

## A Christian's View on Europe

Sir Fred Catherwood

There are all kinds of reasons for opposing Britain's membership of the European Union.

There are those who just are and always will be ferociously against. They were a 'county' couple, she with a plummy accent and a Roman nose and he was still Flying Officer Kite, with the same prejudices 50 years on. His eyes blazed in fury: 'They should all have been shot.' 'Aren't you a bit over the top darling?' He subsided slightly. 'All the fault of that fellow Heath.' 'What about the Referendum then?' 'Pah!' he said. 'Who would take notice of voters who had been led by the nose?'

Others see Europe as a Catholic plot. A well-known Ulster orator once asked me, 'Do you or do you not believe that the Pope is the Antichrist?' I said that my understanding of the spirit of antichrist was a sinister alliance of church and state, both supporting each other in putting down all opposition. This had not been confined to the Roman Catholic church. The Anglican church had had heretics put to death with the support of the crown. A civil war had been fought on the issue. The Orthodox church had also not been innocent. 'Well then, why do you not believe that the worst of the lot is the Antichrist?'

The answer is that the powers of the Catholic church in Europe have long since disappeared. In every formerly Catholic country, the church is a shadow of its former self. The whole of Europe, not just Britain, is a secular society. The young no longer go to mass. In parts of Dublin, the priests are spat at if they wear the cloth. In Italy, the voters have extinguished the once powerful Christian Democrat Party. In the European Parliament, Protestants and Catholics need each other to oppose the rising tide of secularism. We have to fight the battles of today, in a society where the church is too often on the back foot. And in those battles, Protestant church leaders are too often on the side of the disastrous social experiments of secular society. On most social issues, the conservative Protestants and Catholics fight side by side.

Another objection is that if we have to have partners, we should be linked to

the Americans and the old Commonwealth: Canada, Australia and New Zealand. Those are the ties of blood, language and culture. This is a view which appeals to many Christians, because church ties across the Atlantic are usually much stronger than across the channel.

After the second de Gaulle veto in 1967, I felt that this link was worth exploring and joined a group which was considering the feasibility of a North Atlantic Free Trade Area. At the time I was Director General of the National Economic Development Council, which brought together the Government and both sides of industry; so I felt that it was within my remit.

The Americans, however, were strongly opposed. They wanted us in the European Common Market for exactly the same reasons that de Gaulle wanted us out. This, they said, was the most powerful international grouping to emerge since the war and, just because of the strong ties we had with them, they wanted us inside. They had no use for us as an impoverished cousin hanging on to their skirts and de Gaulle would not last for ever. The Canadians and Australians took the same view, but, in the case of the Canadian Foreign Minister, put it more politely.

I was also summoned by two successive British Foreign Secretaries. George Brown talked one to one over lunch in the Commons. 'It's a matter of power Fred. In an alliance with America, they would have all the power and we would have none; in an alliance within the Common Market, we would run it' – as we still could as we were committed. Then Michael Stewart took over and saw me, seated behind his desk in the Foreign Secretary's impressive office and surrounded by officials. An old teacher, he gave me a schoolmaster's lecture; but his message was the same.

If we have not, in the event, made the best of our potential leadership inside the Union, they were both right about the relationship with America. Between 1983 and 1994 I served on the European Parliament delegation, which met with the US Congress delegation twice a year, January in a European capital and July in Washington, where we met the Administration and the Senate, after which we all travelled, care of the US Airforce, to some member's congressional district and debated the major issues between the United States and Europe.

We got to know each other well. At one meeting in Bonn, the German Economics minister complained to Congressman Sam Gibbon, that he was laying into me too hard. 'He's all right', said Sam, 'he can look after himself'. What really looked after us was the power of speaking on behalf of a Union as big as the United States. They had to take as much notice of our views as we did of theirs. There is no way in which a single state inside the European Union, let alone outside, can wield that collective weight. America is a great power and will defend its interests, which are by no means the same as ours.

