples all powers of legislation, taxation and administration not specifically granted to the national government. Democracy is nothing if it is not local, and we demand that it should be so.

Our **third demand** addresses national government and calls for the

separation of powers. The executive should be separated from the legislature. Prime ministers should be elected by popular vote and they should appoint their own ministers, with the approval of parliament, to assist in the exercise of their powers and responsibilities.

One of our most powerful and most controversial, however, is our **fourth demand**, where we demand that no law, treaty or government decision shall take effect without the consent of the majority of the people, by positive vote if so demanded. Furthermore, no law shall continue to have effect when consent is withdrawn by the majority of the people.

We have worked long and hard on methods of putting this into effect, and have come up with some eminently practical and workable ideas. Likewise, our controversial fifth demand also needs a strong practical base, which we have provided. This **fifth demand** requires that there should be no taxation or spending without consent. No tax, charge or levy should be imposed, nor any public spending authorised, nor any sum borrowed by any national or local government, except with the express approval of the majority of the people, renewed annually on presentation of a budget which shall first have been approved by their respective legislatures.

That brings us to our final **sixth demand**. Accepting that there are many flaws in our current constitution, we do not presume to dictate what it should contain. Instead, we demand the setting up of a constitutional convention. Parliament, once members of the executive are excluded, must host a constitutional convention to draw up a definitive codified constitution for the peoples of England, Wales, Scotland and Northern Ireland.

Crucially, it should recognise the sovereign status of the people and their

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inherent, inalienable rights, latterly to be approved by them through the mechanism of a referendum.

All of this, of course, is not going to happen overnight, but we in The Harrogate Agenda, are prepared for the long game. The Chartists' original six demands were in fact first published in 1776, taking 150 years to come to fruition. We don't anticipate taking as

long this time, but steady progress is what achieves social progress. If nothing else, we the people, certainly have the time – and there is nothing so powerful as ideas whose time has come.

Leaving the EU is clearly a prerequisite for being able to introduce The Harrogate Agenda but an important aspect, during its promotion, is that it helps address the question as

to what kind of future we could have for ourselves in the UK once we leave the EU.

A full version of "The Harrogate Agenda" is available cost £5 see back cover.

Also available by Richard North is a new pamphlet on "The Norway Option" cost £5 see back cover.

EU accounts fail again

The European Court of Auditors (ECA) has failed to give the all clear to the EU's accounts for the 19th consecutive year. The report finds that there are problems in all main spending areas.

Commenting on the ECA's report on EU spending in 2012 (€138.6 billion or £116.3 billion), UKIP MEP Stuart Agnew said: "After nearly two decades

of fraud and waste, you would think that someone at Westminster would have the courage to say enough is enough and take us out of this wretched organisation! The ECA is quoting an overall error rate of 4.8% for 2012, up from 3.8% in 2011, so the problem is getting worse, not better. In agriculture, environment and fisheries, the rate is as high as 7.9%!

No Prime Minister in his right mind should continue to authorise payments to the EU.

"If the EU were a limited company, its directors would have long since been handcuffed and taken away to face the music. Why should Brussels be allowed to get away with it, seemingly in perpetuity?"

EU Gender balancing

During a debate in the European Parliament in Strasbourg on gender balancing in companies listed on the stock exchange (19th November), UKIP MEP Stuart Agnew has fiercely attacked the EU for attempting to "fight discrimination with more discrimination" which, in the process, "rips up" Habeas Corpus. The EU is proposing to force

companies to have boards containing a quota of at least 40% of women directors.

Mr Agnew said: "By setting a 40% gender quota target for companies, you are destroying the very nature of a free society based on merit.

"Article 4 (of the proposed legislation) says that it shall be for the company to prove that there has been

no breach of the rules. This rips up the justice system of Habeas Corpus in the UK."

While "Amendment 54 threatens shareholding voters by warning them against non-compliance with the directive".

"Amendment 39 wants to add the forced dissolution of the company to the list of EU sanctions".

EU seven year budget

The European Parliament has given final approval to the EU's long-term budget for 2014-2020, amounting to £805 billion (€960 bn). This budget cuts real spending for the first time, the

cut of 3.5% - or £29 bn. - particularly affects EU spending on Europe's poorer regions, a policy area called "cohesion".

