

Dark days for eurosceptics - but the European project remains ripe for demolition

These are difficult and frustrating days for eurosceptics. To many it must seem that we are as far as ever from the objective of British withdrawal from the European Union. There are determined and single-minded eurosceptic groups but none can presently claim to be drawing significant new support or to be rewriting the terms of the debate in a way that brings their goal closer. There is no major political figure who has made Britain's withdrawal his or her central objective and who consequently has the potential to change the direction of British politics. And there is no figure outside the political class who presently appears capable of mobilising public support over the heads of the elites.

The grubby and tattered Lisbon Treaty has not been fully ratified, but this has not halted the process of European political integration. Recently a bid to make the House European Scrutiny Committee fully open to the public - a measure which would have brought modest improvements in our knowledge of the laws made in our name - was defeated in the House of Commons. There is even speculation about Britain rejoining the euro, although we would presently not meet the entry criteria.

All of this is true, but pessimism about the immediate political future should not be allowed to obscure the fact that the European Union is weaker economically and politically than ever

and that the chasm between the voters and the political elite on this issue, as on many, has grown still wider. Even if they do not know what to do about it, this latter truth is grasped by members of the political establishment.

Writing in the *Daily Telegraph* on 5th December Professor Anthony King, declared: *"Our scepticism about politicians has morphed into contempt...the truth is that the deepest divide in British politics today is not between Labour and the Tories; or between Speaker Michael Martin and irate backbench MPs; or between members of Gordon Brown's Cabinet and each other. It is between Britain's whole political class and the great majority of the British people. On the far side of a chasm stand politicians of all parties and their hangers-on. On the near side is almost everyone else."*

Similar Discoveries

In continental Europe similar discoveries are being made.

Writing for the *EUObserver* Peter Sain ley Berry, who describes himself as an independent commentator on European affairs but who generally supports the goal of political integration said recently:

"If Barack Obama, a mere candidate then for Democratic Party nomination, can come to Berlin and attract 200,000 people to hear him, then surely we should be capable of producing politicians in Europe who can draw a

respectable fraction of this number. If not, why not?"

"It is because politics in Europe and debate in Europe has become so stultified and dull, distinguished by the well-ordered hand of bureaucracy."

The weakness of the EU is apparent not only in Europe's failure to achieve the grandiose ambitions such as the Lisbon goals that it has set for itself, but in the attitudes and behaviour of others.

A recent report from the US National Intelligence Council report mainly received media attention because of its emphasis on the limits to American power in a multi-polar world. But the authors point out that Europe's relative decline will be much more severe. Its authors conclude that Europe's future is likely to be that of *"a hobbled giant distracted by internal bickering and competing national agendas"* (see page 3). They conclude that the EU will be unable to mobilise popular support for more unified actions because they will not be able to resolve *"a perceived democracy gap dividing Brussels from European voters"* and, consequently to move beyond *"the protracted debate about its institutional structures"*.

Just how seriously China takes the EU can be seen in the contemptuous way in which it cancelled the China-EU summit last month.

But nothing has recently demonstrated the failure to rise to

Continued on p.2

INSIDE: EU targets increase energy costs p.2 - US analysts forecast nightmare future for Europe p.3 - Majority British opinion doesn't matter, says Barroso p.3 - Yes, the EAW is flawed, but it can be improved p.4 - EU lawmakers incompetent or naïve p.5 - 101 British citizens extradited under EAWs p. 6 - How that "Fiscal Stimulus" could be funded p.6 - Let the EU share the economic pain! p.7 - Loss of self-respect and defence of freedom p.7 - Review of "The end of the English" p.8 - Europe's on-line library crashes on launch p.8 - French cry 'foul' at England's soccer success p. 9

EU targets increase energy costs and make us depend on unreliable wind power

Meeting EU targets for renewable energy will increase electricity generation and transmission costs by £6.8 billion a year, or 38 per cent in the UK, according to a report from the House of Lords Economic Committee.* This translates into an £80 annual fuel bill increase for the average household. This figure does not include the impact of the EU targets on costs associated with other areas of energy use such as transport and heat.

The committee which includes two former Chancellors - Lords Lawson and Lamont - expresses fears that the targets may encourage the UK to adopt what it describes as “an unnecessarily costly and risky approach to reducing carbon emission”.

It points out that nuclear energy presents a viable, low-carbon alternative that is not intermittent and can be produced at a significantly lower cost than renewable energy.

The report also expresses concerns about the security of supply, pointing out that the scope for significant sources of renewable energy - hydro-electric, domestically-produced biomass and solar - is limited in the UK, which also has little experience of tidal barrage and wave. This leaves wind turbines as the most readily available sources of increases in renewable energy. But these operate only intermittently, when the wind blows, and cannot be relied on to produce energy when it is needed.

Lord Vallance, Chairman of Committee, said: “We accept that the UK Government, along with others, must take steps to reduce carbon emissions. However we are concerned that the dash to meet the EU’s 2020 targets may draw attention and investment away from cheaper and more reliable low carbon electricity generation - such as nuclear and, potentially, fossil fuels with carbon

capture and storage”.

“The UK is most likely to adopt wind power as its main means of producing more renewable electricity. This has an inherent weakness in that it cannot be relied upon to generate electricity at the time it is needed. Current policies would take the UK into uncharted territory, with a dependence on intermittent supply unprecedented elsewhere in Europe. To guard against power shortages, wind turbines would need to be backed up with conventional generation. Together with the requirement to replace almost a quarter of the UK’s older generating capacity by 2020, this represents a massive investment programme. Whether it is achievable in the time available is open to doubt.”

*The Economics of Renewable Energy, House of Lords Economic Affairs Committee, 4th Report of 2007/8, HL Paper 195.

