

# Lecture at Middlesex

On Thursday evening I gave a lecture at Middlesex University about the long period of the UK's membership of what became the European Union, and why it led so many UK voters to conclude we will be better off out.

Two things were most neglected in the Referendum thanks to the dominance of the Remain campaign and the Establishment behind it in driving the media agenda. These were the economic damage that membership did to the UK, and the plans of the EU to move onto political as well as full monetary and economic union. I will consider these today and in later posts.

We need to examine the EU's love of austerity policies. They are embedded in the Maastricht Treaty, and apply to the UK as well as to Euro members, though without the same enforcement mechanisms for us as for a Euro member. Maastricht says that no state should borrow more than 3% of GDP in any year, and all states should bring their state debts down to 60% of GDP. This latter requirement forces a country like Greece to try to run a budget surplus, and lies behind Chancellor Osborne's wish to repay debt in the UK. Each year the Treasury reports on our public finances against the Maastricht requirements, and each year we have a Parliamentary debate about our progress or lack of it in hitting these targets.

Our membership of the EC began badly with a deep recession in the middle 1970s. Whilst this was not directly caused by our EEC membership, it did lead some people in the 1975 referendum to doubt there would be economic gains from membership. Our presence in the EC did not begin with a surge of new business from joining the Customs Union. In the first decade the removal of all tariffs from manufactures where we were relatively weak allowed continental countries led by Germany to boost their exports to us greatly, helping destroy jobs and factories here at home. Conversely a lack of market opening in services where we were stronger meant we ran perpetual large balance of payments deficits.

The worst impact of the EU on us came from their requirement that we join the Exchange Rate Mechanism. This gave us a boom/bust nightmare – entirely predictable as I wrote in a pamphlet prior to the event. We lost 5% of National Income and Output from the slump it caused. The 2016 referendum was our first chance to vote on the EU's role in that disaster. The UK government that was the agent of it had long since perished at the ballot box as electors removed the EU's agent of recession in the 1997 election.

The austerity policies in Greece, Ireland, Spain and elsewhere have been of altogether much greater magnitude than in the UK where we have broken the rules by more and for longer on debt and deficit. In Greece there have been endless rounds of cuts including large cash cuts in pay and pensions which we in the UK have rightly never considered. These policies have been deeply damaging to their economies, resulting in high unemployment and excessively high youth unemployment.

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## Moderating posts

I have deleted a number of posts today, as I am short of time. I have deleted some without reading because they were very long, and some which are very repetitious in nature, as well as deleting many with attached links to sites I have not read.

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## We need a Statement on Syria

I trust tomorrow when Parliament meets the government will update us on its thinking on Syria and give MPs every opportunity to examine the position now reached.

I assume the limited action the UK took with allies early on Saturday morning is the end of the military intervention planned following the use of chemical weapons in Syria. I stressed before the event that we should not fly our jets into Syrian airspace, run the risk of killing Russian personnel and damaging Russian equipment, and risking killing civilians. It appears we have avoided all of those dangers. It is now important we show we do not intend to escalate from here. I am glad the PM did tell us she has no plan to intervene in the civil war or seek regime change as those options would require considerable and sustained force and be full of risk.

Labour will doubtless wish to explore the legal base for the action.

Many MPs will want to know how successful it was in destroying chemical weapons production facilities and chemical weapons stocks, the stated targets. We await the full Intelligence evaluation and assume Russian claims to have shot down most of the missiles are false. We will also wish to be reassured that attacking chemical weapons stocks did not lead to damaging release of any of the chemicals, or to the death or injury of people on the ground.

It will also be interesting to hear the governments evaluation of whether this will either prevent or deter future use of these munitions by the Syrian regime. Has the attack crippled their capacity to make and use these weapons? Or did it do such damage that they will conclude it is not a good idea to do it again?

There should be no escalation of this action and a careful consideration of the results of this mission.

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## The international order, Russia and the rules based system

We constantly hear these days that there is a rules based international order which all decent states follow. Russia is condemned for not following these same rules.

Those who think like this usually divide the world up into a majority of states who follow these rules, and a minority of rogue states like North Korea who pose problems for the rest. When it is one of the world's larger military powers who has greater diplomatic reach, some world support and a seat on the UN Security Council that does not follow the world order this analysis has its limitations.

I am no apologist for Russia, and understand the ruthless pursuit of Russian interests by that state can lead to unacceptable conduct. I condemn atrocities and illegal acts whichever state carries them out when they are reported and proved.

The truth is there is no one set of rules, no single world order that is codified in many areas of government activity which every state should obey. Within NATO and the advanced west there are varying rules of law. The USA has its own set of laws and legal constraints on the actions of its President and senior officials. The EU has another set of laws and legal requirements on its member states. The EU will not accept all the US rules, and will certainly not accept US jurisdiction, nor will the USA of course accept EU rules and control.

The West does come together in some world bodies and helps shape a global approach. There are world trade rules supervised by the WTO which all members accept, though the USA currently feels those rules are not fairly administered with regards to China and Germany. There are important conventions on nuclear and chemical weapons which most countries have signed. North Korea becoming a nuclear power and alleged use of chemical weapons in Syria causes problems under these global rules. As the current disputes reveal, the countries accused of breaking world rules often argue they have not. China and Germany pose as supporters of a world free trade order, whilst the USA cites evidence that they are not. The West rightly condemns chemical attacks in Syria, only to be told by Russia that no such attack has happened.

The main countries and blocs appeal to world rules when it suits them, and seek to interpret them in directions which fit with their national interests. Russia clearly plays by different rules to the West in several respects. In Syria it will accept more deaths as the regime seeks to restore its control over the country, as Russia judges an Assad government to be the least bad outcome. The West is against both ISIS and Assad, but lacks the power and commitment to enforce a different government on that country, whilst

condemning the many deaths the current civil war is causing.

Those who protest most about the need to create and follow a rules based system need to be punctilious themselves to obey it. Any Western military intervention in Syria today will need a legal base, made more difficult by Russia's veto of any UN Resolution which could directly support action. The UN is a world body which comes closest to providing a rules based system for the conduct of diplomacy and where unavoidable to regulate the use of force between states. That body cannot have a clear single view or straightforward rule where the Security Council is divided and where a veto has been wielded.

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## Visit to Beckton Dickinson

I visited Beckton Dickinson at Winnersh Triangle this morning at their request. They are a fast growing medical supply company owned by an American business. They have several testing laboratories and office accommodation at Winnersh to run the UK arm of this multinational business.

We mainly discussed how new technology and smarter products can help UK medical staff in the NHS achieve higher standards of care and treatment. The Secretary of State is keen that the NHS has an open culture towards mistakes, resulting in continuous improvement to reduce harm to patients through unintended error. Beckton Dickinson aim to produce products used in medical treatment that can assist with accuracy and good outcomes.