



31 October 2010

Dear Friends and Colleagues,

In this, the third of the letters you will be receiving from the London office, I should like to deal with some general information about our progress, to recommend a thoughtful and stimulating publication that is available by subscription and to send you a summary of the very excellent talk Richard Corbett gave to members able to attend this year's AGM.

But first, a request: as you will all know, communicating by email is cheap and very simple – at the press of a button this letter can be sent to all of you who use the internet; sending letters by post, however, severely depletes our budget and would swiftly empty our bank balance; so may I ask that any of you who are on branch committees copy these letters to those you know are not online.

On the home front, Jamie Grant, who spent a year working in our office for the European Educational Research, has produced a very useful website aimed at students looking for careers in Europe and wanting to understand better how the European system works. It is called www.headstarteurope.com and is being circulated to students' unions around the country. The 200 Club is working well and boosting our income, which is extremely welcome. 200 is a bit of a misnomer in that it can be expanded to include many more subscribers, so, if you haven't already joined, please do!

This year's AGM was one of the most interesting and enjoyable I have attended for quite some while. We were extremely fortunate in hearing from our President, Charles Kennedy, from Brendan Donnelly and from Richard Corbett who, as many of you will know, is now Special Adviser to European Council President Herman Van Rompuy. Brendan's speech covered some of the ground contained in the last letter, but I should like to include this time a summary of Richard Corbett's address.

*Richard began by acknowledging that there were a number of reasons to be pessimistic, at both a national and a European level, about recent developments in the European Union but that should not obscure equally compelling reasons for optimism. **He made it clear, and I should like to stress that this is equally true of this letter, that these comments represent his own personal views and should not be interpreted in any way as either official EU or European Movement policy.***

Among his reasons for pessimism at the national level were the potential dangers of the "referendum lock" Bill, which would commit the UK to hold a referendum on further EU Treaty changes, and the "sovereignty" Bill. These will, of course, be sold as allowing ordinary people to have their say – a complete nonsense for the following reasons:

- *the overwhelmingly Euroscepticism of the media, which has not changed,*
- *the continued and active presence of well-funded anti-EU organisations in Britain,*
- *emerging cooperation between UKIP and the extreme Eurosceptic wing of the Conservative party (e.g. the recent launch of a campaign for a referendum on membership),*
- *issues on the horizon that will be misused by Eurosceptics, such as the negotiation of a new financial framework for the EU,*
- *the killing off of any debate on joining the Euro for a very long time.*

In reality, any "referendum lock" Bill is a way to keep the Eurosceptics happy by feeding them red meat, which they will use to undermine Britain's relationship with the rest of the EU.

Nevertheless, Richard also laid out reasons for optimism at the national level:

- the coalition agreement, being a truce between pro-Europeans and anti-Europeans in the government, may not allow us to go further in integration, but at least it means the government is not arguing for withdrawal or repatriation of powers from the EU: is this a chance for bipartisan (government and opposition) acceptance of EU membership of the sort that exists in other countries, such that outright opponents of the EU are perceived as marginal and extremist?*
- Being in government, ministers have to deal with EU reality, not mythology. That also leads to ministers accepting deals in the Council that they would have denounced in opposition (e.g. the legislation on regulating the financial sector) - and having to defend it vis-a-vis their Eurosceptic backbenchers and media.*

Moving onto the wider European scene, Richard laid out his reasons for pessimism and optimism at a European level, beginning with the former:

- Extremist parties have gained a foothold in parliaments in a number of member states. Combined with the fragmentation of the party political system in a number of countries, this has made it extremely difficult to form stable governments in several member states, not to mention maverick leaders,*
- the problem of excessive public debt in certain member states (some in, some out of the Euro), especially the case of Greece, where it was combined with statistical fraud by the previous government, has created economic uncertainty and instability, especially in the Euro zone, and a marked divergence in the economic performance of different member states,*
- the ruling of the German Constitutional Court, which seems to limit scope for further integration and the Greek financial crisis, has significantly lessened German support for European integration,*
- the glacial pace of enlargement to the Balkans is progressing,*
- Europe's lack of political clout in the world as painfully revealed at Copenhagen,*
- the time it is taking to implement the Lisbon Treaty's institutional reforms,*
- the number of tricky negotiations that are on the horizon, such as the revision of the budgetary framework, which need unanimity.*

But, once again, Richard concluded with reasons for optimism:

- despite the biggest economic downturn since the 1930s, Europe avoided the mistakes of the 30s: protectionism was avoided thanks to the single European market; turmoil on the monetary markets (with competitive devaluations) was largely avoided, thanks to the Euro; an agreed and coordinated fiscal stimulus helped the recession bottom out (even if the latter could not be sustained by those member states with excessive accumulated levels of public debt),*
- when it came to the crunch, member states (at least in the Euro zone) were willing to do what was necessary to defend the Euro,*
- we have created the world's largest single market: an asset and a glue that holds us together and which requires a functioning political system to manage it (legislation at European level to lay down common rules for the common market on things like consumer protection, competition policy, banking legislation, environmental standards, employment law, trade, technical standards etc etc -- many of them subjects of high political significance),*
- the Lisbon Treaty has strengthened the European political system by making it (marginally) more effective: more QMV in the Council, longer term president of the European Council, High Representative for external relations, etc.,*

- *it has also strengthened the European political system by making it more democratic. For example, virtually no legislation can be adopted at European level without the approval of the European Parliament, and it is indeed in there (rather than in the Council of Ministers) that the detailed legislation has been thrashed out in many cases (e.g. services directive, REACH , financial supervision package),*
- *the integration process continues: on the ground and institutionally, with the Task Force chaired by Herman Van Rompuy looking at how to improve joint economic governance.*

Finally, I should like to recommend that European Movement members might want to think about subscribing to an excellent periodical on European affairs called ***E!Sharp***. Many of you may already have heard of it but for those who haven't, the website is www.peoplepowerprocess.com, where you can sign up for a 28 day free trial.

For those who want to keep informed about European developments, it comes with high recommendations from a number of prominent Europeans (attached).

If you have any comments about this letter, and most especially Richard Corbett's points, do let us know so we can put them on our blog.

With all good wishes,

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