Continued from p.1

Dark days for eurosceptics

the challenge of events as comprehensively as its reaction to the financial crisis and the looming recession. Encouraged by the French president and by French newspapers which suggested that the crisis was the moment when Europe would “come into life” the EU Commission devised a hugely ambitious €200 billion financial stimulus. Launched amid fanfares this would have injected around 1.5 per cent of Europe’s GDP into cash tills across Europe, but was immediately torpedoed by Germany. Faced with the biggest economic crisis of the last half century, Europe demonstrated beyond doubt that the critics at the NIC were right to suggest that at moments of maximum need the EU would fail.

Meanwhile, the future of the Lisbon Treaty still remains unclear. Charlie McCreevy, the Internal Market Commissioner has outraged some of his colleagues by congratulating his fellow countrymen for ‘taking the

treaty seriously’ and for suggesting it was they and Declan Ganley, rather than the Irish government, which got it right. Vaclav Klaus, the eurosceptic Czech President has suggested that he will refuse to sign the treaty unless the Irish reverse their decision at a referendum.

What all of this surely suggests is that the European project is more vulnerable to sustained, serious criticism than at any time. The economic gloom does not foreclose discussion about Britain’s relationship with Europe; it provides a new context for debate. The Conservative Party has been looking a political gift horse in the mouth for so long it has mesmerised itself. But it remains true that any serious front bench politician with the courage and intellect to explain with passion and rigour why membership has been such a colossal disaster for Britain and why ‘Europe’ is incapable of achieving its grandiose aims could re-connect with the

electorate.

History suggests that sooner or later individuals and parties will emerge capable of bridging the gap between the voters and the political class. Such figures and parties may not be benign; rapidly rising unemployment and the inevitable fears generated by uncontrolled immigration increase the appeal of irresponsible and inflammatory demagoguery. The European issue provides the only credible and worthwhile means by which such a reconnection can occur; it is not at all over-dramatic to say that if no such attempt is made we can bid British democracy a final farewell. Thus, we cannot offer our readers a great deal of yuletide comfort except to say that their political opponents are weaker than at any time, that the European project is ripe for demolition and that although we can’t vouch for the fact there may be some truth in the old adage that it is always darkest before dawn.

US analysts forecast nightmare future for Europe

Problems will include social tensions, worsening corruption and the possibility that EU states could be run by the Russian mafia

A report from US National Intelligence Council (NIC) published earlier this month paints an alarming picture of an unstable future for international relations defined by waning American influence, a fragmentation of political power and intensifying struggles for increasingly scarce natural resources.

The report, "*Global Trends 2025: A Transformed World*", was drafted by the NIC to inform US policymakers - starting with the incoming administration of President-elect Barack Obama - about the factors most likely to shape major international trends and conflicts up until 2025.

The report argues that the international system - as constructed following the second World War - will be almost unrecognizable by 2025 owing to the rise of emerging powers, a globalizing economy, an historic transfer of relative wealth and economic power from West to East, and the growing influence of "non-state actors", a category which includes terrorist and criminal networks.

In covering the report's gloomy findings most of the UK media has concentrated on the decline in relative US strength but largely overlooked the frightening and much blacker picture of Europe's future which the authors paint.

In 25 years time Europe will be "*a hobbled giant distracted by internal bickering and competing national*

agendas", they say. Mounting problems are likely to include relative economic decline, low growth rates, racial tensions, civil unrest, worsening corruption, growing dependence on unreliable Russian energy supplies and the possibility that some Central and Eastern governments will be run by the Russian mafia. Indeed, although the authors are only concerned about the impact of such developments on US interests the catalogue of problems presented by the NIC constitutes sufficient reason for Britain to re-think its relationship with the EU even if the British voter was not concerned about the loss of sovereignty and the demise of self government.

Low-paid Jobs

Europe's economic problems reflect intractable demographic difficulties, say the authors. In particular they raise doubts whether there will be sufficient popular consent to permit the higher immigration that Europe's political leaders believe is necessary to remedy falling birth rates. This is because of social tensions triggered by the faster growth of Europe's Muslims, currently between 15 and 18 million people and likely to stand at 25-30 million by 2025 as the result of higher fertility rates.

The authors see little prospect of a declining Europe being able to meet the aspirations of young Muslims, many whom they predict will be condemned to unemployment or

marginal or low-paid jobs, and they consequently fear a repeat on a much wider scale of the 2005 riots in the suburbs of Paris. Societal and political tensions in Europe will add to international tensions by making it harder for the EU to support US foreign policy goals, especially in the Middle East, they say.

They also warn that if Turkey continues to be excluded from the EU the result could be an enhanced risk of conflict arising from the strengthening view in the Muslim world that the West and Islam are fundamentally incompatible.

However, the report also lays considerable emphasis on another threat posed to stability, that posed by "*Eurasian transnational organizations*" - a Washington euphemism for the Russian mafia. By 2025 these organizations could be so rich and powerful as the result of their involvement in energy and mineral concerns that they could end up dominating "*one or more governments*" in eastern or central Europe, the authors say. They conclude that Europe will pay a high price for failing to reduce its dependency on Russian energy and that price is likely to include the growing contamination of Western business from the "*growing corruption and organised criminal involvement in the Eurasian energy sector*".

Majority British opinion doesn't matter, Barroso implies

The global credit crunch has sparked a debate about joining the euro among "*people who matter in Britain*", European Commission President Jose Manuel Barroso has said.

Speaking on a French RTL radio and LCI television show on 30th November, Mr Barroso argued that the entry to the eurozone of some EU

member states who had previously strongly opposed the move is "*now closer than ever before*".

"*I'm not going to break the confidentiality of certain conversations, but some British politicians have already told me, 'If we had the euro, we would have been better off'*", he said.

"*I don't mean to say that it will be tomorrow and I know that the majority in Britain are still opposed, but there is a period of consideration under way and the people who matter in Britain are currently thinking about it*", the former Portuguese prime minister added.