There are no cuts in EU funds for

research, humanitarian aid and border controls.

However, a further measure means, in future it will be easier to switch funds between budget areas.

OECD revises growth forecast

Global growth for the years 2013 and 2014 has been downgraded "significantly" after weak prospects in emerging markets, said the

Organisation for economic Co-operation and Development (OECD).

Global GDP this year is now expected to grow by 2.7%, down from

3.1% in May. The OECD also said for the UK GDP would grow by 1.4% this year, an upgrade from its forecast in May of 0.8%.

EU public prosecutor

According to a top EU official the future EU-wide public prosecutor due to commence in January 2015, may expand into other domains apart from combatting fraud.

“If this EPPA [European Public Prosecutor Office] starts working well, [it] will possibly, probably expand to other competences, to the others crimes, which are by nature transnational,” Giovanni Kessler, head of the EU anti-fraud office Olaf, told reporters in Brussels (28th November).

He said such areas are broadly

restricted to “serious offences with a cross-border dimension”. It could include terrorism, human trafficking, and organised crime.

Kessler noted officials are for the moment more focused on setting up the office in an effort to tackle fraud committed against the EU budget.

The office will have the power to launch its own investigations and prosecute people in any member state that signs up.

It will be able to search people’s homes, probe their computers, seize

objects, intercept telephone conversations, and freeze financial transactions.

A minimum of nine member states is needed for it to become a reality, with the commission saying it is certain to get enough.

But MPs in some national parliaments, like the Netherlands and Sweden, are deeply opposed.

The United Kingdom and Ireland are not concerned because they opted out from the beginning. Denmark will also not join.

Bankers’ bonuses

The UK treasury has launched a legal challenge against European Union (EU) plans to cap bankers’ bonuses.

It would limit the bonus to no more than a banker’s salary, although if shareholders agree it could be higher.

The bonus culture has been blamed

for encouraging excessive risk-taking among bankers.

The EU commissioner for internal markets Michel Barrier said he was not surprised by the move as the UK was the only member to vote against the Plan.

In the EU, UK’s City of London

banking centre would be the most affected and these controls would probably result in the bankers basic salaries being increased to reflect the loss of a large bonus. The lack of incentive to perform well could result in reduced bank profits and therefore a loss of tax income to the exchequer.

More reform!

According to the head of the EU’s executive Jose Manuel Barroso in his state of the union address, he warned that the bloc must not ease off on reform as growth edges back to the economy.

Barroso went on to say “there was no way back to business as usual” and that “the recovery is within sight” but warned that political leaders must “keep up our efforts”.

He as urged the eurozone to press

ahead with banking reform with the creation of a banking union.

The UK has expressed doubts about these reforms, which if implemented in the UK could damage the City of London.

European Arrest Warrant

The European Arrest Warrant (EAW) is “flawed” and needs to be reformed, the Home Affairs Committee of MPs has said.

Introduced in 2004 the EAW allows

a national judicial authority such as a court to get a suspect extradited between EU member states.

The Home Secretary Theresa May has vowed to change the law to prevent

the warrant being used to extradite a national on trivial or dubious charges.

However, the Home Affairs Committee said the government’s plans did not go far enough.

Labour party worries

According to Peter Hain, Labour’s goal must be to stop the United Kingdom Independence Party (UKIP) winning next year’s European elections.

The Labour MP and veteran anti-apartheid campaigner said UKIP was “dangerous” because it could not be branded “fascist” or “racist”.

He went to tell a Unite Against

Fascism fringe meeting at the Labour conference that he thought it “licensed bigotry” among some voters.

Clearly the Labour party like the Conservatives are also afraid of UKIP.

Latvia joins eurozone

On the 1st January 2014, Latvia will become the 18th member of the eurozone club, despite the resignation of prime minister Valdis Dombrovskis in November according to the president Andris Berzins..

Tory con trick on police and criminal justice measures

Gerard Batten MEP

In mid-2014 Parliament has the right to opt-out of about 135 EU Police and Criminal Justice Measures – this includes the notorious European Arrest Warrant. This would be a golden opportunity for the Coalition Government to import ‘reclaim powers’ from the EU and protect our most basic freedoms, but that is not what they are going to do.

