

Surrey in Europe

Newsletter of the Surrey Branch of the European Movement
Winter 2008

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Now that the Lisbon (Reform) Treaty has begun its passage through Parliament, we can expect a barrage of coverage in our media. On past form, much of this will give a distorted picture. A reader has told us that he found our factual piece, **EUseful to know, in our previous issue on EU financial costs and benefits proved very helpful in drafting a letter to demolish outlandish UKIP claims published in a local newspaper.*

The local press is a favourite organ of anti-Europeans, and their letters are usually so extravagant in their misinterpretation of facts that they are easy to demolish. The piece in our current issue should provide useful ammunition for setting the record straight on the Treaty. So please scan your local paper's letters page, and when the occasion arises, grab your pen – or mouse – and enlighten our fellow citizens!

Surrey branch events

Our **branch AGM** will be on Friday evening, 22nd February at our usual venue, Weybridge Library, which offers good parking. As usual, there will be a guest speaker. Further details will be sent out shortly, but, to help planning, please let Len Avery know as soon as possible if you plan to come: 01372 801639 or avery@oxshott.co.uk.

About a quarter of our members replied to our recent enquiry to find out the level of potential support for **regular lunchtime social events with a speaker on a chosen topic**. Our suggestion was that the events should be at the Ship Hotel, Weybridge, but some members expressed reservations because of its distance from the Eastern parts of Surrey. There was a strong preference for weekdays rather than

weekends, and most people thought that the frequency should not be greater than every couple of months. A daunting list of topics of interest to members emerged, one of the most popular being the media and their attitudes towards the EU, and how these might be tackled.

At our branch committee meeting on 23rd January, we decided there is sufficient support to pursue the idea, that the locations should alternate between the West and East of the county, and that the aim for 2008 should be four events. A sub-committee to do the detailed planning was set up, comprising Brigitte Wasdell and Eileen Goodwin. However, both live in North West Surrey and would find it very helpful to have a third member from the Eastern side.

If you are interested in joining the sub-committee, please let Brigitte know (01932 252232 or a.wasdell@btinternet.com).

Work has already begun on planning our **2008 annual dinner**, which will be in October.

An invitation to Surrey branch members

Our fellow members in Tamar (Cornwall) branch are planning a visit to the European Parliament in Brussels on Wednesday 2nd April, and have invited Surrey branch members to join them. The visit will be hosted by Graham Watson, MEP for SW England & Gibraltar and Leader of the Alliance of Liberals and Democrats in the European Parliament.

Travel will be by Standard Class Eurostar from London St Pancras to Brussels on 1st April, returning on 3rd April. Two nights' accommodation (B&B) will be at the Bedford Hotel*** near the Grand-Place.

Provided that the group exceeds 20, travel and food subsidies would bring the cost

down to around £90* per person sharing twin bedded accommodation (*actual sum depends on the £/€ exchange rate. Travel from home to St Pancras is not included). The subsidies would be paid after the visit, so the up front cost would be about £235 per person. There would be a supplement of about £55 for single occupancy of a room. At the moment, Tamar branch is short of the magic 20.

If you would like to go, or would like further details, please contact the organiser of the trip, Malcolm Bower, on 01822 832609 or mlbower@tiscali.co.uk as soon as possible, since the offer must close very shortly.

Thought-pieces

Europe and globalisation – an appraisal by Colin Budd

As readers may recollect, Sir Colin Budd KCMG, former HM Ambassador to the Netherlands, chaired our branch's 'Speak up Europe!' event in Guildford last June. He has prepared the following report on the impact of globalisation for the European Commission, and we are grateful to both him and the Commission for their permission to reproduce it here.

In the 1990s and since, 'globalisation' has become a portmanteau term – of description, approval or abuse – meaning many different things to different people. It is used here primarily in its economic sense – to reflect the integration and interdependence at the global level increasingly manifest since the 1990s, when transportation costs fell, world output increased by an annual average of just over

3%, world trade in goods and services by over 6%, FDI by 14%, and internet connections by 20% a month. But it is also widely viewed as a deeply political and cultural phenomenon – involving inter alia climate change, migration, energy security, poverty, shared entertainment, and competing languages and spiritual values. It is creating unprecedented opportunities,

but has also eroded old certainties and aroused new fears.

