

Resistance

FEDERALISTS STALK BUSINESS



WHAT CAN SMALL BUSINESSES DO FOR EUROPE?: Pamphlet launched as the Federation of Small Businesses recently opened an office in Brussels.

This summer, one small business will not be renewing its FSB membership!

The FSB has long been regarded as a hotbed of Euroscepticism – in 2001, members voted by over 2-1 to leave the EU, and in 2004, 96% of 110,000 members cast their Conference votes against the EU Constitution.

Unfortunately, some of its leaders have been tempted to sup with the devil, while claiming merely to be ‘in dialogue’ – not part of the system.

SOFT-SOAPING THE EU

The June 2006 issue of FSB’s ‘First Voice’ journal contains the headline: ‘*This is the most business-friendly European Commission ever.*’

Commissioner Verheugen tells FSB that the Commission ‘*is in a process of far-reaching cultural change*’ over the flood of regulations and is now sensitive to their effect on small businesses (‘SMEs’). (The same Commission has recently tried to end their freedom to choose their own working hours. It is trying to pass paint rules that could destroy nearly 1/3 of our 6,500 car bodywork shops.^{1,2})

The FSB has publicly backed a scheme whereby the EU’s 300 most senior officials will now have a week’s ‘work experience’ in a small firm in another country. What are the odds that they’ll go native again when back at their cushy jobs in Brussels?

A clue might be in “**What can Small Businesses do for Europe?**”, oddly billed as “*a roadmap of success for EU institutions*” in a FSB PR.³

Apparently the FSB urges: ‘**Restore trust in EU decision making**’, noting the distrust of small firms.

Some might excuse FSB cuddling up to the EU in order to achieve ‘damage limitation’ – a FSB chief privately admitted a few years ago that this was what they did with the UK government.

However, cynics believe that every deal has its price, and the EU, in a public confidence crisis, is loathe to miss an opportunity to puff up its battered image. *First Voice* certainly gives the impression of ‘advertorial’ – an unobtrusive editorial plug for the EU:

- ‘*News of Brussels is always filtered through the national media*’
- ‘*Regulations aren’t normally the work of bureaucrats in an ivory tower, but interest groups and industry...*’

(think - if Verheugen’s second quote above holds, then why is a ‘culture change’ so necessary?). Finally...

- ‘*Blaming Brussels is a favourite trick of many governments*’

This is from Philip Bushill-Matthews, MEP, who took over the regular column from Dr Richard North in 2004. He is a staunch fan of ‘Conservative’ MEPs staying aligned to the EPP federalists. EPP policy calls for MEPs to set an EU-wide income tax!⁴



IN DISREPUTABLE COMPANY

So what are the FSB’s chances of saving small businesses in return for PR favours? Not promising, judging by their experience with New Labour, which has fleeced them in spite of a £400 donation being made by FSB to Gordon Brown’s local Labour Party⁵ and letting Europe Minister Denis MacShane whitewash the EU to the 2005 FSB Conference.

FSB’s Tina Sommer now chairs the European Small Business Alliance (ESBA), FSB’s European umbrella group that claims to be *the only one that focuses its representation on the needs of small businesses*.⁶

Yet in 2002, ESBA pushed for a European Constitution with EU powers on ‘tax competition’, more power to the European Parliament and the slashing of remaining UK vetoes!⁷

It also called for harmonisation of EU business establishment rules, and for ‘neighbouring regions’ to control other countries’ economic initiatives.

Although local FSB groups still lobby against congestion charging and carbon taxes affecting business, the national organisation woos their originator, and the main ‘policy’ web page seems free of EU comment.



The EU won’t rule out new company taxes and is eroding tax sovereignty

FSB also works with the regionalist lobby ‘West Midlands in Europe’.

WE’VE HEARD IT ALL BEFORE...

The Treaty of Nice⁸ assures us that regulations ‘must be passed in a way that avoids administrative and financial burdens on small businesses’

Another group to watch is **Forum of Private Business** (FPB), with 25,000 members. Sceptical on some policies, such as the EU Services Directive, it believes that the EU’s image problem is self-inflicted.⁹

However its Policy Analyst, Andrew Mowlah, last year stated that FPB was not against a cut in the UK rebate, but was against “*cheap point scoring at our European neighbours’ expense. The idea that we should just keep quiet and keep the money is disgraceful.*”¹⁰

FUNNY BUSINESS AT THE FORUM

Mowlah also believes “*Much of the legislation coming out of Europe makes perfect sense when you see it in the light intended.*”⁹

Jon Barbuti pops up to slag off Vernon Coleman’s hard-hitting book ‘The truth they won’t tell you about the EU’ – “*Coleman’s stance is worse than misinformed: it is lamentable.*”¹¹

FPB actually boasts of its membership of the European umbrella business group UEAPME - which supports European integration, and claimed ‘*Small businesses weigh in to support the EU Constitution*’ on the flimsy excuse that not to do so would give uncertainty to the European economy. It wants a ‘common EU tax area’ and an end to tax vetoes.¹²



CAMPAIGN SUCCESSES

► We managed to get a quick exposé of some less well-known Tory federalist connections onto some high visibility websites – including the Daily Telegraph's, and the campaign to disengage from the EPP-ED group (www.adieu-epp.com).