The Home Secretary has instead announced that the Government will opt-out of 100 of those measures, but opt-in to 35, which are ‘in the national interest’. Closer examination reveals something else. The 100 measures being rejected are in fact things that are either redundant, superseded by other EU legislation, covered by national legislation, or purely rhetorical in nature.

The 35 that are left are in fact the most dangerous of the lot. They include the European Arrest Warrant, the European Confiscation Order, and various other ‘mutual recognition’ legal instruments that put British citizens under the jurisdiction of the burgeoning EU system of criminal law.

The planned European Investigation Order will allow (empower) foreign police forces to require British police forces to investigate British citizens on their behalf. There was not even an option to opt-out of this in 2014 because it was a ‘post-Lisbon’ measure. In 2010 one of Theresa May’s first actions as the newly appointed

Home Secretary was to enthusiastically opt-in to the EIO – with no option to opt-out later. Britain will be stuck with whatever comes out of the EU legislative sausage machine because the outcome will be decided by the European Parliament and the Council under Qualified Majority Voting.

If the Government does indeed choose not to opt-out in 2014 then will be ‘irrevocably’ bound to these measures. Not only that but the European Commission will have the power to take the UK Government to the European Court of Justice if it feels we have failed to comply with its legislation. Our own courts will have to interpret our own law in a way best promoting the goals of corresponding EU legislation. This will politicise our courts for the first time in our legal history.

In a large number of criminal cases both parties will have the right to apply to the European Court of Justice to resolve a dispute in the interpretation of EU law. As we have seen on many occasions already, the ECJ, and the European Court of Human Rights, are not courts as we understand them but engines of ever closer political union.

There are various institutions and EU-wide police and criminal intelligence databases that help to develop Europol as the EU’s own police and intelligence service. The Government has ‘opted-out’ of the

planned European Public Prosecutor, but the Commission has declared its intention to forge ahead with its creation anyway under the Lisbon Treaty. Even the Government’s apparent opposition is just another sleight of hand, as, once in place, the Prosecutor can easily circumvent our ‘opt-out’ by means of the existing legal institutions and instruments, for example by use of the European Arrest Warrant.

The British believe that however daft the European Union may be we are ultimately safe behind the safeguards of our centuries-old freedoms and liberties as enshrined in our law. They are mistaken. Already any one of use can be carted off to any other EU member state purely on the strength of a piece of paper containing vague accusations unsupported by any evidence. The institutions and instruments are in place that override and supersede our own laws. We are sleep-walking to disaster.

The Home Secretary, Theresa May, has done an excellent job of reminding us why her Party is called the ‘Con’servative Party. But even the House of Commons Select Committee concluded: “If the Government proceeds with the opt-in as proposed, we note that it will not result in any repatriation of powers. Indeed, the increased jurisdiction of the ECJ may result in the net flow of powers in the opposite direction”.

Cost of red tape

A report by business leaders, has suggested that EU Red Tape is costing them billions of pounds a year and that just relaxing the rules on health and safety could save them around £2 billion a year.

They also think that simplifying the waste collection and chemical

regulations plus fees on digital transactions could save the UK even more.

David Cameron has already said that he will fight to take the battle over Red Tape to the EU, unfortunately for him the European Commission has said it has already scrapped thousands

of rules and more regulations were being reviewed.

According to the EU it has scrapped 5,590 over the last five years. However, it has not said how many new ones have been issued over the same time.

Labour's EU referendum position

The Labour Party leadership, supported both by most of the Party at large and most MPs, is sceptical about the benefits of an "in or out" referendum being held any time in the foreseeable future for reasons which are not difficult to understand. The Labour Party as a whole is broadly in favour of our EU membership, even if nearly everyone would like to see some reforms made. Holding a referendum could be a major distraction from other priorities, especially if there was a commitment to hold it a year or two after Labour might have gained power in 2015, when the electoral cycle is likely to mean that Labour would be trailing in the polls. A commitment to hold a referendum at some specified time might well seem inappropriate when the time arrived, if the EU was then in a particular state of flux. There are obviously few political attractions to the Labour Party in campaigning for a "yes" vote if the voters by then had become increasingly Eurosceptic. It is hardly surprising that, in these circumstances, the inclination of the Labour leadership is to say that the Labour Party does not support an "in or out" referendum being held, and this is the stance which has been adopted up to now.