Overlapping with the speeding up of globalisation has been the declining validity of the assumption that what happened to the economies of the West mattered much more than what happened to those of others. In 1985 just 10% of manufactured goods came from developing and emerging countries; by 2020 the figure will be 50%. A key part of this story concerns the return to economic prominence of China and India. In 1750 they had between them over 57% of world manufacturing output, against Europe's 23%, but by 1900 had only 8%, against Europe's 62%. Chinese GDP per head was higher than the West's in 1400, half the West's in 1820, and by 1950 only a tenth. But the pendulum is now fast swinging back, and a new balance of power is in the making. Thirty years ago, emerging Asia was one eighth of the world economy, of which it is now almost a third, with the fraction increasing by the day. In part simply because of changes in the distribution of the world's population, of which Europe in 1957 had 21%, today has 11%, and by 2050 is likely to have only 7%.

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So how has Europe reacted to these changes, and how should it react from now on?

The European Community aimed from the start to contribute to economic liberalization. Article 110 of the Treaty of Rome laid down the aim of contributing to "the progressive abolition of restrictions on international trade". To some considerable

effect: by 2005 world trade was 90 times larger than in 1957, due not least to the European contribution to successive rounds of world trade negotiations. This increase in the size of the economic cake has plainly brought with it very substantial gains for European prosperity and employment.

Globalisation, like liberalization, is not in economic terms a zero sum game: it involves benefits from the opening up of trade, from specialization, from economies of scale and from the diffusion of technology and best practice in which all can share. But it does lead to losses as well as gains: whereas the beneficial effects of economic change are generalized, the damage tends to be localized – adjustment costs from temporary unemployment and relocation, or the closure of plants due to intensified competition. The dismantling, for instance, at the start of 2005 of the Multi-Fibre Arrangement (which since 1974 had governed world trade in textiles, imposing quotas on the quantities that developing countries could export) will over time save all European consumers a good deal of money, by making available cheaper clothes from outside Europe – but in the short term is causing considerable pain in those parts of Europe with a domestic textile industry which till now has competed on labour costs.

Hence the pressure from some quarters to create a Fortress Europe, with gates we could pull closed to prevent change, and the campaigns run on the themes of European jobs stolen by other countries, European livelihoods undermined by cheaper labour costs elsewhere. Hence, too, the equally misguided notion of economic patriotism, which despite its superficial attractions in fact erodes what it seeks to protect.

The pain underlying such concerns should not of course be ignored. Popular fears that globalisation could undermine living standards are understandable. There is a case for ensuring that the world trading system continues to incorporate core labour standards, and another for action, whether at the European level or the national, to ease the difficulties caused by industrial relocation – on the lines of the Globalisation Adjustment Fund proposed by President Durao Barroso.

It is important however to be clear that the hundred million plus new jobs created in China since 1979 have not on aggregate cost Europe jobs or hurt Europe economically. Rather the reverse: the same increase in total trade which has so sharply expanded the Chinese work force has also safeguarded and created a great many jobs in Europe – in part since many items described as ‘Chinese exports’ also create profit for European middlemen, and because many products are assembled in China but made in Europe. To retreat into protectionism would be short-sighted in the extreme, not least because that would ultimately undermine competitiveness and economic growth, increase unemployment, and thus reduce the ability of governments to assist or compensate the losers. What we need instead is a strategy that keeps us open to the world but nonetheless delivers a full-employment Europe, fit to meet the challenges the rest of this century will bring.

As the European Commission argued in its “Global Europe” proposal of October 2006, for Europe the keys to competitiveness are education, innovation, intellectual property, services and the efficient use of resources. To create jobs and growth, we must remain open. And to flourish in a fast globalising world economy we must become more

productive, as well as moving increasingly into higher value goods and services. The Lisbon agenda, which in the view of the Centre for European Reform is still only very slowly becoming an integral part of national reform debates, needs to be much better understood and taken seriously to heart. For in a world of accelerating change, Europe cannot afford to stand still: to remain competitive, it must continually nurture, sustain and promote education, research and innovation. The review of the EU budget due to take place in 2008–2009 needs to ensure that adequately substantial funds are earmarked for these objectives.