► With the prospect of state party funding looming, **Adam Hartman's** letter hit some high circulation papers, including the Manchester and Cambridge Evening News. It showed New Labour's 'invest in democracy calls to be sham, as most of our laws are 'Made In Europe'. We even got an argument against state funding onto the Labour Party website (most people replying to the consultation were anti!).

This and the national consultation are open until 31 July – info on request.¹³

► The Open Europe think tank produces valuable press digests, but is over-optimistic over 'EU reform'. Take-up of our fact sheets on how renegotiation is *not* an option was so high that we ran out at their Millbank event addressed by William Hague.

► We also wrote to FSB Chairman Carol Undy, exposing the EU's corruption and damage to business, and asking if the FSB *really* wanted to be tarred by association with it?

Some groups' petitions have their role as a local conversation-opener – even if Labour won't act on them. However we have long recommended getting **opinion-formers** to speak out. If a Peter Hitchens or Melanie Phillips calls for withdrawal, it gets through to millions of people. We are stepping up **targeted mailshots** during the summer, and all help and ideas are welcomed, please.

There still seems to be a bit of a 'campaign vacuum' since the two key Constitution referendums, so our side needs to 'keep Europe an issue' as an investment for when things get hotter.

• Kenneth Clarke MP wants Scots MPs not to be able to vote on English matters, but is happy for MEPs of 25 nationalities to shape the laws of England and the rest of the UK...

REGIONALISATION CARRIES ON

In a report, 'Size Isn't Everything...', think-tank Policy Exchange argued that there was no evidence that merged police forces were more effective. Hampshire Constabulary looked at a tie-up with neighbouring Dorset and Wiltshire, but the Home Office ruled that any merger must be within the South-East (i.e. 'region'). New Home Secretary John Reid put compulsory mergers on hold on 19/6 – at least for now.

But new 'strategic health authorities' are now in place, and match all or half of the 'EU regions' in England.

The Commons Health Committee argued that the 'reforms' (including resizing Primary Care Trusts) were ill thought-out and would be disruptive. 'Nurses' favourite' Health Secretary Patricia Hewitt actually claimed that they would save money and 'were a response to local wishes'.¹⁴

After local protests about the risk to lives, Staffordshire has escaped a merger of its highly-effective ambulance service with W.Midlands – but only for 2 years!¹⁵



HOUNDING SMALL BUSINESS

LibDem Devon County Council claims to be 'responsive to the needs and concerns of local communities'.

However, a recent Booker column¹⁶ reported that Alan Elias, 68, was pulled in by the Police and stands to be prosecuted for selling in the measures his customers want.

His case, however, meets none of DCC's 'Public Interest Criteria', while his age and the fact that any 'harm caused' was 'minor' should have counted *against* prosecution.¹⁷

WHITEWASHING THE EU - 2

European Commission president Barroso is launching a "new slogan for Europe" competition aimed at reviving the troubled EU project.¹⁶

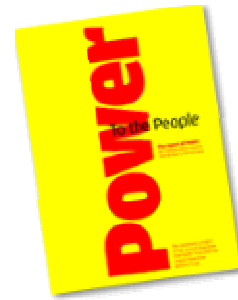
There is also to be a new logo to replace the 'Euroflag' (which is actually the Council of Europe's).



An early entry, but unlikely to be chosen

Something featuring the jackboot or the hammer and sickle is more likely to get sympathetic media attention?

How about replacing the current EU slogan, 'United in Diversity', with: "For a post-democratic Europe" or "The New Soviet Union"?



The 'Power Inquiry' report released¹⁸ in March missed the obvious, with its block on considering EU withdrawal

"...whatever we might say, we know that the idea of democratic Europe is not one that we can sustain" (Tony Wright MP, Chair of Public Administration Select Committee).

"It is clear that there is a huge appetite across the country for democratic power to be returned to the people." – website conclusion¹⁸

• LibDem MEP Sarah Ludford urged Londoners to celebrate 'Europe Day' in the local press. In the next issue, one paper featured 25 column inches of letters from readers blowing her hyped claims out of the water.¹⁹

• We've covered the issues readers wanted, and run a talk on the vital defence issue. Dr Richard North's www.eureferendum.blogspot.com is worth visiting for defence articles.

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