Yes, the EAW is flawed, but it can be improved

Graham Watson, one of the EU lawmakers responsible for the European Arrest Warrant, acknowledges concerns about its impact but argues that it has produced positive benefits for British citizens

Many of *eurofacts'* readers will find themselves in agreement with Gerard Batten's views more regularly than I do. Yet, judging from his recent article, "*The EAW in action*" in this publication (17th October 2008), it is clear that we both have concerns over the implementation of the European Arrest Warrant. Where we differ is our motive for raising those concerns and our preferred means of dealing with them.

Mr Batten is on a mission to take Britain out of the European Union - indeed as a UKIP MEP he has made a career out of it, financed by the British taxpayer. His starting point is that any exercise of EU power is wrong: any problems that arise with European legislation are therefore interpreted as evidence of the need for a British exit.

Imperfect Laws

In fact every legislative body passes imperfect laws. UK governments have demonstrated that fact on numerous occasions: the most famous recent example being the 1991 Dangerous Dogs Act, passed by John Major's Conservative government. That law became shorthand for rushed, knee-jerk legislation seeking to capture the public mood. The Act was subjected to legitimate criticism and amendment - and that was the proper response. It makes no sense to throw out the baby with the bathwater by scrapping well-intentioned laws altogether or, even less rationally, to advocate pulling out of the institution that passed them.

Similarly, I believe that there is a strong case for revisiting the European Arrest Warrant and considering how it might be improved. In particular I was concerned by the recent example of an Australian citizen who was subject to an EAW while in the UK, and charged with holocaust denial - something that is certainly abhorrent to most people,

but which is not a criminal offence in this country. This kind of example was never envisaged by the European lawmakers who supported the EAW. I know: I was one of them.

Back in 2001 I was Chair of the European Parliament's Committee on Justice and Home Affairs when it considered the case for a European Arrest Warrant. I supported the proposal on the understanding that it maintained the principle of dual criminality. That principle upholds that an EAW should only be issued if the act allegedly committed is a crime in both the country that has applied for the EAW and the country in which the accused resides. True, there were a number of particular exemptions, but we did not imagine that any of those would be interpreted to include holocaust denial which is illegal in only two of the EU's twenty-seven member states.

Complexities and Delays

Cases like these flag up loopholes to address, but we must not allow specific examples to crowd out the sound principles on which this law is based, nor the instances where it has benefited British citizens.

Those of us who supported the concept of EAWs did so as a means to by-pass the complexities and delays associated with traditional extradition procedures - procedures that have helped criminals to evade the justice that most British citizens rightly wish them to receive. Since Member States adopted the EAW Directive, the average time taken to execute a warrant has been estimated at forty three days. Previously, it was more than nine months.

In 2007 alone 96 suspects were extradited to the UK as a result of arrest warrants issued by British courts. An earlier case was that of

Hussain Osman, a suspect in the July 2005 London bombing. It was a European Arrest Warrant that facilitated his speedy extradition from Italy. Mr Batten makes no mention of these advantages - which we must assume he opposes. Instead, he focuses on what he sees as the erosion of habeas corpus in British law. I fully agree that we must ward against British citizens being held in arbitrary detention by the state: as a Liberal, that is core to my convictions. But it is wrong to portray the European Arrest Warrant as a passport to arbitrary arrest.

Common Standards

EU member states' legal systems are subject to common standards, upheld by the European Court of Justice. Liberties are safeguarded and fair trials required by law across member states, including Articles 5 and 6 of the European Convention on Human Rights. It is confidence in those standards that has made cross-border legal cooperation possible. Mr Batten repeats strong allegations about the conduct of the Greek police in one specific case. I would be surprised if they did indeed "torture" British citizens. That said, no legal system can guarantee that instances of police brutality or miscarriages of justice can be entirely eradicated: there have certainly been plenty of examples from the UK over recent decades. The key point is that common standards are agreed and that there exists legal redress to enforce them. That is so in the case of the EAW.

Moreover, Liberal Democrats have gone out of our way to add further locks and guarantees on to the EAW procedure. At Westminster we successfully argued that if a judge receives a request for a European

Continued on p.5

EAW 'flawed' but can be improved

Arrest Warrant he must explicitly consider whether granting it could lead to a breach of a suspect's rights under the terms of the European Convention on Human Rights: if so, the Warrant should not be granted.

Where I hope that Mr Batten and I can agree is that the single biggest threat to the UK's habeas corpus comes

not from the EU, but from the Labour government at Westminster. They have fought against Liberal Democrat attempts in the European Parliament to place further civil liberties safeguards on to the EAW procedures while working at the domestic level to increase the period of detention without charge for terrorist suspects - a

move which would certainly be intolerable to many governments and citizens across the EU.

Graham Watson is the Liberal Democrat MEP for the South West of England and Gibraltar, and Leader of the Alliance of Liberals and Democrats for Europe.

EU lawmakers incompetent or naïve

Replying to Graham Watson, eurofacts argues that the appropriate criteria for assessing the European Arrest Warrant should have to do with the quality of justice, not efficiency or adherence to a common standard

Graham Watson has frankly acknowledged that he didn't realise the implications of the legislation which brought in the European Arrest Warrant (EAW) and says that he now wishes to revisit the issue because it is clear that the legislation is flawed.

Mr Watson was one of the principal architects of that legislation. We are impressed by his candour but scarcely overjoyed by what he has to say. If European lawmakers who brought in the EAW did not realise how the law would be used they were either incompetent or naïve, or both.

In particular Mr Watson is rightly concerned that citizens could be extradited to answer charges in relation to offences which do not exist in the country where they live. True, the legislation is supposed to uphold the opposite principle: that the EAW should only be issued if the act allegedly committed is a crime in both the country that has applied for the EAW and the country in which the accused person lives. But, as Mr Watson acknowledges, there are exemptions; these would have allowed the extradition from Britain of Fredrick Toben, an Australian academic, to face a charge of holocaust denial in Germany although no such crime exists in this country. In the event, the proceedings were halted only because of a technicality: a German judge ruled that the warrant contained insufficient detail.