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At the same time the EU needs to build on China’s entry into the WTO in 2001 in order to integrate it harmoniously and effectively in a peaceful and liberal world order. That will involve controversy on every side, requiring both enhanced understanding from Europe’s protectionists and, from the Chinese, both greater self control and an increased readiness to accept liberalization of their domestic market. But the potential rewards could be very great indeed.

In an age of growing interdependence, the EU member states know that they are stronger together, negotiating with others as one large unit, than they would be on their own. As Gordon Brown has put it, global public goods such as energy, natural resources, a healthy environment and the fight against terrorism can only be secured through cooperation across borders. The EU is best seen not as a fortress against globalisation but as the best tool we have in a globalising world for the projection of

Europe's collective interests – the entity which maximises our power to help shape the process which willy nilly is increasingly affecting a wide range of our interests.

On balance, globalisation provides Europe, and the world, with many more opportunities than risks. The best way for the UK to help shape the way it develops is

for us to be a strong player inside the European Union, working to keep Europe competitive and, from within a strong Europe, to work for an increasingly open world economy, allowing the dynamic power of trade to continue to increase global prosperity, as it has done so remarkably since the conclusion of the GATT in 1947.

Getting the carbon price right – trade unions and the EU Emissions Trading Scheme: by Philip Pearson

Philip Pearson, Senior Policy Officer, TUC, a member of the panel of speakers at our 'Speak up Europe!' event, has kindly let us have the following in depth analysis of the this highly topical – and technical – subject, written shortly before the publication of the European Commission's report on 23 January.

After its latest expert review of all the available evidence, the latest report from the IPCC concluded that, "an effective carbon price signal could realise significant potential in all sectors". Given the impact of emissions trading schemes on jobs and livelihoods, it's vital that unions are involved as stakeholders in devising and implementing carbon markets. That's why the EU Emissions Trading Scheme (EU ETS) is so crucial.

The ETS is the most significant attempt by any nation, or set of nations, to impose an effective limit on greenhouse gas emissions. Affecting over 1,200 energy producing and energy-intensive installations in the UK, it is by a long stretch the Government's most effective market-based initiative to deliver cuts in carbon emissions through carbon pricing. It is also the cornerstone of the EU's strategy to reduce CO₂ emissions cost-effectively by 30% by 2020, subject to a new international climate change treaty.

Following consultations with Member States, the European Commission is due to publish draft proposals for Phase III of the scheme

(covering 2013–2017) on 23 January 2008, for submission to the European Council in Spring 2008. The UK Government has held stakeholder consultations during 2007, including with TUSDAC in November 2007, on the reforms to the scheme in the light of experience. These consultations will help shape the Government's response to the Commission's proposals.

The future regulatory framework of the scheme is of considerable significance for affiliates in the power sector and in those energy intensive sectors such as steel, ceramics, glass, cement and other industries exposed to international competition from businesses not operating in carbon-constrained markets. In the light of this consultation, TUSDAC has prioritised a number of reforms for the Executive Committee's consideration.

First, we outline the scheme in brief, key lessons from the first two phases of the EU ETS, and then summarise the TUC's position on reforms.

ETS in operation

The EU ETS is a cap-and-trade scheme divided into **phases** for which Member States must develop a National Allocation Plan (NAP) approved by the European Commission. These plans must set an overall 'cap' on the total amount of emissions allowed from all the installations covered by the scheme. This is converted to allowances – 1 allowance equals 1 tonne CO₂. The allowances are then distributed by Member States to installations in the scheme. Almost 12,000 installations are involved across the EU25, accounting for approximately 50% of EU CO₂ emissions.

The EU ETS was introduced by the European Union to help meet the EU's greenhouse gas emissions reduction target of 8% below 1990 levels under the Kyoto Protocol, by 2008–2012.

The rationale behind emissions trading is that it enables emission reductions to take place where the cost of the reduction is lowest thus lowering the overall costs of combating climate change. More abatement will be undertaken by operators with lower abatement costs, therefore reducing the overall costs of meeting the emissions target (cap) set by any trading scheme.

