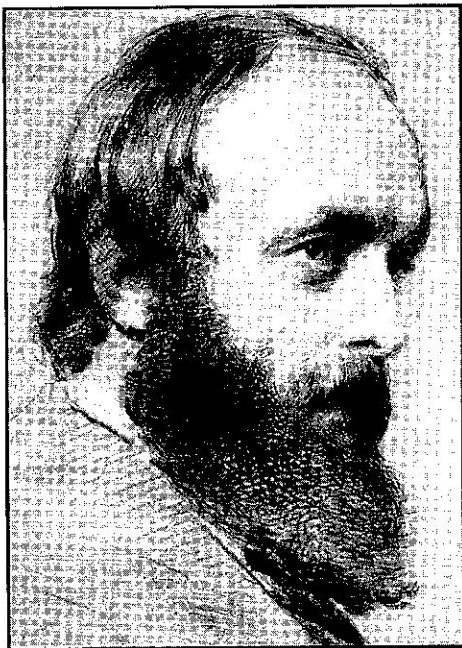


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1830 - 1903

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The Death of Europe

Anthony Scholefield explains how demographic decline will destroy the European Union

Peter Ducker, the management guru, has said:

'The key factor for business will not be the over-population of the world which we have been worried about for the last 40 years. It will be the increasing under-population of the developed countries'. This is why we are facing the merging of the three great political issues of our age: Population decline and ageing, The European Union Entanglement, and Immigration into Europe. There is a completely new scenario on the European stage because of the changes which are likely to be brought about by demography. Within a generation we could see E U countries encouraging a high birth rate, with changes in taxation and employment policies. Alternatively we could see a flood of immigration, encouraged by easy transport and friendly judges or a mixed solution with more emphasis on older workers and policies to increase fertility. These developments will profoundly affect Britain's relations with the EU, because since the 1950's the EU debate has revolved around relations between France, Germany and Britain. There will be a seismic shift in the demographic composition of the EU that will present Britain with surprising risks and changes.

Immigration *between* EU countries is static, weak and possibly falling. In March there was a Brussels report which stated: 'Human mobility in the EU is extremely low, about 1.5 million people or less than 0.4% of the total population on an annual basis. The Commission is concerned about the implications of this static workforce in a high technology age and an action plan has been agreed which is intended to free the labour market from some of its present

faults by 2005'. One of the reasons advanced for the EU venture was to enable people to move around the EU, and it was feared in the UK that the 320 million people in the EU had the right to migrate to the UK. But the total net migration between 1990 and 1999 was only about 130,000 people. So we have a situation where there is this vast pool of people with little migration – less than the number of people leaving Merseyside alone for other parts of the UK. What were considered to be the great magnets:

Britain's dynamic economy, the English language, and Social Security hand-outs, did not seem to attract our European friends. The reasons for this are complicated but they certainly mean that if the single currency causes shocks, there will be no substantial movement out of economically depressed regions and countries. It is worth noting that of 71,160 asylum applications in 2000 no less than 40% came from Europe and about 30% of these from EU applicant countries that will become EU countries in the next few years.

What is the EU's Demographic Crisis?

The UN report on population in 1989 put it succinctly.

Europe is literally melting away like snow in the sun.

EU countries face an unprecedented fall in population from about 2010, becoming noticeable by 2025 and grave by 2050. In Italy the Accountant General has forecast: 'In 2044 according to a UN study, we will be 41 million – not 44 million as estimated by the Treasury'. The present population of Italy is 57 million, therefore there will be a fall of 25% in 40 years. In this scenario Italy's labour force will be halved and each

worker will have to support 1¼ pensioners. An Italian friend has told me that Italians are completely unaware of the impending catastrophe but he had noted how many children there were in the UK and that in Trieste you rarely saw children. Incidentally our high teenage pregnancy rate puts up the total fertility rate.

The fall of population in Germany and Spain will be almost as great. The fundamental cause is a fall in fertility which took place quite suddenly in the 1970's with the worst affected countries having year-by-year a total fertility rate (TFR) of less than 1.5 children against the 2.1 required to maintain population stability. TFR is the number of children a woman will have if the reproduction per age group remains as it is now. According to UN projections, to maintain the existing workforce Italy would need 19 million immigrants and Germany 25 million by 2050, about three times the current British rate of 1999/2000 and about six times the average rate of early 90's. And they will need these soon – substantial numbers after 2015. For example to maintain its workforce Germany needs 3.7 million between 2000/10, 4.4 million between 2010/20, 8.0 million between 2020/30. Italy needs 2.3 million between 2000/10, 3.2 million between 2010/20, 5.4 million between 2020/30, and 5.1 million between 2030/40. To say this does not matter or cannot be discussed is absurd. This change affects about 30/40% of the population of the worst affected regions in Northern Italy, Germany and Spain.