The problem with the Labour Party's policy being one of opposing there being an EU referendum, however, is that this is very clearly not what most of the electorate want to see happening. There is overwhelming evidence that the electorate does want to be allowed to take a decision on whether or not our membership of the EU should continue.Those in favour of a referendum being held are far from all being Eurosceptic. Many want a referendum so that they can vote in favour of staying in. What united all of those responding positively was a strongly held desire to be able to express their democratic opinion on what they clearly regarded as a key issue in determining how their and their country's future should

unfold. There was also a widespread view that the UK needs to make up its mind whether its future lies within the EU or outside it and that the Europhile leadership of all three of our major political parties made voting in a general election an ineffective way of getting this choice made.without any democratic endorsement of the huge changes which have taken place in the meantime, is not acceptable.

While the Labour Party may not want a referendum at all there is clearly a problem if the electorate does want one, especially if this is likely to be a major issue during the run up to the next general election in 2015. An important judgement therefore needs to be made about how important influence on voting behaviour the promise or lack of one on a referendum might be. Clearly, in the tightly fought election which may well be forthcoming in 2015, any loss of votes should be avoided if it can be without compromising the Party's electoral stance. If our future in or out of the EU becomes a significant part of the election campaign, the loss of votes as a result of Labour refusing to have a referendum in any circumstances could potentially lose a critical number of votes. This is more likely to happen if the Conservatives campaign strongly in favour of a referendum - which seems very probable - while there is no doubt that the United Kingdom Independence Party (UKIP) will also have this as a major item on their electoral agenda. The Lib Dems, who also have problems about deciding what line to take on a referendum, may also decide that they will not rule one out. If a Labour government is to be elected in 2015 it is, therefore, very important that the Party has a viable electoral stance - and one which unites the Party as much as possible while also appealing to the electorate - as the general election approaches.

The position is made more difficult by the enormous amount of uncertainty about a variety of factors to do with our relationship with the EU which may

become more or less significant during the next few years. The Labour Party is already committed to supporting a referendum on any major EU treaty changes through the Referendum Lock legislation and it may be that a referendum will be triggered in this way which Labour would then be obliged by previous commitments to support. Even if formal treaty changes are avoided, however, there is little doubt that there will have to be major alterations to the governance of the EU as a result of all the problems thrown up by the Single Currency. The Eurozone countries have little choice but to integrate their banking and economic policies much more closely if the euro is to survive. There must also be doubts as to whether - even if major efforts are made to avoid the Single Currency collapsing - these will be successful, leaving open the possibility of a much more substantial economic downturn in the Eurozone than we have seen so far, with all the implications this would have on the UK economy. Against this uncertain background, it looks likely that efforts will be made by the current Coalition to renegotiate at least some elements of our terms of membership, with much stronger promises being made by the Conservatives to get this done if they win the 2015 election. As a result, by then it may be rather clearer than it is now whether any such renegotiation is likely to bear sufficient fruit to have been worthwhile. All such negotiations, however, will have to be conducted against the background of closer rather than looser integration looming up at least among the EU Member States within the Eurozone. It is far from clear that, in these circumstances, the EU as a whole will be moving towards the looser, more devolved Free Trade area approach which most people in the UK want, which in turn is a far cry from the United States of Europe goal of any leading European politicians and civil servants.

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Where does the Labour Party stand on renegotiation?

Yet a further complicating factor is where the Labour Party stands on pressing for any changes in the UK's relationship with other Member States, let alone dealing with some aspects of our existing membership, especially if this becomes a major electoral plank for other parties. While Labour may generally support the UK continuing to be in the EU, is this the case on any terms? Would Labour want to press for changes - for example on the Common Agricultural or Common Fisheries Policy - and what would a Labour government do if little or none were forthcoming? To what extent would the Party want to fight against the ever rising cost of our membership - now amounting to at least twenty billion pounds per annum gross and twelve billion pounds net if all contributions are included? What would Labour do if, even without Treaty changes, it became apparent that the EU was drifting into two distinct camps, those in the euro who were calling the shots and those outside who were left increasingly powerless? How would Labour view, for example, a future in which the Single Market for services was increasingly structured in a way which favoured Eurozone members at the expense of the City? No doubt the argument would be advanced that the UK would be much better off negotiating from inside than pressing for changes from the outside but, with more and more decisions being taken by Qualified Majority Voting, how

long could this go on being a credible stance?

