

## Parliament votes again to leave single market

A Labour rebel tabled an amendment to the Queens Speech to keep us in the single market and Customs Union. It was defeated by 322 to 101 votes, with 49 Labour rebels voting for it against their leadership's view. 3 Shadow Spokesmen had to resign.

The BBC who have run a year long campaign to Keep us in the single market did not report this on the radio news, nor the big split in Labour. I wonder why?

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## The EU presses for higher and more EU taxes

I was pleased to see in the latest Commission Paper on the future of EU Finances the EU has set out a number of options to pay for a more ambitious Union government. As they say, the level of political ambition must be aligned with the financial means to act. They look at both increasing the contributions from member states, and seeking new direct sources of tax revenue. If they just decide to carry on around the current level of commitment and integration they identify the need for more sources of revenue and the end to rebates. It is in line with many continental wishes for a full Union, and with what some of us predicted prior to the referendum. It is good the UK will not now be trying to stop them and will not be in line for paying.

They also state that "The withdrawal of the UK will signify the loss of an important partner and contributor to the financing of EU policies and programmes. However, it also presents an opportunity for a vital discussion about the modernisation of the EU budget" – as the UK of course stood in the way of getting rid of rebates to own resource contributions.

They look forward to cancelling all rebates on contributions. They float the idea of directly acting common environmental and energy taxes. They look at taking a percentage of each country's Corporation Tax and at a Financial Transactions Tax.

They consider auctions under the Emissions Trading System, emission premia for cars, and entry fees for travellers. They could tax electricity and motor fuel. They also expect to make more from seignorage on the Euro.

It will be interesting to see which of the five scenarios the EU signs up, ranging from doing less to doing much more together. It appears from the

statements of Mrs Merkel and Mr Macron that the move will be towards doing more and towards greater political union. This will obviously entail accepting higher payments under the current system, allied to new sources of Union revenue from the list above.

Reflection Paper on the future of EU finances EU Commission June 28th 2017

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## **The EU is not ready to negotiate yet**

Listening to the EU reactions to Mrs May's generous and sensible proposals on residence and citizenship, I concluded we are still months off the EU being ready to discuss our future relationship in a productive way. They seem to think it is our problem, not a joint problem. They seem to think we have demands, when they have rather more demands that we do not have to grant.

It will take time for the EU to understand that they are the ones who want us to pay them money when there is no legal basis for such a claim. They do not seem to be proposing paying us to leave. They are the ones who have large exports in agricultural products and cars where under WTO rules we could impose tariffs that will hit demand for their products. Most of our exports to them are tariff free or low tariff under WTO rules. They are the ones who wish to take advantage of our jobs market for many unemployed people on the continent. The UK is not seeking more access to jobs in the rest of the EU. It is the EU that values all the intelligence and security support and back up we give them.

The good news from their point of view is we do not wish to place barriers in the way of their trade with us. We will not throw out the many people who have come here legally to live and to work. We will continue to offer them security and Intelligence assistance. All we ask is similar treatment in return.

It is quite normal of the EU to leave agreements to the last minute. They may well go on posturing and misunderstanding for many months. It is crucial that all the time the EU think the UK will shift its position or change its mind the UK government remains strong and shows we have no need to make concessions or change our stance. The UK is making a generous offer which will be much needed by businesses and farmers on the continent, by EU citizens living in the UK and by all EU people who benefit from the UK's many contributions to the life, trade, culture and security of our continent.

Over the months ahead more voices on the continent will demand that their national governments and the EU put in place good arrangements to carry on with our trade and other links. The UK media should calm down and realise this is all going to take time, and see that the UK must not shift its stance at all during what could be a period when the EU misjudges and thinks they are in a strong position to dictate.

They need to keep in mind the government's instructions from the UK voters – take back control of our money, our laws and our borders. That is exactly what we will do. That leaves plenty of scope for a strong and good future relationship, without us being under the jurisdiction of the ECJ and without us paying them money we do not owe them. There is plenty of time to ensure border checks work, trade flows, planes fly and tourists arrive, just as happens today, and as happens for non EU countries into the EU.

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## Being in the media and being powerful are not the same thing

Some people write in to this site complaining that I am not on the national media enough. Some seem to think publishing things here is some kind of secret society, a way of me keeping things hushed up instead of putting them out there on the BBC. This is a silly way of looking at it. When I publish here anyone can read it. If I said something unpleasant or wrong it would soon be taken up by the better known media. Many in the media read this site without going on to quote it. It nonetheless gives them useful background. Some do quote it or use it.