Phase I (2005–2007)

CO₂ savings of around 7% have been suggested for phase I. The scheme certainly helped change attitudes and awareness towards carbon savings on both sides of industry. CO₂ involves a real cost to industry.

About half of companies surveyed in 2006 already priced in the value of CO₂ allowances, and 70% intended to do so¹. But it has not provided certainty beyond the short-term, therefore acting as a

disincentive to investment. It has not been applied or enforced uniformly across EU member states. And the TUC has called for greater stakeholder participation in the oversight of the scheme.

The Commission has taken a more stringent approach to the National Allocation Plans, matching them for compatibility with Member States' Kyoto Treaty commitments to reduce CO₂. The Phase II cap provides for a 6.5% reduction in CO₂ allowances compared with Phase I. The system is now set up to deliver successful reductions in CO₂ emissions and a meaningful carbon price. The forward price is now around 20 euros a tonne.

Key regulatory changes in Phase II include:

- More auctioning of allowances – Germany has set a target of 8.8%, UK 7%, Netherlands 4%, for example.
- Proposals to opt-in new sectors and projects – including the aviation industry and CCS projects (at the request of the UK).

Phase III: the Commission's review

The Government is expecting the Commission to recommend, among other proposals, a single EU emissions cap for the 12,000 heavy emitting installations across the EU: negotiations will then follow on how this would interact with national emissions targets, eg the UK's commitment to an approximately 30% reduction by 2020.

A key concern for the TUC and affiliates is that certain industrial sectors face exposure to international competition from producers in non-carbon constrained economies. Research for BERR has identified five carbon-intensive sectors that are exceptionally exposed i.e. with value-at-

¹ Environmental Audit Committee, 2007, page 20.

stake exceeding 10% of value added at a cost of allowances of €15/tCO₂, if there were no free allocation of allowances. These manufacturing sectors are lime; precious metals; ceramic products; basic iron and steel; and cement. Other vulnerable sectors include inorganic chemicals, refined petroleum products and industrial gases. Concerns about the loss of industrial competitiveness remain one of the major barriers to setting more robust CO₂ mitigation obligations on industrial sectors in the EU.

Elsewhere, Oxford Economics has estimated that a carbon price of €25/tCO₂ applied only to the non-power ETS sectors (such as might result from a policy of moving away from free allowance allocation for the non-power ETS sectors) would result in a reduction in GDP of around 0.17% across the EU as a whole.

For the TUC, priority reforms include:

Ensuring long-term certainty. The TUC and affiliates have argued that the Government's energy policy lacks the very long-term policy framework necessary to bring forward investment in capital-intensive energy projects, such as power installations and new infrastructure. The EU ETS is the key measure available, but has been hampered by two short, five-year phases. We welcome the suggestion that phase III may stretch for 8 years from 2013 to 2020. However, we believe that a commitment to phase IV should extend well towards 2030. The predictability and certainty of the scheme must be increased over a much longer time frame to bring forward long-term investments.

Auctioning. Auctioning will avoid windfall profit taking, respects the polluter-pays principle and ensures significant state

revenues. In general, the TUC supports the auctioning of a higher percentage of allowances, particularly for the power generation sector, to avoid distortion of the carbon price.

"Benchmarked" free allowances. However, certain industrial sectors face exposure to international competition from producers in non-carbon constrained economies. These include steel, cement, certain chemicals, and primary non-ferrous metals. "Carbon leakage" has shifted some production outside the EU in these sectors. The TUC believes that exposed sectors should receive free allowances, on condition that these allowances are benchmarked against good practice in their sector.

Scope: The TUC supports the extension of the scheme to cover funding for carbon capture and storage projects; and to new sectors, notably aviation and maritime. Stakeholder dialogue. The Government should establish a tripartite structure to engage social partners at national and sectoral level (as in Spain), because of the differential impacts on jobs and locations. The ETUC has called on the European Commission to consult with industry and the ETUC at European level.

Economic adjustment. The Government should establish a new "European low carbon economy adjustment fund" from auction revenues, because there will be redistributive impacts on some categories of workers, some sectors of the population (eg. low income households), and locations as the ETS forces down emissions. The greatest risk is that heavy energy users under pressure of carbon prices will relocate outside Europe: a perverse effect where non-EU industries will produce the same products with a higher CO₂ content.