The exemptions to the rule are very likely to be used again. The fact that Mr Watson did not anticipate any of this will provide little comfort to those who are hauled away to face trial before a foreign court as a result.

The most serious criticisms made of the EAW - and they do not come exclusively from eurosceptics - is that UK citizens can now be brought to trial in countries where there is no presumption of innocence, no trial by jury, no tradition of habeas corpus and that because of the absence of the latter individuals can be imprisoned for months, even years, before facing trial. Further, there is deep unease about the fact that there is no requirement for magistrates to hear *prima facie* evidence before granting a warrant.

Deep Pockets

Mr Watson merely replies that the legal systems of member states are subject to common standards upheld by the European Court of Justice. At best, this statement amounts to an aspiration not a statement of fact. No one believes that courts in widely divergent countries such as Greece, Italy, Slovakia, Bulgaria and Romania operate in the same way or adhere to identical standards. The appeal to the European Court of Justice may provide some kind of safeguard but it is one which those with deep pockets are best able to take advantage of.

Moreover, the common standard

which Mr Watson wishes to enforce is a standard based on Roman law, not on British common law. British citizens once took pride in British justice and the principles on which it is based and believed it to be superior to that of Continental Europe; for Mr Watson the 'key thing' is that all should conform to a common standard.

He candidly admits that the legislation underlying the EAW is imperfect, but his assertion that all legislative bodies pass imperfect laws sounds like a plea for mitigation and is unlikely to win him any more support than his invocation of John Major's Dangerous Dogs Act as an example of just how incompetent legislation can be.

Turning to the case of Andrew Symeou, a 19-year-old Londoner who faces extradition to Greece on a manslaughter charge, he asserts, no doubt correctly, that police, in this country, as well as in others, are not perfect and can be brutal. But he says he would be "surprised" if the allegations made by Gerard Batten that torture had been used in order to extract witness statements turned out to be correct.

Mr Watson has already admitted to a capacity for surprise, having been shocked by the consequences of his own legislative proposals. Mr Batten has the advantage of having closely followed the case and of attending the extradition hearing. Mr Watson, on the

Continued on p.6

101 British citizens extradited under EAWs

The UKIP peer **Lord Pearson of Rannoch**, who asked the government how many British citizens had faced proceedings under the EAW, has been told that 203 UK nationals have so far been arrested and 101 of them have been extradited.

In a written answer, the Parliamentary Under-Secretary of State at the Home Office, **Lord West of Spithead**, stated on 19th November:

“The Extradition Act 2003, which gave effect to the provisions of the European arrest warrant (EAW) in the UK, came into force on 1st January 2004. Since that date, and up to 30th September 2008, 203 British citizens have been arrested pursuant to EAWs. 101 British nationals have subsequently been surrendered to other European member states pursuant to EAWs”.

The minister's reply gave the following figures for the past four years:

| | |
|------|--|
| 2004 | - 12 arrests, 5 surrenders |
| 2005 | - 42 arrests, 11 surrenders |
| 2006 | - 49 arrests, 26 surrenders |
| 2007 | - 62 arrests, 27 surrenders |
| 2008 | - 38 arrests, 32 surrenders (up to 30th September 2008) |

How that “Fiscal Stimulus” could be funded

The government's “Pre-Budget Report”* came out on 24th November 2008. It estimates the total full-year amount of the so-called “fiscal stimulus” in the full financial year 2009/2010 at £16.3 billion.

Sixteen billion pounds is real money. And by one of those telling coincidences, sixteen billion pounds is going to be the amount of our taxes the Treasury will be handing over to Brussels, in cash, that same financial year as our gross financial contribution (in 2007 it had already hit £15.8 billion).

In other words, if we were to leave the EU in the next few months, and no longer have to pay sixteen billion pounds in cash to Brussels, the British government would be able to fund the whole of its so-called “fiscal stimulus” without fiddling about with National Insurance rates, VAT and all the rest.

Putting it another way, if the government were to maintain its just-announced “fiscal stimulus” and leave the EU, it could afford to double the amount of the stimulus to £32 billion. A stimulus of £32 billion in 2009/2010 would be equivalent of 2.2 per cent of

GDP, and six per cent of the current projected tax take of £536 billion.

If the UK did this, its taxpayers could look forward in later years to additional savings many times greater than £16 billion a year. The total cost (including our annual cash contribution to Brussels) of EU membership is reckoned to be anywhere between a rock-bottom proportion of GDP of four per cent (which would be £58 billion in 2009/2010) to double or even triple that proportion.

*www.hm-treasury.gov.uk

Continued from p.5

EU law-makers incompetent or naive

other hand, may well be feeling queasy about the fact that a young Londoner may soon be in a Greek jail on the basis of statements which were immediately retracted.

Mr Watson is a man of liberal belief but he bases his argument on efficiency rather than rights of the individual. The EAW, he says has produced greater cross-border cooperation and greater speed of extradition. He cites the fact that 96 suspects were extradited from EU countries in 2006 as a result of EAWs and in the previous year those extradited to this country included Hussain Osman, a suspect in the 2005 London bombing.

It is impossible to know how many of those 96 would have been extradited in the absence of the EAW or how quick the process would have been; given the serious nature of the charges against Osman, and the circumstances of the

London bombing, it is difficult to believe that the Italian authorities would have long withheld full cooperation.

Extradition is a two-way street, but Mr Watson makes no mention of the growing number of UK citizens who are being extradited from Britain to face trial in other EU countries; it will be some time before any objective view can be formed about the fairness of their trials or the reliability of the evidence produced against them (see above). Having authored the legislation that has facilitated their extradition we hope that is something that in the interests of his constituents he will take an interest in.