How important is the EU as an issue to most people in the Labour Party?

Yet a further complicating factor is that the EU generally is of much less significance as an electoral issue for most people in the Labour Party than it is for many others. The advantages of membership - the benefits flowing from the Social Chapter, for example - are more widely appreciated while the disadvantages grate less. Labour's strong internationalist stance biases many of its members in favour of the EU, even if they recognise some of its faults. Most Labour Party members - and MPs - are therefore much more concerned about other issues such as Health, Education and the Economy than they are about whether or not the UK should be in the EU. Recognising that this is the case has to be an important factor in formulating a policy for the Labour Party on the EU for the next general election round which the Party can unite.

What should Labour's policy on an in or out referendum then be?

In the light of all these conflicting considerations, there does nevertheless appear to be a way ahead round which Labour Party policy ought to be able to coalesce. This is not to rule out an "in or out" referendum ever being held if there is a Labour government but to take a more stringent line than the Conservatives about when any such referendum could take place. The Labour Party could state that it does not think it sensible to fix a referendum date a long way in advance, because

no-one could know what the situation might be when the chosen date arrived. It could argue that an appropriate date for a referendum should only be fixed when it is much clearer than it is at the moment whether the euro will survive, what further steps towards integration within the Eurozone have materialised, what the future is for countries in the EU but outside the Eurozone and whether any of the changes to our terms of membership which Britain would like to see have by then been accepted. The Labour Party is already committed to a referendum being held if the Referendum Lock provisions are triggered. It could then state that it would be Party policy that the British people should be given a choice on whether or not to stay in the EU but only as soon as a Labour government decided that appropriate circumstances to do so had arrived. Labour would then have recognised the strength of feeling in favour of a referendum in the country while retaining the freedom to choose when and on what terms one would take place in the light of the circumstances prevailing at the time. No form of words is going to please everyone but a statement along these lines ought to satisfy the vast majority of Labour Party members while, at the same time, defusing the damage which could be done to the Party's electoral chances by outright rejection of the referendum option. Is this not the best way ahead?

Source: *Labour Euro-Safeguards Campaign Bulletin* September 2013

Barroso warns of xenophobia and nationalism

The European Commission president Jose Manuel Barroso told *Reuters* (29th October) that nationalism and xenophobia is on the rise in Europe. He said the "crisis and the rise in unemployment is an

occasion for populist forces to become more aggressive" ahead of the European parliament elections next May.

The European Elections will be held between the 22-25th May 2014.

It appears that the EU does not wish to see people having pride in their national identity.

Will we be forced to show only EU identity, while national identity is made a criminal offence in the EU?

LETTERS

Tel: 08456 120 175 email: eurofacts@junepress.com

Passports for sale

Dear Sir,

What is a EU passport worth?

Much is said about security but how can you have security when countries like Malta plan to sell EU passports for €650,000 (£546,000).

This opportunity, although widely criticised by other EU countries, as it "risks being a backdoor route to reside anywhere in the EU", according to the UK shadow immigration minister David Hanson, is not illegal.

Malta's response is to suggest that it is now considering capping the number sold to 50 a year.

History shows us that Portugal has done similar deals for Macao and Angolan citizens, Greece and Cyprus for many Russians and of course the UK itself.

The idea of uncontrolled numbers from around the world was a disastrous idea even before the present economic collapse in the eurozone. Now the active sale of national passports by 28 member state governments, which includes the free movement within the EU, provides serious problems and risks throughout the EU.

Yet another so-called benefit of EU membership I suppose. The sooner we take back control of our borders the better.

RICHARD MARTIN
Gloucestershire

CBI out of touch

Dear Sir,

Correspondent J. Wraith (letter, *eurofacts* 15th November) is right to draw attention to the CBI's dubious claim that the UK is better off through being in the EU. However, as the excellent South East of England MEP

Daniel Hannan has pointed out, the CBI, in its various incarnations, has managed to get virtually every big call wrong.