It is a mistake to confuse being in the media a lot and being powerful. It is true powerful people with important roles will be in the media a lot. Any Prime Minister will be news, because the office confers great power which they will exercise. Lots of people who run departments, quangos and big companies are never in the media though their decisions affect many. It is also true people with important offices who in practice exercise little or no power will also be in the media. The media rarely probes why someone in office writes, speaks or acts as they do, though many people in such roles are but actors and actresses reading out other people's lines. The media rarely probes this situation. There are then many people who get into the media a lot because they say controversial or difficult things, though they may have absolutely no influence over government and events at all.

It is popular with the media to report splits and disagreements within parties. They will both condemn a party for being split, and at other times complain it is brain dead if it does not have enough arguments about the best way forward. The media both says it wants more open debate, and tries to make that impossible by declaring anyone of us who holds a different view from our leadership to be disloyal. There are times when the media does more than report splits. They often seek to create them. It will invite two people from the same party who are not in disagreement to create a disagreement in a studio to illustrate some thesis they have of what is going on.

There are of course factions and splits within major parties and sometimes these matter and should be reported. Again there needs to be some assessment

of numbers and influence. Today Anna Soubry is a much quoted and much interviewed MP, because the media expect her to be critical of the PM and of the Brexit policy of the government. She may be good box office, but it is difficult to believe she is influential given the difference between her views and those of most of the party.

I do not usually complain about the media. Some of it is just a freak show, seeking the extreme, the bizarre and the unimportant for greater drama. If I manage to stay off that it is probably good news. Over the last week I have produced at their request articles for the FT, Guardian and Sun. I have also been on several radio and tv shows. Some of these try to make it as difficult as possible for their guests to put forward an informed and sensible case. There seems to be a hatred of new arguments and facts at the BBC, and a wish to endlessly repeat the old, stale and often simply wrong.

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## Who is to blame? Where does the power lie?

There is little limit to what you can achieve in politics as long as you are happy for others to take the credit. Some people have considerable influence but are happy to let others take the starring roles and to decide and implement the new ideas. Some with influence are civil servants, some are consultants, some are serving politicians. Much of government is a slave to the ideas of old economists and other thinkers. Much of modern government is driven by consultants who come in to recommend courses of action, design media strategies, and then take on the role of helping implement the decisions. The public never knows who they are.

Some politicians define their roles by the media. This became an acute preoccupation with New Labour, and has continued with many in government since. Some politicians have the strange idea that they can manage the media. They get upset when their agenda is displaced by events or someone else's agenda. Too much concentration on the media can divert their attention from the day job. Often the reason they are doing badly in the media is not media mismanagement, but mismanagement of a part of government which then attracts justified public anger. They need to spend more time trying to fix the real problem, and less time trying to fix the media.

Advisers advise, and politicians decide. The media reports decisions and reactions to them. That is the constitutional theory. Sometimes it works out like that. There are frequently other models. Sometimes officials decide and politicians do not realise what is going on. Sometimes officials recommend strongly and politicians acquiesce. Sometimes politicians do query an approach but are told it is the only technical, legal, practical or safe way to proceed. It then takes a strong minded and

well informed politician to insist on a different way of proceeding. Sometimes the media have their own agendas and want to make the politicians follow them.

There are government Ministers who take a Manifesto or political agenda and drive it through, using officials to improve and implement. There are other Ministers who are but actors and actresses voicing the lines of departmental officials, both within and outside government.

We see in the questions about who is to blame for the Tower inferno these same issues of responsibility, knowledge and advice in local government. Is an elected Councillor allowed to rely on the technical expertise of his Council's Building Regulation Department and the Fire Department? Does he or she ever need to challenge their technical advice and decisions? If he is told of what they are doing does that make him to blame if it is wrong? Or is he to blame even if he was not informed and it was handled as a delegated matter? Should a Councillor approving expenditures to improve the thermal insulation and look of a building have to do enough research to satisfy himself of the safety, or can he rely on the professionals designing and procuring the building to do that? The Councillor wants to take the credit for the improvement, so should he therefore take the blame if it goes wrong?

These are difficult issues. I would be interested in your views. The danger is we make the role of the Councillor too difficult so no-one good will want to take it on. The other danger is we expect too little, and the Councillors' collective power to challenge and to improve the work of professionals and officers lapses or fails to do its job. In the worst cases in the public sector no-one is to blame. They all become good at laying off the risk, because they can claim that no one person ever took the decision. It just happened.