Finally, we would take issue with Mr Watson's suggestion that Gerard Batten's criticism on the EAW are motivated by his hostility to the EU *tout court*. Almost to a fault Mr Batten

is the kind of politician who does what it says on the tin. His attitude towards Europe leaves nothing un-stated - which cannot be said of many a Lib-Dem candidate for the European Parliament come election day. Motives are difficult to discern and civilised debate usually assumes a readiness not to question them but to deal with the argument. If motives are to be permitted it could be similarly asserted that Mr Watson's blindness to the dangers inherent in the European Arrest Warrant, - some which he has now recognised - is due to his ardent support for the European project with its doubtful emphasis on common standards. If this is indeed so, those British citizens who find themselves dragged off to face trials in foreign courts, will have paid a very high price for Mr Watson's political idealism.

Let the EU share the economic pain!

The economic impact of net payments to the EU differs from other forms of government expenditure for the simple reason that these sums are spent outside the UK

It is insufficiently understood that British membership of the European Union is a major cause of fiscal contraction at a time when worldwide political and economic opinion demands a fiscal stimulus.

The G20 meeting on 10th November agreed “to use fiscal measures to stimulate domestic demand to rapid effect”. The IMF has been talking about a two per cent GDP fiscal stimulus (£30 billion for the UK) and, at the time of writing the British government has announced a £15 billion stimulus. Respected commentators, like Roger Bootle, are stating the stimulus should be substantial; some would like it to be greater than that proposed by British ministers.

Among UK politicians there is something approaching unanimity about the case for such a stimulus; the main difference between them lies in whether it should be funded by borrowings or reducing government spending and whether it should include income tax cuts. Yet no politician is addressing the fiscal contraction inherent in Britain’s EU membership and its overall impact on demand. Lack of demand is at the heart of the recession yet EU membership entails a constant fiscal contraction for the UK.

According to (soon to be published) pamphlet “How much does the European Union cost Britain”, by Gerard Batten, MEP, “immense purchasing power is removed from the British economy by British payments to the EU”.

Excluding deadweight burdens, such as regulation costs, but including the net budget contribution and other

financial payments to the EU, plus higher food prices and fishing costs, membership costs easily add up to £15-20 billion a year and, thanks to Mr. Blair’s incompetence as a negotiator, this will rise substantially in the future.

Over a five year period, which may cover the full course of the recession, we are therefore looking at a forced £75-100 billion fiscal contraction imposed on the UK economy by EU membership, just when all politicians and economists are calling for tax cuts.

It is important to grasp that net payments to the EU are different to other forms of government expenditure within the UK since these constitute sums extracted from UK tax payers and spent in other EU countries.

Economic Effects

In other words, net payments to the EU are different in economic effects to other government waste, about which there is much rightful indignation since they remove purchasing power from the UK economy. Other forms of government waste, such as that involved in employing more government bureaucrats, of course involves a waste of resources but the money paid to the extra bureaucrats remains in the UK. Such expenditure does not create a fiscal contraction: by circulating the new bureaucrats’ income, other people keep their jobs. If government waste is financed by higher taxes there is no change to overall demand; in those circumstances part of the taxpayers’ income is appropriated and is circulated through the economy by the

new recipient and not by the original taxpayer.

Net payments to the EU are also different from fiscal contractions internal to the UK economy, for example a budget surplus or a reduction in demand by consumers. Here, money not spent is saved and used to reduce debt either by the consumer or by government.

Net payments to the EU therefore, unlike government waste spent in the UK, are a fiscal contraction and, unlike fiscal contractions internal to the UK economy, have no benefit in reducing UK debt.

Over the next five years, payments to the EU will mean a contraction of up to £100 billion just when international authorities and governments and respected commentators are calling for a fiscal stimulus.

It is surely very extraordinary that while unemployment is rocketing, incomes and investments are falling and the private sector is contracting, there is no call by politicians to transfer some of the pain to government or to the EU. But, of course, that could change, as the voters come to realise the economic realities described above.

A five-year plan to freeze government and EU spending now and to roll them back after the economy has stabilized makes sense. A clear and detailed plan would encourage bond holders to fund the fiscal stimulus; at present there is an acute lack of confidence among the holders of government debt.

But nothing will be of greater benefit than the slaughter of the EU sacred cow which, unlike other government waste, actively encourages fiscal contraction in the UK.

Loss of self-respect and the defence of freedom

“...if our politicians do not respect themselves, why should anyone else respect them? If they are willing to hand over a great deal of their powers

to the EU, why should we any longer take them seriously? And if they are ready to let Mr Green’s arrest pass without serious protest, why should we

any longer think they might defend our freedom.”

Andrew Gimson writing in the *Daily Telegraph* 2nd December 2008.

The end of the English?

The idea for Mr Brown's book, published in 2008 and already (by word of mouth) selling like hot cakes, came from a conversation over the dinner-table with his then-young grandchildren. He was explaining how Parliament was elected, but that the EU made most of our laws anyway. His grand-daughter asked the killer question: "But who elects them?" This book, in the form of a long affectionate letter to his grandchildren, is a lament for our lost freedoms and the story of how we came to find ourselves in this hole.

Chapter 1 explains "How it used to be". It starts with Magna Carta (1215), continues through the Bill of Rights (1689) and describes how Habeas Corpus and trial by jury evolved and why they are so important. Subsequent chapters recount how the long sorry story of UK involvement with the EU began, and the deliberate barefaced lying by some British politicians that accompanied it. The chapter "How it

The End of the English: The European Superstate

By David Brown

June Press Pbk 111 pp 2008

Available from *The June Press*
Price £6.99 + p&p
(see back cover)

ISBN 978 09534697 6 5

all fits together" is a concise summary of the various institutions of the EU: the Commission, Presidency, Parliament, Court of "Justice", Court of "Auditors" and so on, and the quangos and lobby groups that do their bidding. Other chapters describe how all this impacts on everyday life in the UK, including what Mr Brown accurately terms the "huge regulatory explosion which now afflicts us".