In the 1920s, it wanted to go back to gold at the pre-war rate. In the 1930s, it was for appeasement. In the 1940s it was often for nationalisation. In the 1950s, it was for state planning. In the 1960s, it was for the tripartite industrial relations. In the 1970s, it was for price controls. In the 1980s, it was for the disastrous Exchange Rate Mechanism and in the 1990s, it was for the euro. Now, as Mr Hannan observes, its leaders trot out precisely the same discredited line in favour of EU membership.

Big industry and especially big multinationals tend to be the enemy of small business. They also tend to be pro-EU because they have invested a great deal of resources and time lobbying in Brussels for the regulations that suit them - regulations that often have the convenient effect of putting their smaller competitors out of business. The big corporations, the industrial bureaucrats and europhile politicians continue, in defiance of public opinion, to support membership of the EU. Fortunately, people are wiser than their élites.

COLIN SMITH
Hants

Costs of war

Dear Sir,

How is it that when the UK go to support other countries, the UK taxpayer usually ends up footing the bill?

The French however have a better way, their foreign minister Laurent Fabius, speaking in Paris (9th December) has asked/requested that

the European Union should take up a large part of the costs related to its military mission in the Central African Republic. The French have already sent 1,600 soldiers to the Central African Republic in order to disarm the rebels.

Brussels has not yet responded to this request but, if it does say yes, then more UK taxpayers money will find its way to support the French action.

Perhaps the UK should ask for a contribution towards our costs of the Falklands war or maybe the cost of preserving the freedom of Gibraltar from the Spanish.

Mrs M. DAVIES
London

Controls are needed

Dear Sir,

I was pleased to read in the Dutch *Algemeen Dagblad* newspaper that two of Netherlands' biggest cities, Rotterdam and The Hague, will deny tax or social security numbers to Romanians or Bulgarians who fail to pass housing and employment checks.

I suggest that the UK should take note and learn from others about how to tackle unrestricted EU immigration.

BELINDA ROBERTS
Wales

Time to leave

Dear Sir,

Our affair with the EU is over, its time for our political leaders to understand and act on behalf of the people before the people rise up against them.

Talk about influence within is misguided, inside you have very little, if any over the future of the UK.

DAVID REEVES
Sunderland

eurofacts wishes its readers the compliments of the season.

Our next issue will be published on 14th February 2014.

MEETINGS

Gresham College
020 7831 0575

Tuesday **14th January**, 6.00 pm

"The Decision to seek Entry into the European Community"

Vernon Bogdanor CBE FBA,
Emeritus Gresham Professor of Law

PUBLIC MEETING
Museum of London, London Wall,
London EC2
Admission Free

Gresham College
020 7831 0575

Wednesday **15th January**, 6.00 pm

"The Changing Shape of UK Trade"

Douglas McWilliams, *Mercers' School Memorial Professor of Commerce at Gresham College*

PUBLIC MEETING
Museum of London, London Wall,
London EC2
Admission Free

Gresham College
020 7831 0575

Wednesday **12th February**, 6.00 pm

"Can the Euro survive globalisation?"

Douglas McWilliams, *Mercers' School Memorial Professor of Commerce at Gresham College*

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Museum of London, London Wall
London EC2
Admission Free

Gresham College
020 7831 0575

Tuesday **11th March**, 6.00 pm

"Entry into the European Community, 1971-73"

Vernon Bogdanor CBE FBA, *Visiting Professor of Political History*

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Museum of London, London Wall
London EC2
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Gresham College
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Wednesday **19th March**, 6.00 pm

"Does globalisation mean that we have to cut public spending?"

Douglas McWilliams, *Mercers' School Memorial Professor of Commerce at Gresham College*

PUBLIC MEETING
Museum of London, London Wall
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UK Parliament **19th Dec. - 6th Jan.**
Christmas Recess

2014

Greece takes over **1st January**
EU Council Presidency

UK Budget **19th March**

European Union **22nd-25th May**
MEP elections

Italy takes over **1st July**
EU Council Presidency

Scottish Referendum **18th Sept.**
on Independence from the UK

2015

Latvia takes over **1st January**
EU Council Presidency

Final Date for **1st May**
UK General Election

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www.tfa.net

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www.junepress.com

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www.lesc.org.uk

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