A subsidiary but interlinked crisis is the ageing of society. In broad terms the numbers of pensioners in the EU will rise from around 16% to about 32%.

This has colossal effects on almost everything in the areas of pensions, public finance, and immigration. Moreover, research indicates that UN figures under-estimate the number of pensioners since we are all living longer. Imperial College London biochemist experts tell me longer life is inevitable. Anyway, the potential to lower mortality on present medical knowledge is still great. For example the Health Statistics Quarterly showed in February last that men in Glasgow have a life expectancy of 68.4 years compared to a UK average of 74.7 and in Bucks of 78.4. In other words in a similar sized sample the number of male pensioners there would be four times as many pensionable men in Bucks as in Glasgow, (similar figures apply to women).

Some counties in central southern England have good mortality statistics on a level with the best areas in the EU, i.e. southern France and northern Italy (the olive oil belt). So there is still great scope for increasing the UK pensioner population. Simply raising average mortality in UK to the best, i.e. Bucks, adds 3.7 years to the life of British men — a 38% increase in the number of pensioners.

Why the UK is Different

The UK faces most of the demographic problems of the other EU countries but in a much less acute way. Its position is only matched by Ireland and France. The UK's fertility rate is about 1.70 and slowly falling. This bodes ill but is a lot higher than the typical rates in Germany, Italy and Spain of 1.30 or less. Britain's pensioner population is rather higher than the EU average and is projected to increase a lot more slowly but it will still grow from 16% to between 22% and 28% by 2050. Britain is not in the same demographic position as the other EU countries, but will be affected by them. They have plunging fertility rates and generally have sharply ageing populations. Britain's problems are similar but less acute.

How does the demographic crisis threaten Britain's EU membership?

The first point for the 'Yes' side in the 1975 Referendum was that 'staying in protects our jobs. If we came out our

industry would be based on the smallest home market of any major exporting country in the world, instead of on the Community Market of 250 million people'.

The *raison d'être* of Britain's membership of the EU will be destroyed by the disappearance of the populations of the EU countries. How often have we been told that over 50% of our exports go to the EU? For how long? Look at the statistics on projected EU populations. The EU (excluding UK) total will fall from 314 million in 1995 to about 234 million in 2050.

Look at statistics on projected EU labour forces: Germany's workforce will have shrunk from 39 million to approximately 23 million; Italy's from 22 million to 12 million by 2050. Locking Britain into a sector of the world with rapidly declining population is irrational. Britain should poise itself to trade with countries with increasing populations. Multinationals are already relocating their investments to areas of higher population growth. Niall Fitzgerald, Chairman of Unilever, despite being a Europhile, admits in his Annual Report that Unilever is shifting more production and investment to Latin America, USA, South East Asia, and the Middle East. Our pre-1972 trade posture was more attuned to the world of post-2020 with links to areas of growing population such as India, Malaysia, Latin America. The immense pressure on public finance in the EU caused by a declining workforce and an army of pensioners will be transmitted directly to Britain through the provisions of EMU which dictate 'economic convergence' and 'close co-ordination of member states' economic policies' (Maastricht Articles 2 and 4). If the worse affected EU countries follow the path of substantially increased immigration as advocated by the Governor of the Bank of Italy this is likely to lead to political instability; Britain itself may be caught up in the immigration backwash. Britain already has a large funded pension system with world-wide investments. This will enable it to avoid the crisis building up in the continental Pay as You Go pension schemes but there will be enormous pressure from the worse affected countries to offload

their burden by harmonising taxes, centralising budgets in Brussels and pooling government debt.

Enlargement

The present applicants fall into 3 categories: 2 mini states in the Med: Cyprus and Malta.

The Eastern European states: The ten principal ones, excluding Yugoslavia, had a population of about 100 million in 1995, with Poland and Romania accounting for 62 million. Some are very small. Their demographic profile is similar to the EU, i.e. sharply ageing and declining populations, except that they do not have the same proportion of old people. The average age of death for men is about 67 years — some 7 years less than the EU. Their economic potential is very low and their burden on the rest of the EU would be very high.