Once you read through the examples described in this chapter you realise that its title: "Resultant Lunacies" is an understatement. As someone once said - you couldn't make it up.

The solution to all this?

"We could, of course, solve the whole problem in about 20 minutes by Parliament repealing the European Communities Act 1972.....there is no legal impediment at all to our leaving."

Of course we could - and of course, eventually, we will.

This is an excellent primer for people who, like the majority of Britons, feel uneasy about the EU but can't quite put their finger on why. It's written in sober, uncomplicated language, peppered with real-life examples and incidents to illustrate the extent of what is, literally, a permanent rolling coup d'etat that has succeeded in taking over the government of our country.

Europe's on-line library crashes on launch

How apt. The EU may have 27 members, but more than half the material on *Europeana*, the EU's new on-line digitalised library, archive and museum, is French.

To be precise 52 percent is presently from France, while the Netherlands and the UK have posted around 10 per cent of the content each and Finland and Sweden another eight and a half per cent each. Other member states each account for around a paltry one per cent of the archive which will ultimately cost millions of euros and will house millions of digitised artefacts.

The multimedia library already contains more than two million

digitalised books, maps, recordings, photographs and paintings, and the Commission envisages that by 2010 over 10 million works will be on-line.

But if the French domination of the site is bound to appear symbolic to British eurosceptics, so too will the manner of its launch. Within hours the site crashed.

A Commission spokesman explained that the failure was due to the site's "immense popularity" with more than ten million hits apparently being recorded during the first hour. We remain sceptical about this explanation, preferring to believe that the spirit which imbues great British political statements on limited

government such as Magna Carta and the Bill of Rights, both which are included in the archive, found a way to rebel against the company they were obliged to keep and the purpose to which they are being put.

At the time of writing *Europeana* is still not working, but readers can get an idea of what is involved by going to the project development site (<http://dev.europeana.eu/>). This contains portraits of intellectual giants like Descartes, Newton and Darwin as well as some pretty illustrations. It should particularly appeal to those whose interest in the history of European culture and history is only limited by the attention span of a gnat.

eurofacts wishes its readers the compliments of the season.
Our next issue will be published on 16th January 2009.

French cry 'foul' at England's soccer success

The French sports minister says that English teams are winning too often, but the facts don't quite support his claims

The sports editors of our national newspapers couldn't believe it: discussion at a two-day 'summit' of European sports ministers focused on whether English football clubs were winning European competitions too often!

France's sports minister Bernard Laporte warned that English football pre-eminence was "getting out of hand" and suggested that Brussels should intervene to correct the situation. Spokesmen for the Commission made it clear that they were very ready to step in.

M. Laporte's intervention, and that of Commission spokesmen, summoned up images of Manuel Barroso running on to the pitch to score a last-minute winning goal on behalf of whoever meets an English club in the next round of the Champions League.

But it turned out that M. Laporte, along with the Commission, thought that matters should be improved through regulation rather than sporting heroics.

"Sport does not and cannot exist outside EU law", the European sports Commissioner Jan Figel solemnly intoned. "We need to find legally sound solutions to confront problems. The Commission stands ready..."

English teams have been in the last four finals of the UEFA Champions League, winning twice. Critics in France complain that it is unfair that the ownership of British clubs by foreign billionaires allows them to build up huge levels of debt as a result

of paying footballers sky-high salaries. France is seeking a system of EU oversight which would limit the amount of debt that clubs are permitted to carry which it hopes would give French teams a better prospect of winning. Here, it seems, is a playing field which, quite literally, cries out to be levelled. Indeed, the matter is taken sufficiently seriously in France for it to have been raised by President Sarkozy in a recent meeting with Michel Platini, the head of UEFA.

"Certain things are out of hand and we cannot deal with them just on a national level", said Mr Laporte at the November 26th meeting of sports ministers in Brussels. Mr Laporte did not get the EU system of oversight he sought but the draft conclusions to the 'summit' included a call for further investigation into the possibility of EU-level action.

Foreign Players

At least until such time as the Lisbon treaty is in force sport does remain outside the scope of EU law - although the Commission is able to pursue sports-related objectives through employment, competition and company law, while EU laws relating to the free movement of labour have so far frustrated attempts to limit the number of foreign players that clubs can field.

However, it should be pointed out that the factual basis for the French resentment at British success is not

quite as M. Laporte suggested. To begin with, footballers' salaries would appear to be just as absurd in Spain and Italy as in England. Teams from both these countries have reached the Champions League final more frequently than English teams. Both have won the championship 11 times, the same number as English teams. Country rankings which take into account the results in all major European competitions suggest that it is German teams that have won the most sporting glory, with England trailing in fourth position.

Could the real reason for French resentment at recent English success be due to the fact that despite the undoubted skill of French footballers (many of whom choose to play in England), French clubs rarely reach the finals of the three major European competitions and have only won the Champions League, the most prestigious of these, on one occasion?

Given that the French are so much better at pursuing national interest through EU structures than anyone else, we can presumably expect complicated and sophisticated proposals which require English club players to perform with their legs tied together or permit French sides to defend smaller goals. However, experience has taught us that it is dangerous to parody any aspect of the EU: what it actually does often turns out to be more absurd than anything that could be devised in the imagination of the satirist.

HMG to pay millions for breaking EU law

Just when it is desperate to lay its hands on the ready the Government is to be hit by demands for huge tax rebates after a landmark ruling on the taxation of foreign dividends.

In the latest tax case to threaten the government with multi-billion pound payouts, the High Court decided on 26th November that its system of tax

relief for dividends paid to the UK from European Union-based companies violated EU law.