But maybe the most dangerous and insidious reason for opposition to our links with Europe is a new phenomenon, English nationalism. This is quite different from the proper pride in our own country and the loyalty which every citizen owes. But 'our own country' is the United Kingdom of Great Britain and Northern Ireland. The rise of Scots and Welsh national parties in the last 20 years is the result of neglect by the Conservative governments of their interests in the last two decades. Their new monetary policies wiped out a quarter of British industry and fell hardest on Scotland, Wales and the north of England. There are now no Conservative members of Parliament in Scotland or Wales and both countries believed that some self-government would help them to look after themselves. Neither nationalist parties are racist. Winnie Ewing defines a Scot as anyone who lives in Scotland.

It is tempting for governments, when things go wrong, to play the nationalist card; but it is, to change the metaphor, hard to put the genie back in the bottle, as the Irish have found in trying to get a settlement in Northern Ireland. Nationalism needs external enemies and when there are none, they have to be invented.

I do not suppose that Margaret Thatcher wanted to release the genie from the bottle when she made her Bruges speech in 1988. But she certainly created the impression of external enemies. Europe was not the joint enterprise of nine countries where British initiative had created the single market and was shortly to produce the first major reform of farm policy. Europe was 'them against us', a battle which she was fighting defiantly against all odds. Other countries, of course, looked after their interests, but, with give and take, not on terms of implacable enmity. Deals were done in which everyone got something and the whole Union was better off.

A little over a year later, Geoffrey Howe's resignation speech said it all and her support melted. But she had made nationalism respectable and, with the Maastricht Treaty, the nationalist wing in the party had a cause which split the Conservatives and gave Labour their biggest ever election victory.

Then there are the racist football hooligans who disgrace the flag of St George. There is no difference in principle between their smashing of the French shops in Marseilles and the Nazi brownshirts who smashed the Jewish shops in Germany on Kristalnacht. But if our leaders demonize foreigners, they should not be surprised if simple-minded louts take them at their word.

The national press, whose main interest is selling newspapers, ride with the tide. Even the broadsheets publish letters from readers who say that they quite understand the need for pent-up national resentment to express itself in violence. We are not helped by the ownership of 60 per cent of the press by conglomerates, who must fear the power of the European Union, and who must want to see Britain out from under the European legislation which could break their cartels.

It is their voice which the politician hears on the doorsteps. 'You can't trust the French', said the nice lady who opened the door. But, when I asked her, she admitted she had never met any French herself. I said that I met them every day and they were just like us, but she believed what she read in the papers and found my experience incredible.

The European Union was founded specifically to make sure that nationalism could no longer tear Europe apart as it has in two disastrous wars, with the loss of 50 million European lives. It is quite clear that nationalism, based on the belief in the superiority of one race over another, is totally contrary to all Christian beliefs. We are to love our neighbour as ourselves. We are to respect the dignity of our fellow men and women, all made in the image of God. The kingdom of heaven will be made up of saints from every 'nation, people, tribe and language'. These are the Christian arguments which prevailed in the repeal of the slave trade, in the civil war in the United States, in the campaign against apartheid in South Africa and in the successful campaign for a peaceful political settlement in Northern Ireland. So, from a Christian point of view, all arguments which are traceable back to racial differences are plainly wrong.

It is also this anti-European drumbeat, which makes it hard, even for a Christian who is believed and trusted in all other matters, to explain the current issues. So maybe it is better to put them as question and answer.

*Aren't you bound, having spent 15 years as an MEP, to be biased in favour of Europe?*

When I became an MEP, I was earning three times as much from directorships as my parliamentary salary. Instead of adding to these directorships, I had to give up those I had. I had decided to put in for the Conservative nomination for my home constituency of Cambridgeshire because I was convinced that only a strong pro-European result for the election for the new European Parliament could prevent the Labour government from pulling out and my four years as Chairman of the British Overseas Trade Board had convinced me that this would be economically disastrous. In the event the Conservatives won both the national and the European elections and Britain remained a member state.

