

A parallel currency?

The Economic Adviser to the Lega party, the larger of the two governing coalition partners in Italy, has come up with a scheme for mini BOTs or low denomination Treasury Bills. The Italian Parliament recently passed a motion in favour, though this is not binding and the Treasury is not yet printing and issuing these bonds.

The Italian state like others issues Treasury Bills to institutional investors. These are usually short term loans to help finance public spending. They can be traded against their electronic certificates.

This new scheme is to issue so called Treasury Bills or bonds with no repayment date and no rate of interest payable. They would be issued with physical certificates or notes in 10,20, 50 etc Euro denominations. Individuals could pay tax bills with them, or buy any goods or services from the state like petrol from a state owned filling station.

The European Central Bank has been asked about this. They have said if this is a parallel currency it is under the rules of the Euro scheme illegal. If these are debt instruments they have to be under the overall budget deficit and borrowing controls that apply in a single currency.

The mini BOTs look much like banknotes and would give the Italian state the effective right to print a money substitute to get round some of the controls on their economy from the Euro scheme. It is a provocative idea. So far they have put the idea into circulation but not the notes. If they did start to issue them it would be a major challenge to the Euro.

Briefing on the development of populist politics in the EU on 24 June

On 24 June I will be briefing the foreign correspondents interested in populist politics at the Brand Exchange 3 Birchin Lane EC3 at 2pm

I will talk about the success of populist parties in the EU and the last European election, look at what they want and how they are developing their power and influence, and explain how Brexit has changed UK politics radically. The thoughts in part come from my latest book, "We don't believe you" (available on Amazon) and will assist with further updating of that book.

Please let me know if you are wanting to come.

Remain does not do democracy – they just assert they know better than the people

The Remain MPs who lost the referendum now tell us we must believe in Parliamentary sovereignty and let Parliament decide whether we leave the EU or not. They try to claim Leaver MPs are not democratic in wishing for us just to leave. They want to pitch Parliament against the people, and get Parliament to dilute or cancel Brexit. They do not accept our argument that Parliament gave the decision to voters and promised to do what they decided, so to do otherwise is to undermine the sovereignty of the people.

This week they had their way and put so called No Deal back to the vote. They lost. Under their own doctrine they should now be saying that Parliament has exercised its powers and has come to a decision. Some of them, of course reveal yet again their anti democratic instincts by claiming Parliament must vote again on this issue as it got the wrong answer. Clearly as they see it Parliament did not understand the question!

The irony of the Remain position is huge. These Remain MPs who delighted in voting away our Parliamentary powers in treaty after Treaty, Directive after Directive, now like to pose as upholding the rights of the very Parliament they trashed by removing much of its freedom of action. Now they demand that Parliament votes to deny the people their decision. Each time they lose they demand a re run on the grounds that Parliament, like the people, has got it wrong and needs to vote on it all over again.

2 Court cases arguing the UK has already left the EU

Some correspondents want to know why we learn nothing about these cases. As far as I can see it is because their sponsors are not writing or talking about them, so we do not know where they have reached and what is happening. On this occasion it does not appear to be a media inspired news blackout as some fear.

I checked with Mr Robin Tilbrook's website yesterday, as he brought the first case. His last blog post I could see about the court case was 14 May when he attacked Bill Cash and Nigel Farage but did not bring us up to date on how

well his case is progressing. Maybe his lawyers are telling him not to tell the rest of us about it.

Nor have I seen any news on the Barry Legg case. I would be happy to comment here if news is released that we are allowed to talk about. Both cases I believe argue that Mrs May's two delays were not legal in EU/UK law, though they are clearly being regarded as such by the government.

[The Conservative leadership election.](#)



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As I expected there was Boris and the rest. I voted for Boris as I agreed with his clear statements that we have to leave by October 31st, and that failure to quit would be deeply damaging to our democracy and to the Conservative party. Next week will be about deciding who should go forward to challenge Boris, who commanded enough votes in the first round to secure one of the last two places, assuming all his voters stick with him which is likely.

It is difficult to see Rory Stewart, Matt Hancock or Sajid Javid staying in contention. Dom Raab's votes are likely to drift away to Boris as the Get out candidate who can win. I expect Jeremy Hunt will extend his lead over Michael Gove and stay in second place. Michael Gove is trying to sell himself as another Leave candidate, but he was one of the most insistent advocates of the Withdrawal Treaty which was the opposite of leaving, and now says if necessary we should delay our exit beyond October 31. None of the candidates who rule out No deal Brexit have explained why the EU should negotiate a revised Withdrawal treaty, nor how they could negotiate anything without the leverage of just going if necessary.