BAT launched the action on behalf of more than 20 companies known as the FII claimants. BAT and other big multinationals are in line for hefty refunds, although experts cautioned that it was likely to be several more years before the case was fully

resolved.

The tobacco company said its "tentative" conclusion was that the judgment would lead to the recovery of £1.2 billion, subject to future review by European courts.

Some experts have suggested that the claims against the Government could go back to 1973 when Britain first joined the EC.

LETTERS

Tel: 08456 12 12 65 Fax: 08456 12 12 75 email: eurofacts@junepress.com

Sacrificing Ourselves to the EU

Dear Sir,
With politicians competing to assist "hard working families" in this dreadful credit squeeze, there is one cost to you and me, apparently overlooked, of £106,000 per minute every minute of the day!

This is the amount of £60 billion we in the UK pay to the European Union in Brussels in 2008. A huge cost no doubt, but what does it mean to each taxpayer?

£60 billion divided by the total number of UK taxpayers comes out to some £4,000 each. Now the average UK individual's net income (ie, after tax) is £20,000 p.a. So, the question

arises - do "hard working families" realise they sacrifice 25 per cent of their annual income to the EU?

Your readers may be content to continue paying £4,000 per annum. If not, they should ask the Prime Minister and their MP to justify this high personal cost.

ROBYN GRANT
Surrey

Phantom Threat?

Dear Sir,
Your correspondent Anthony Hoyle (*eurofacts* letters, 28th November) likens the orthodox approach to global warming to braking in your car if you think you might hit another vehicle, rather than waiting for proof that you

will.
However, the danger is that this approach is likely to be lethal to anyone else on the road if you have a tendency to see phantom vehicles.

BRIAN BONE
Middlesex

Sinister and Comic

Dear Sir,
Vince Cable memorably remarked that Gordon Brown had gone from behaving like Stalin to emulating Mr Bean.

As the treatment of Damien Green demonstrates, it is Britain's unique misfortune to be governed by a man who contains aspects of both.
HECTOR BOFFEY
London

Closing Time for England

By Graham Booth

They're closing down our sceptred isle.
The P.C. freaks have won the day.
Our days of elegance and style -
Just memories with which to play.

Our right to rule ourselves now gone;
Afraid to speak lest we offend.
How have things gone so badly wrong?
Is England coming to an end?

No discipline; no sense of pride.
Outnumbered by non-English folk.
Our Christian faith they've set aside -
Could this all be a ghastly joke?

Our farming wrecked; our fishing too;
Our coal and steel as rare as gold -
We have to ask the question: "Who
Has let this tale of woe unfold?"

Have politicians given in
To those who hate our British phlegm?
They live inside a world of spin -
It seems it's down to "us" and "them".

So little time to sit and grieve -
Our blessed plot exists no more.
If you're the last true Brit to leave
Please dim the lights and lock the door.

Some mistake, surely

"Obviously, solutions can only be national ones"

Valéry Giscard d'Estaing, discussing the financial crisis on *France Culture*, 12th October 2008.

MEETINGS

The British Constitution
01752 312743 or 0781 352 9383

Saturday **24th January**,
11.00 am - 5.00 pm

“Invoking the British Constitution -
Actions not words”

**John Bingley, David Bourne, Albert
Burgess, Brian Gerrish, John Harris**

CONFERENCE
Kings Hall, Glebe Street, Stoke-on-
Trent ST4 1JR

Admission £12.50

(only 1,000 seats)
Phone or E: roger@thebcgroup.org.uk

Marlborough Group
01672 511385

Sunday **25th January**, 2.00 pm

“Parliamentary Supremacy!”

Michael Shrimpton

PUBLIC MEETING
The Bear, Marlborough, Wiltshire
Admission Free

Gresham College
020 7831 0575

Tuesday **27th January**, 6.00 pm

“The American Presidency: Ronald
Regan”

**Professor Vernon Bogdanor, CBE
FBA, Emeritus Gresham Professor of
Law**

PUBLIC MEETING
Barnard's Inn Hall, Holborn, London
EC1N 2HH
Admission Free

Freedom in the City
07979 695611

Wednesday **11th February**, 1.00 pm

Simon Heffer, Journalist

PUBLIC MEETING
The Counting House, 50 Cornhill,
London EC3V 3PD
Admission Free

Marlborough Group
01672 511385

Sunday **22nd February**, 2.00 pm

“Conservatives versus Constitution!”

Dr Sean Gabb

PUBLIC MEETING
The Bear, Marlborough, Wiltshire
Admission Free

Gresham College
020 7831 0575

Tuesday **24th February**, 6.00 pm

“The American Presidency: George
H.W. Bush”

**Professor Vernon Bogdanor, CBE
FBA, Emeritus Gresham Professor of
Law**

PUBLIC MEETING
Barnard's Inn Hall, Holborn, London
EC1N 2HH
Admission Free

UK Independence Party
(Salisbury Constituency Branch)
01722 790839

Monday **2nd March**, 7.30 pm

“UK can't afford EU”

**Trevor Coleman MEP
Nigel Farage MEP
Dr Julia Reid**

PUBLIC MEETING
The Guildhall, Salisbury
Admission Free

UK Independence Party
01626 831340

Saturday **18th April**, 10.00 am

Nigel Farage MEP

**Further details including Speakers to
be announced shortly**

SOUTHWEST CONFERENCE
The Great Hall, Exeter University,
Exeter, Devon
Admission Free

SELECT COMMITTEES

House of Lords
020-7219 3000

Thursday **15th January**, 10.10 am
Evidence will be heard on *The EU
Commissioner's proposals for a directive
on patients' rights in cross border health -
care* from Commissioner Androulla
Vassiliou, EU Health Commissioner.

Tuesday **20th January**, 4.30 pm
Evidence will be heard on *The priorities of
the Czech Presidency of the EU* from His
Excellency Mr Jan Winkler, Ambassador
of the Czech Republic.