*Why should British laws be made by bureaucrats in Brussels?*

The European Commission has no legislative power. It can only propose legislation and it is the Council of Ministers and the European Parliament who pass the legislation into Union law. But the Council meet behind closed doors and there is no record of the debate or of the voting and each minister briefs his own press corps separately. So it frequently happens that a minister who finds out afterwards that the measure is unpopular will blame it on the 'bureaucrats of Brussels' and add to the myth, despite his undisclosed vote in favour.

In almost all legislation the European Parliament not only has to be consulted, but it can also block legislation of which it disapproves. So all legislation needs the approval of the publicly accountable Parliament, whose votes as well as their debates are also on public record. It is here that the Commission are also made publicly accountable for their proposals. And, since the Parliament forced the last Commission to resign, it is clear that the Commission is also accountable to the Parliament for their overall performance.

*What of the argument that the European Parliament is too remote to be democratically accountable?*

Brussels is a 35-minute flight from London and less remote than most of the rest of the UK. The constituencies are about six times as large as for MPs; but, until the 1999 election they were almost exactly the same size as those of the American Congressman and no one complains that Congressmen are remote. I had an office in the Shire Hall in Cambridge with a staff of three, so that Councillors as well as MPs knew where to go for help and I had a steady stream of enquiries. And, like most MEPs, I used to have a regular constituency day in each Parliamentary constituency, since it was easier for me to go to people than to expect them to travel to Cambridge. Since then we have multi-member constituencies to give proportional representation, but, no doubt, the present MEPs will learn to divide constituencies between them, so that constituents know where to go for help.

*Why do we only hear about the European Parliament when there is a scandal about expenses?*

All parliaments tend to pay fixed allowances for travel, from and within the constituency and for overnight stays and for staff. The European Parliament's allowances in my time were too generous for some costs and too little for others, but it allowed members to subsidize staff. The main scandals are caused by people who sign in to pick up the overnight allowance, but are not there to vote. The political process usually deals with them, either when their party does not reselect them at the next election, or, if selected, when the electors vote them out. The Italian Christian Democrats were the most notorious and they have been completely wiped out.

*Why can we not just have a free trade area? Why are we suddenly faced with a European super-state?*

In the early 1980s, when the tariffs had gone down to zero, countries were still protecting their domestic industry by insisting on new national specifications for, for instance, fork-lift trucks, which effectively excluded all but their own producers. To get round this, it was necessary to agree acceptable specifications across a wide range of industry. That caused fewer problems for us than it did, for instance, with German specialist breweries.

That was irritating while it lasted. However, most of that British initiative, known as 'The Single Market', has now been put in place. People shopping in supermarkets know that whichever country a product comes from, its specification is safe and, as a result, there has been a great increase of trade within the Union.

A European super-state is not only unacceptable to Britain, it is not acceptable to any other member state. The French have no intention of allowing their sovereignty or their national identity to be removed. The old countries, the Spanish, the Danes, the Dutch and the Swedes are just as proud of their country, and, though the Germans have given up a great deal for the European ideal, the strongest single country is not going to be ordered around in all its affairs by smaller fry. And smaller states like Portugal have their pride too. The country which makes most of federalism is Italy, because of the failings of their own political system.

*But will the Euro not lead inexorably to loss of sovereignty and to a European super state by the back door?*

It does not do for anyone, especially for a Christian, to give money a status above its purely utilitarian function. A country needs a currency, whatever it is, which keeps its purchasing power and a stable external value and which does not require interest rates above the average.

On all these criteria, the pound fails lamentably. It lost half its purchasing power while Margaret Thatcher was Prime Minister. If Britain had sovereignty over the pound, she has a lot to answer for. It has a notoriously unstable external value. When it swings too low, it brings imported inflation, when too high, it cripples British exporters, as it is doing now. And it is sufficiently unpopular internationally to need interest rates half as high again as our continental competitors. So for the same interest cost, they can put down half as much investment in new products as we can, which is disaster to the future of investment in Britain. The current high pound has bankrupted a large number of farmers and driven others to suicide. Its Rover investment cost BMW £2m a day and it is now being downsized, as is Ford's big plant at Dagenham. Industrial investment has a three to four year time lag and it is useless to point to investment decisions taken three to four years ago and coming on stream now. At that time the pound was competitive and everyone

expected the new Labour government to be committed to Euro entry. The reality today is that, out of the national headlines, boards are having to make decisions which will increase unemployment for a long time to come.