The EU is moving from the stage of learning by doing to becoming the inspiration of a global carbon market

The European Commission is understood to favour setting a Europe-wide emissions cap, rather than “ceilings per member state”, and to distribute allowances by major sector (energy production, industry, aviation, CCS), rather than leave allocation decisions by sector to Member States. This option implies a reinforcement of the EU’s industrial policy, by making carbon constraint a major factor in economic development and innovation. The TUC supports this approach.

The Commission is also likely to impose a cap on the use of external carbon credits from non-EU countries through the Clean Development Mechanism CDM and Joint Implementation schemes. The TUC believes that this should be limited to around 20% of allocations, with these credits focused on projects that bring genuine development benefits in host countries.

The EU is moving from the stage of learning by doing to becoming the inspiration of a global carbon market, fulfilling the role envisaged for it in the Stern Review. The TUC strongly supports the Government’s efforts to extend the ETS to other countries, including through negotiations for a new post-2012 Kyoto Treaty.

An ex-pat in the UK – a view from this side by Lucette Bower

*Our most recent two issues have carried Anita Rieu-Sicart’s views on life in France. Part one was an upbeat assessment of the benefits – medical, social and transport services, etc. Part two set out some of her perceived drawbacks of living on the other side of the Channel. Interestingly, it is this part which has produced the strongest responses. Some of our readers have endorsed her criticisms of French bureaucracy and a reluctance to accept ‘foreign’ professional qualifications, but others believe that there are counter-arguments. The following piece from **Lucette Bower** sets these out with Gallic verve! Until her retirement Mme Bower lectured in Business French at the University of Plymouth. With her husband she is co-author of French for Business (Hodder Educational) now in its fifth edition, and of French for Business Assignments also published by Hodder.*

It was with great interest that I read Mme Rieu-Sicart’s piece in the autumn edition of *Surrey in Europe*. France may well be in need of reform – endless paperwork does indeed slow down or prevent business initiative, the banking system does lack flexibility and its managers are reluctant to take risks with young entrepreneurs. But things are changing. French wine producers might have been complacent in the past, however, in recent years they have been actively marketing their products, as can be seen in various British dailies and

magazines. France might be protective of its workers, but isn’t that what happens in any country at times of high unemployment?

On the French rejection of the EU Constitution, Mme Rieu-Sicart states that this is ‘largely a reflection of their own self-interest’. Is she seriously implying that had Britain held a referendum, people here would have voted differently? Our leaders may come out with vague assertions about Britain being ‘at the heart of Europe’, but not to the extent of actually favouring a

constitution or common currency! French voters in the referendum were able to express their concern at the idea that a wholly liberal economy is the only solution. France and the UK are making different choices. The latter opted for flexibility and open markets, whereas in France the emphasis has been on public services and the infrastructure. Mme Rieu-Sicart asserts that social security charges are 'crippling the economy', yet I assume that, when she needs it, she is appreciative of le service de santé available, e.g., being able to consult a specialist directly without going through a GP, or not having to wait months for an operation. It must also be comforting to know that despite living in the deep south, she could be in Paris in just over 3 hours thanks to the TGV network. I personally hope that France, in its quest for reform, does not lose its social advantages and follow the excesses of the Thatcher years which destroyed communities and left the country bitterly divided.

France has nothing to compare with the xenophobia of the British tabloid press

As for the French being 'somewhat xenophobic in their attitude to other countries and cultures and only a small proportion of French people own a passport', I would have thought that after living ten years in France Mme Rieu-Sicart would know that all French citizens, unlike Americans, have an identity card, which enables them to travel throughout Europe. On her same quotation, I would point out that France has nothing to compare with the xenophobia of the British tabloid press, which plumbed new depths at the time of the Iraq conflict. Remember it was the Sun that sent a man dressed as a chicken and bearing a white feather to the French Ambassador in London. European as well as