Tuesday **27th January**, 10.35 am
Evidence will be heard on *Economic and
Financial Affairs and International Trade*
from Lord Myners, Financial Services
Secretary, HM Treasury.

Note:
*Committee Meetings can
change from Public to Private
without warning*

DIARY OF EVENTS

2008

UK Parliamentary Recess Begins **18th December**

European Reform Treaty to be Ratified? **December**

2009

Czech Republic takes over EU presidency **1st January**

Slovakia to adopt euro **1st January**

UK Parliamentary Recess Ends **12th January**

European Parliamentary Elections **11th June**

Sweden takes over EU presidency **1st July**

2010

Spain takes over EU presidency **1st January**

Germany's Fourth Reich

by Harry Beckhough. **£5.00**

Beckhough a former code-breaker and intelligence officer, shows how the EU is being formed by the needs of Germany.

The Treaty of Lisbon in Perspective

by BMDF. **£27.50**

Detailed analysis and review together with the full text of the Treaty as signed in Lisbon in December 2007.

Scared To Death

by Christopher Booker

& Richard North. **Hdbk £16.95**

This latest book by the famous duo explores the tricks used to extend EU power and control.

The End Of The English

The European Superstate

by David Brown. **£6.99**

As an apology to all grandchildren, it analysis how the EU plans for control of the UK have destroyed democracy. Required reading for all those worried in any way about the EU's power over us.

The Plan

Twelve Months to Renew Britain

by Douglas Carswell and

Daniel Hannan. **£10.00**

Britain is heading in the wrong direction. This book shows how to put our country on the right track to self-governance.

The O.F.P.I.S. File

The Organisation for the Preservation of Individuality and Sovereignty

by Vernon Coleman. **£15.95**

Why citizens all across Europe are fed up with the EU.

A Tribute to Ralph Harris 1924-2006

by CRCE. **£9.95**

Lord Harris of High Cross was one of the leading figures in the fight against the EU and injustice everywhere.

Squandered

How Gordon Brown is wasting over one trillion pounds of our money

by David Craig. **£8.99**

An exposé of the huge levels of financial waste by government on Quangos and Advisers, which are self serving at the tax-payers expense.

The Costs Of Regulation

And How the EU Makes them worse

by William Mason. **£4.00**

How by imposing EU regulations power is taken from national Governments.

A Life of Mayhem, Money and Unintentional Treason

by J Brian Heywood. **£9.99**

This novel clearly shows how easy it is for good intentions to be used by anyone with ambitions for a world government.

Lost Illusions:

British Foreign Policy

by Ian Milne. **£4.00**

Is it time to make British self-reliance the guiding principle of foreign policy.

Warning:

Immigration Can

Seriously Damage Your Wealth

by Anthony Scholefield. **£6.00**

Scholefield argues that while immigration increases a nation's GDP it must inevitably reduce per capita income.

The Principles of

British Foreign Policy

by Philip Vander Elst. **£4.00**

Should BFP reflect political principles or should it merely be shaped by current conceptions of national self-interest?

Send payment to

THE JUNE PRESS LTD

PO BOX 119

TOTNES, DEVON TQ9 7WA

Tel: 08456 120 175

Email: info@junepress.com

WEB SALES www.junepress.com

PLEASE ADD 10% P&P (UK ONLY)

20% for Europe 30% Rest of World

FULL BOOKLIST AVAILABLE

eurofacts

SUBSCRIBE TODAY

RATES

| | |
|---|----------|
| UK | £28 |
| Europe (Airmail) | £38 |
| Rest of World | £50/\$84 |
| Reduced rate (UK only) | £18 |
| Reduced rate for senior citizens, students & unemployed only. | |
| Special rates for multiple copies | |

Please send me *eurofacts* fortnightly and the occasional briefing papers for the next year.

I enclose my payment of £.....
to *eurofacts*: PO Box 119
Totnes, Devon TQ9 7WA

Name

Address

.....

Postcode

Date

Please print clearly in capital letters

FOR "EU"

| | |
|----------------------------|----------------------|
| European Commission | 020 7973 1992 |
| European Movement | 020 7940 5252 |
| Federal Trust | 020 7735 4000 |

AGAINST "EU"

| | |
|-----------------------------------|----------------------|
| Britain Out | 01403 741736 |
| British Weights & Measures Assoc. | 020 8922 0089 |
| CIB | 0116 2874 622 |
| Democracy Movement | 020 7603 7796 |
| Freedom Association | 0845 833 9626 |
| Labour Euro-Safeguards Campaign | 020 7691 3800 |
| New Alliance | 020 7386 1837 |
| Save Britain's Fish | 01224 313473 |

CROSS PARTY PRESSURE GROUPS

| | |
|-------------------------------|---------------------|
| Congress for Democracy | 01372 453678 |
|-------------------------------|---------------------|

CROSS PARTY THINK TANKS

| | |
|---|---|
| Bruges Group | 020 7287 4414 |
| Global Britain | |
| Email: globalbritain-1@globalbritain.org | |
| Global Vision | www.global-vision.net |
| Open Europe | 0207 197 2333 |

POLITICAL PARTIES

| | |
|------------------------------|----------------------|
| Conservative | 020 7222 9000 |
| Rt Hon David Cameron MP | |
| English Democrats | 01277 896000 |
| Robin Tilbrook (Chairman) | |
| Green Party | 020 7272 4474 |
| Richard Mallender | |
| Labour | 020 7783 1000 |
| Rt Hon Gordon Brown MP | |
| Liberal | 01562 68361 |
| Mr Michael Meadowcroft | |
| Liberal Democrats | 020 7222 7999 |
| Nick Clegg MP | |
| New Britain | 020 7247 2524 |
| Mr Dennis Delderfield | |
| UK Independence Party | 01626 830630 |
| Nigel Farage MEP | |

ISSN 1361-4134



9 771361 413006