*Why then was our fixing the pound to the Deutsch Mark in the ERM such a disaster that we had to come out inside two years?*

When the other members formed the ERM in 1979 and when Spain joined later, the exchange rate at which their currencies were fixed by negotiation were done so, to make sure that they were not vulnerable to speculative attack. When we went in, we fixed without any agreement with our partners on an exchange rate and the rate was too high to be sustained.

Nevertheless our two-year membership produced a currency sufficiently credible to reduce the rate of wage awards and, for the first time since the war, the wage price spiral was conquered. Although we were forced out by speculation, that stability has remained and the old wage-price spiral, which gave rise to so many injustices, has not reappeared.

But we were not the only ones to suffer speculative attacks. Italy and Spain also suffered and we could have re-entered the ERM as they did. What kept us out was not economics, but the rising tide of nationalism in the Tory party, whose interests lay in making a setback into a disaster.

This speculation attack was predicted by those considering the consequences of the single market. The fear of a run on ERM currencies was one of the main reasons why the other ERM members decided that only a single currency could be guaranteed to avoid disruption. With free movement of goods and services, some countries would be in trade deficit and, with the new free movement of capital on which Britain was very keen, a deficit country, defending its own currency out of its own reserves, would sooner or later wake up one morning to find that its reserves were fast disappearing, exactly what happened to Britain, Spain and Italy.

The other powerful reason for the Euro was the view that a single market needed a single currency. American states had quite different taxes, which makes it cheaper, for instance, to shop in New Jersey than in New York. But the single currency made America a single market.

*Then why is there such a fuss about the Euro? Who does it threaten?*

It is seen to threaten the monetarist policies of the last two decades, which have substituted interest rates alone for the well-tryed combination of both interest rates and taxes as the means of regulating the economy, what Ted Heath called 'one handed golf'. This has brought higher interest rates and lower taxes and since high interest rates depress investment and employment and help those with capital, the rich get richer and the poor poorer. Political parties no longer worry, because they now see the poor as a defenceless minority and the votes of those in work which count. But monetarism, both in Britain and America, also increases consumption (and imports) at the expense of investment (and exports). The Americans have so far got away with their huge external deficit by borrowing from Japan, but our ability to sustain our own huge deficit is most uncertain. So the British monetarist system, which was funded for so long by oil production, is highly unstable.

*Can British interests really be handled better within the European Union than outside it?*

For four years, from 1975 to 1979, I represented Britain abroad as Chairman of the British Overseas Trade Board. But I was acutely aware of the limitations of a single nation state. We worried about the way in which the Japanese had picked off one of our industries after another, while protecting their own by cross-holdings which prevented our getting any of their mass market in return. We had a delegation of senior Japanese over to London to meet top British industrialists and their leader nodded off in the middle of the meeting which I was chairing. They could not care less.

I went straight on to Chair the Foreign Trade Committee of the European Parliament. What was bad for Britain was bad for Europe and we passed a resolution calling for a limit on the import of Japanese cars, the next industry in the firing line. The Parliament backed it, the Commission persuaded the Council and Sir Roy Denman, from the Commission, went off to Japan to negotiate the limit on Japanese car imports which has held until now. Without that limit on imports there would be no Japanese car plants in Britain today.

The Single European Act, which introduced the single market in goods and

services and a free flow of currency, was also an initiative of the first European Parliament, a proposal on which we fought the 1984 election. The first major reform of the CAP was initiated by a British founded and chaired cross-party group of the Parliament, who worked closely with the Irish Agriculture Commissioner, Ray MacSharry. Getting it through the Parliament was a close run thing, which needed some rough tactics on the floor of the house. But, to avoid slippage over the years, we also needed the deal fixed in the World Trade Agreement and that needed a bilateral agreement with the US, known as the Blair House Agreement and that, in turn, needed an extension of time by Congress, where our Parliamentary contacts were needed to help us make the case.