world news stories, political and social, are regularly covered by French radio and TV – France actually shares a cultural TV channel (Arte) with Germany. May I suggest she watches on France 3 *Des Racines et des Ailes* now in its tenth year or *Envoyé Spécial* on France 2 for excellent foreign reporting. An independent observer of the British media could be forgiven for thinking that only the Westminster village and the USA are newsworthy. I do, admittedly, find that Britain, which, unlike France, does not have the advantage of sharing borders with several nations, is less insular these days compared to when I first came here. However, I would invite Mme Rieu-Sicart to try manning a European Movement stall at a country fair in deepest Cornwall to get a true picture of the attitude towards foreigners in *l'Angleterre profonde*. Our public meetings are continually disrupted and eminent speakers shouted down by hysterical europhobes. Nevertheless, it would be stupid to conclude that these people represent the views of sixty million British people.

I must also stress that despite occasional differences of opinion, I have a lot of respect and affection for a people I have lived and worked among for many years. These two sentiments seem to be sadly missing in Mme Rieu-Sicart's article about her adopted country. I may be wrong but I seem to read between the lines the standard ex-pat message: lovely country, shame about the people. I must admit I would find it difficult to live in a country whose inhabitants I didn't like.

In conclusion may I say that I have no intention of asking my local supermarket to stock snails, frogs legs or *marrons glacés*. I would not want to join any ex-pat brigade

and I don't consider myself to be over here on missionary work!

EU useful to know – the Reform Treaty

The following piece is from the same source as in our previous issue, Christopher Denne, chairman of the Movement's Tamar branch, and we are grateful to him for his permission to include it.

The procedures for taking decisions in the EU were devised in the 1950s for an organisation with 6 members, and are inadequate half a century later for one with 27. British governments, which pressed for expansion, accepted that that reform would have to follow.

The problems the EU faces have changed since the early days, too. There is a general consensus that there is a need for reform in order to give new focus and efficiency to the EU's work. But not everyone agrees that the proposed treaty is the right way to bring it about.

What does the treaty say? Inevitably, it's long. Here is a summary of the main provisions, including the controversial ones:

- It authorises the EU to move on from debating institutional changes, and to address the new trans-frontier issues which matter to citizens: climate change, energy security, organised crime and terrorism, globalisation, further enlargement, and making Europe's voice more effective internationally.
- When there is a legitimate EU interest, it provides for more 'majority voting' in the Council (one of the EU's two main decision making bodies – the other is the European Parliament). This change will make decisions easier to take. New areas subject to majority voting include energy policy, humanitarian

aid, transport, urgent financing of agreed foreign policy and security measures, and some procedural questions. **But decisions in areas of major national importance such as taxation, social security, foreign policy, defence and treaty amendment must always be taken unanimously.**

- Decisions taken by majority vote in the Council of Ministers will have to receive a double majority – 55% of the member states, representing 65% of the EU's population.
- The Council will meet in public when discussing legislation, not behind closed doors.
- The European Council will have a permanent chair, who will be elected to serve for 30 months by majority vote of all the member states. (At present the member states take it in turn to chair the Council, each serving for six months at a time.)
- The Council will appoint a High Representative for foreign affairs and security policy, whose job will be to implement the policies agreed in the Council.
- The EU will have 'legal personality'. This means that like its predecessor the European Community it will be able to sign treaties in areas where the member states have agreed that it should be allowed to do so.
- The European Commissioners, who head the EU's 'civil service', will be reduced in number to two thirds of

the number of member states. Hitherto each member has nominated a Commissioner (Britain's, Peter Mandelson, is in charge of trade). But with so many members, there are now more Commissioners than are needed.

- New powers for the European Parliament cover legislation and the budget, and the right to elect the President of the Commission.
- National parliaments will for the first time have a recognised role in reviewing legislative proposals.
- The treaty incorporates the Charter of Fundamental Rights into EU law. The Charter sets out in one place the rights which citizens across the EU already have, for example through the European Convention on Human Rights, or through existing EU law. It creates no new rights, and does not extend the powers of the European Union.
- But Britain, to be on the safe side, has insisted on a protocol which specifies that the Charter of Fundamental Rights may not override the powers of British courts. This is one of the British Government's 'Red Lines'; the others give Britain an opt-out on criminal law and legal matters, and recognise the importance for Britain of unanimous decisions in the areas of social security, tax, foreign policy and defence.