Turkey: Here is the possibility of a major upset to the EU. Its population has increased from 20 million in 1950 to 65 million today and is estimated by the UN to be 86 million in 2020 and about 105 million in 2050. Its population is increasing by just under a million a year. Moreover the age distribution of the population is such that by 2050 its workforce is estimated to be about 46 million against 22 million in Germany and the same in the UK. If we add up the future population of the EU, the Eastern European applicant states and Turkey, about 20% of the EU population will live in Turkey and some 25/30% of the labour workforce in 2050.

Right next door to Turkey will be the exploding populations of Iran, Iraq, Syria and Egypt. Is it possible for there to be an EU level standard of living in Turkey?

The admission of Turkey causes schizophrenia among the EU enthusiasts:

Some like Mr Prodi are pushing the euro as so popular that some North African countries might join it and, indeed, Morocco for one has said it would like to. Others, like German politicians, are determinedly putting obstacles in the way of Turkey joining the EU.

But the fact is that Turkey has been accepted as a candidate and has signed an accession document laying out the requirements to join. All British political parties have gone along with this. All say they are in favour of enlargement,

but have they considered how the EU's centre of gravity will shift to the Eastern Mediterranean? Some may ask what we are doing in such an organisation. Some may ask if British politicians have thought about its implications at all.

Power Politics

What about the pretensions of the EU as a world power? The idea being put about by the French Government, and believed in by much of the intellectual classes in continental Europe, that they are building up a counter to the power of the USA by building political union in the EU, is laughable when the population projections are considered. This is what the UN report on replacement migration said: 'The European Union and the United States — the world's two largest economic blocks, often in competition with each other — are projected to follow starkly contrasting demographic paths in the coming decades: while the population of the United States would increase by 82 million between 1995 and 2050, that of the European Union would decline by 41 million.' As a result, the population of the United States, which in 1995 was 105 million smaller than that of European Union, will become larger by 18 million in 2050. The same trends will character-

ise their working-age populations: while the number of people aged 15-65 years will decline by 61 million in the European Union, in the United States it will increase by 39 million. By 2050, the working age population of the United States will outnumber that of the European Union by 26 million, while in 1995 it was outnumbered by 75 million.

There have been a few responses to these issues among Labour politicians. The proposals include the removal of the compulsory 65-retirement age, the introduction of Stakeholder pensions and some ill-informed remarks about immigration from Barbara Roche. The Conservative party has remained silent. Ignoring complaints from sources as diverse as the World Health Organisation and Yaswant Singh, Indian Finance Minister, Barbara Roche, Minister for Immigration, said: 'The UK is a nation of immigrants. Immigration is a very good thing and has benefited the country.'

The press has run stories about the necessity of immigration to shore up the labour force. But Britain needs fewer extra workers than other EU countries. Nor have the sheer gigantic figures of required immigrants been considered. According to the UN, to maintain EU workforces will require 80

million immigrants by 2050. To keep the support ratio (i.e. ratio of workers to dependent children and pensioners) constant would require 701 million immigrants by 2050. By then 75% of the EU population would be post 1995 immigrants or their descendants. The appetite and will to promote pronatalist policies appears noticeably absent. Indeed, the political focus is still on issues driving down the birth rate like women's education, working rights, increased abortion rights and easier divorce. Furthermore demographic decline can induce a deep spiritual malaise in society making reproduction even less attractive.

Anthony Scholefield's booklet, *The Death of Europe*, is published by Futurus (Suite 414, 1 Olympic Way, Wembley HA9 0NP). Futurus is an independent group formed to provide studies which aim to be thought provoking and which has the object of advancing support for an independent, self-governing democratic United Kingdom.

A Church for Cool Britannia?

Peter Mullen describes the destruction of the Anglican Liturgy

The Church of England hierarchy intends to do away altogether with traditional faith in the land. They hate *The Book of Common Prayer* which has sustained the religious lives of generations of ordinary English people since 1662 and for forty years they have sought to replace it with new forms of worship. They claim the BCP is not 'accessible' to people today, although my grandmother left school

aged twelve and she taught me the old book with no difficulty. But every time a new form has been produced there has been a calamitous desertion from the pews. Roger Homan, Professor of Religious Studies at Brighton University, has analysed the figures and he says, 'From the years of liturgical innovation in the 1960s until shortly after the publication of the *Alternative Service Book* in 1980, the Church of

England was virtually reduced to half its size'. And since 1980 the numbers attending church have fallen so catastrophically that, in order to avoid embarrassment, the authorities delayed publishing the statistics.

There is an old saying, 'When you find yourself in a hole, stop digging'. You would think that the bishops and the synod would have taken the hint by now, shredded the trite and miscrable