No British MP and no minister could have had that access. The Congress are realists. They want to talk to the people overseas who can make things happen. They want to talk to the representatives of the European Union and not to any single member state.

*What about our relations with the rest of the world? Does the Commonwealth link not matter any longer?*

It is not only in America that the EU carries clout, it is even more so in the rest of the world. The EU is the single biggest donor of aid and that alone gives it a hearing in countries which are careless about human rights. But a European Parliament resolution on human rights causes considerable waves in the country to which it is addressed. Even personal initiatives can carry the day.

In the early 1990s, when I was Vice President of the Parliament, a Christian church in Istanbul was raided by the police and the members put in prison. Though they were not held, they were told that the hotel conference room where they met was a 'public place' where they were forbidden to meet. I was asked to help.

The Turkish Ambassador to the EU arranged for me to see the Foreign Minister, who was also the Deputy Prime Minister. I said that they were a secular state which guaranteed freedom of religion and if a hotel conference room was a public place, perhaps they could tell the churches what places would be acceptable. It was finally agreed that if the churches told the local

authorities and the police where they were meeting, then they would not be molested. That deal lasted ten years before there was trouble again, this time in Izmir. Even though I was no longer an MEP, the Governor saw me and the church is now open again. This year there was some more trouble in Istanbul and I passed the file on to the British Vice President of the Foreign Affairs Committee, Emma Nicholson.

The Commonwealth does have a place, but more because our membership of the EU helps us to help them. In the first big reform of the CAP, we were able to help the New Zealanders far more than the Foreign and Commonwealth Office, because we were close to the Commission on the formation of the new policy. And, on aid, the African Caribbean and Pacific delegations have more influence than any single country could have, both in directing aid and in insisting that it gets to the people at whom it is aimed and does not disappear into Swiss bank accounts or expenditure on arms.

*Is the extension of the European Union to central and eastern Europe realistic? How can so many different interests be held together?*

The central European countries resent intensely being known as 'former Communist countries'. They point out that their countries are as old as ours. Poland is an older country than Russia and it was a Pole, John Sobiesky who defeated the Turkish invasion up the Danube. Prague had one of the first universities and the Reformation started with a Czech, Jan Hus. The Poles and Hungarians started the process which led to the collapse of the Berlin wall. It would be a tragedy if we could not bring them in. They suffered for 40 years under the Communists and we owe them something. And, strategically they are our immediate neighbours.

But there is a problem. The present voting system of the Council of Ministers allows for a veto for each country. This is almost unmanageable today. It is believed that an extension beyond the present number with the unanimous vote still in place would make the Council unworkable. I have been to two meetings of the Finance Council, representing the Parliament. One was delayed for nearly an hour while the President, an experienced Dutch politician, got agreement from a recalcitrant Frenchman. When I said that I'd like to consult about the result, which was not what I'd expected, the President made it clear from the far end of the table, that he had no room for

manoeuvre. I was urged by all around me to agree, which I did. At the second meeting the issue was simple and in everyone's interest and all was well until the Portuguese minister, who was a stand-in, said that he was not sure. The agreement then unravelled all the way back and it took another half hour to get them all on board again. Going to more majority voting is instituting a federal Europe. No major country is going to allow a system which is so much better for Europe to be abused at their expense. European politics is a matter of give and take. There is a real understanding of each country's sticking point and a strong determination to find ways of meeting the problem, while getting vital business through.

### Conclusion

My main anxiety for our country is the rise of racism and xenophobia, as expressed in football hooliganism, in the tabloids' demeaning of our friends and neighbours and in the hysteria over 'federalism' and 'saving the pound'.

The Christian faith is international and we should have no part in this hostility against our neighbours. Our faith is also inter-racial and we owe it to our country, the United Kingdom of English, Scots, Welsh and Irish to keep it united and to protect the millions of Asians and Afro-Caribbeans and other races which now live among us. If we pull out of Europe, racism and xenophobia will move on to other targets and who could blame the Scots if they declared themselves independent?

SIR FRED CATHERWOOD *is a former member of the European Parliament.*