What's wrong with all that? Critics say that the EU is too big for its boots, that the treaty is a further step along the road towards a European state, that the Chair of the Council will become the President, and the High Representative will be a foreign minister in all but name. They argue that

Britain's rights are inadequately protected, and that the opt-outs will be diluted over time.

On the other hand . . . whilst the treaty is not perfect, it is a big step forward. By giving additional powers to the European and national parliaments it addresses defects about which critics have long complained. It makes the decision making process more democratic and more transparent, and brings decisions closer to the citizens. It extends the EU's authority into areas of major concern such as globalization, climate change and the control of organised crime and terrorism, and permits member states to take fast decisions in these areas. It provides a structure for the efficient implementation of those decisions.

Britain's welfare, prosperity and security are inextricably linked to the good operation of the EU. What is good for the EU is good for Britain. The idea that the treaty is a step on the road to a European state is preposterous. Europe has none of the characteristics of a state. The Chair of the Council will have no powers other than those conferred on him by the democratically elected members of the Council. He or she will implement the policies decided by the Council, and obey the Council's instructions. The same is true of the High Representative for foreign policy.

Do we need a referendum? This treaty is not a constitution. It bears no resemblance to a constitution. However, it is substantially similar to the document which was rejected in 2005 by voters in France and Holland, on which our Government had promised British voters a referendum; and that document, which unlike the present one would have

replaced all previous treaties, did describe itself as a constitution.

There is no other case for a referendum. The proposed changes are small compared with those introduced by the Maastricht Treaty and the Single European Act, on which there was no referendum. (As Mrs Thatcher said at the time of Maastricht, 'Referenda are not the British way of doing things.') In Britain we rarely hold referendums, and then only on issues of

major constitutional importance. This treaty is most certainly not one of those. If we held a referendum, voters would vote on this complicated technical treaty according to whether they liked the EU or not, which is what those arguing for a referendum want. There may, as the Liberal Democrats have argued, be a case for a referendum on our very membership of the EU. But that is another matter!

Future events outside Surrey

Tuesday, 5th February The Federal Trust and the Global Policy Institute are organising a discussion on the European Security & Defence Policy at 6.00pm in the Lecture Theatre JSM-34, London Metropolitan University, Jewry St Building, 31 Jewry St, London, EC3 2EY. The main speakers will be Jacques Audibert, Minister-Counsellor, the French Embassy, and Sir Emyr Jones Parry, former UK Representative at the UN. Places are limited, so please RSVP as soon as possible to events@global-policy.com or the Federal Trust on 020 7320 3045.

Friday, 29 February The West Kent branch is holding its annual dinner at the Langley Hotel, 18 London Road, Tonbridge at 7.00 for 7.30pm. The special guest will be Gary Lawson, a LibDem Parliamentary Candidate for the SE Region. Tickets are just £22.00 a head for the three course meal, plus coffee and mints but excluding drinks, available from the bar. The menu has vegetarian options. If you would like to go, please tell Dr Alan Bullion on 01892 549871/07840 854328 or alan.bullion@informa.com by 31st January.

Tuesday, 11th March The EM's Central London Europe Group has arranged a discussion on the Treaty of Lisbon. Leading experts, including Tony Blair's former adviser, Sir Stephen Wall, will debate whether it meets the needs of tomorrow's Europe. The event is at St Bride's Institute, 14 Bride Lane, Fleet St, London, EC4Y 8EQ, and starts at 6.30pm, concluding with a reception. Places are limited, so please RSVP to info@cleg.org.uk or Richard Wassell on 01732 452684.

Saturday, 15th March The Federal Union's annual conference will look at two subjects:

- fundamental rights: how does Europe define and defend them?
- what future for Europe after the Lisbon Treaty comes into force?

More details are at <http://www.federalunion.org.uk/news/2008/080315AGM.shtml> or Federal Union, PO Box 44404, London SE1 7TZ.

Friday to Sunday, 11th to 13th April The UK EM's Brussels branch is organising a weekend there and an invitation will be sent to all UK members shortly. In the meantime, Stephen Woodard can supply further details: swoodard@europarl.eu.int.