

The Retreat to Europe

ACCORDING to the European Commission's own polls, 63% of Britons oppose a single European currency. This comes 20 years after Edward Heath signed the treaty of accession, and shows the depth of mistrust even though all political parties and all daily newspapers are unfailingly pro-European.

It was Mrs Thatcher, she who paraded the strongest oral protestations, who nevertheless made the firmest commitments, with the Single European Act of 1986 and later the EMS/ERM. Why do they do it? The uncritical adulation of the Liberal Democrats is simply immature; for Scottish Nationalists it is a cloak for rampant parochialism; but why does Labour slaver to jump the hoop whenever Jacques Delors holds it up, and why do Conservatives, in the end, come to heel too?

The explanation is failure, mediocrity and opportunism. It was in desperation over failure of their policies at home that first Harold Macmillan and then Harold Wilson trod the European road, but met a "non". Later Heath and (again) Wilson did go down it, fleeing from the nation's economic problems and tacitly admitting the poverty of their parties' proffered programmes. "Europe" had become a refuge.

Just as local councillors pass blame to central government, so Her Majesty's craven ministers shield their limitations behind commitment to Europe. This suited Conservatives when the intent was mainly economic, towards removal of internal trade barriers and a single European market. Lately, the emphasis has shifted in the direction of what are called social policies. These are more to the liking of the paternalist, dirigiste, and corporatist continental Europeans - and of course they appeal to the Labour Party.

The bad news is the sheer awfulness of the Community's aim - a protectionist federation with a single currency, "harmonising" everything in sight, regulating how we live and work, from Galway to Rhodes, from Berlin to Lisbon. Inevitably it will strut and pose on the world stage, if only as a distraction from re-writing the rules on maternity leave and deciding the level of next year's corporation tax (yes, a former Dutch finance minister has already proposed to the Commission that this be taken out of the hands of national governments). The good news is that it will never happen.

The EC faces collapse.

THE AIMS of member states are diverse, and the aim of their governments are not necessarily the aims of their people. Under the strain of economic depression, both sets of cracks will start to show. There is not the remotest

prospect that the pre-conditions for the single currency will be met (levels of public sector borrowing, of inflation, of exchange rates and interest rates). There is a limit to the amount of interference which ordinary citizens, politicians in or out of office, journalists and the like, will tolerate without seizing the opportunity to vent outrage on the "foreign oppressor", whether the offence is yet another decision of the European Court or a ruling that a favourite ice cream may no longer be put on sale. Then there are the questions of whether to admit new members, not just the relatively affluent EFTA states, but Turkey and the East Europeans.

It is, however, straightforward shortage of money which will do the trick. The EC is spending 55% of its budget on the Common Agricultural Policy, £22,000,000,000 a year on supporting the production, storage, destruction and dumping of food that nobody wants, at way above world market prices. Most of this expenditure merely props up the price of agricultural land. The damage done to the economies of poor countries reliant on primary products, mocks the hypocrisy of aid to the Third World and Eastern Europe. At the same time, the CAP infuriates powerful exporting competitors like the USA, Australia and New Zealand, and, by threatening the GATT negotiations, risks the kind of worldwide lurch to protectionism which deepened and prolonged the slump of the 1930s.

Fortunately, the game is nearly up. Italy, Germany, France, Spain, all are in disarray, like Britain. True, the so-called McSharry plan would replace CAP hand-outs in part with doles to identified LFAs (less favoured areas). True, also, the Maastricht accords envisage a new line in subsidies called the Cohesion Fund. Governments struggling to cope at home just will not find the extra cash. Breaking point is nigh. It could be closer than we think. Denmark has a referendum on the Maastricht agreements on June 2, and the prospects for a "no" vote are promising. It would send all Twelve back to the drawing board.

REALLY, SOLEY?

CLIVE SOLEY, Labour Party spokesman on housing, put his name to a document for the recent General Election. Called "Building a Better Britain", it drivelled its way across 19 pages, during which it mentioned land only once - on page 18 - and then only to refer to integrating land use and transport planning. Does he think the construction industry builds its foundations on thin air, up there where his own thoughts evidently are?

Soley, really!

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