Who is ripping off whom?

Anthony Scholefield disects Britain in Europe's 'winning' campaign themes

Britain in Europe's newsletters over the last two years show two consistent themes - the ones which it presumably believes will help win a referendum on the euro.

In every issue the stress is on Britain's isolation if it does not join up: *'The simple answer is that, in the modern world Britain cannot go it alone'* was the theme in Summer 2001. This was repeated word for word in the issue of Winter 2001, and resurfaced in Summer 2002 as: '*in the modern world going it alone is not an option, we need to be part of a big trading area to survive'*. It seems uninterested in the fact that all the wealthiest countries in Europe are outside the euro zone: Britain, Iceland, Norway, Denmark, Sweden and Switzerland.

The other theme, which is pushed in every issue and developed to a quite surprising degree is the alleged dishonesty and greed of British retailers. If the charge is borne out, and Britain in Europe has its way the directors and workers of numerous British retailers can soon expect to be on the way to rot in assorted continental prisons - for 'swindling' which is one of the crimes for which the European Arrest Warrant may be issued.

The Summer 2001 issue declares. *'Newspapers [sic] will be able to expose the overcharging in British shops and shame them into cutting prices'*, or look at the Winter 2001 issue: *British consumers know that prices in this country are the biggest rip off in Europe'*. Finally, in the recent Summer 2002 issue we are told: *'Sharing the common currency will expose just how much opportunistic retailers rip us off'*.

What is so surprising about this latter theme of Britain in Europe's propaganda is that much of the organization is financed by that 'opportunistic ripper off' - Lord Sainsbury!

Does he approve of this consistent libelling of British retailers? It seems unlikely that the local Chambers of Commerce, the Retail Consortium and other retailer trade bodies take kindly to being portrayed as criminals.

In Summer 2001, Britain in Europe was still touting cheaper mortgages in the euro: *'If Britain joins it will mean a massive cut in Middle Britain's mortgage bills'*. Presumably this has been dropped from further editions as it no longer applies.

Two new themes emerged in the Summer 2002 issue. The first was *'Millions of Britains have seen the European economy is doing well and their trains run on time'*. It states: *'The euro zone economy has grown faster than Britain's'*. Given that the eurozone may be heading for a double-dip recession while Britain can expect modest growth one doubts this will feature in further editions.

The second theme was: *'Visitors to the euro countries have seen that the sense of national identity in the euro countries is just as strong as it was before.'* It also asserts: '... *traditions in Greece and Spain are as strong as they have always been'*. Is this a reference to bull fighting? The point about national identity is obviously bogus. Germans like sausages, precision and authority whoever is in control. Frenchmen like good meals and café discussions whether Petain or Chirac is in charge. Control of a national currency is about democratic control of the economy and ultimately national independence, not cultural preferences.

Eurozone trade in goods

The UK is the Eurozone's biggest customer and biggest supplier

Eurozone exports of goods account for 60 per cent of all Eurozone exports (goods, services, receipts of income, transfers). In 2001 the biggest single goods export market of the Eurozone (the twelve EU countries that have adopted the euro) was the UK, which took 19 per cent of its exports. The UK was at the same time the Eurozone's biggest single source of goods imports, supplying 16 per cent of total Eurozone imports.

The Eurozone was in massive surplus in its trade in goods with the UK, selling to the UK 47 billions euros' worth more goods than it bought from the UK. This was the Eurozone's biggest single trade-in-goods surplus worldwide.

Eurozone Goods Exports in 2001, euro bn.

To: UK	201	19%
To: USA	180	17%
To: Candidate Countries	137	13%
To: Switzerland	66	6%
To: Sweden	37	4%
To: Japan	35	3%
To: Denmark	24	2%
To: Asia excl. Japan	165	16%
To: Other countries	214	20%
Total	1059	100%

For the Eurozone, the USA was its second biggest customer and second biggest supplier. Perhaps surprisingly, the ten candidate countries (Poland, the Czech Republic, Hungary etc) were, taken together, the Eurozone's third biggest customer and third biggest supplier.

Were the UK to leave the EU altogether, the Eurozone would naturally wish to preserve its biggest single export market, the UK, and its trade-in-goods surplus with the UK, by concluding a free trade agreement allowing free access by British exporters to the Eurozone market.