newswatch
WHEN THE TRUTH MATTERS

THE BBC AND 'EUROPE'

ANALYSIS OF EU COVERAGE ON BBC RADIO 4's TODAY PROGRAMME

3 OCTOBER – 17 DECEMBER 2011

SUMMARY – Survey of BBC Radio 4 Today Programme

3 OCTOBER – 17 DECEMBER 2011

There were 27 hours and 19 minutes of EU-related coverage amounting to 22.5% of airtime. This was the highest ever recorded by Newswatch in 17 surveys, usually covering three-month periods in the run-up to EU summits. The average has been 5.6% and the previous highest proportion was 10.8% during the debate about the EU constitution in 2005.

The balance of the 517 speakers between those who spoke favourably about the EU and those who spoke unfavourably about it was almost exactly equal, at 149 to 144, with a further 224 offering a neutral, factual or unknown viewpoint.

Monitoring such an exceptional volume of coverage, which hinged mainly on the Greek bailout and the ramifications for the eurozone and the UK, has been an immense task and has focused primarily on detailed line-by-line analysis of the Eurosceptic dimension of Today's output.

This showed worrying evidence of imbalance, inadequate coverage of elements of the EU debate, bias by omission, and a major failure to convey adequately elements of the Eurosceptic perspective.

Withdrawal: Despite the intense debate about the future of the euro, the Eurozone and the EU generally, there were only **seven** short soundbite contributions from declared supporters of withdrawal from the EU amounting to 1.4% of the 514 individual speakers on EU affairs. There were no interviews at all with these withdrawalists. Their contributions were so short that none contained substantive arguments or explanation of the withdrawal perspective. In total, they spoke only 534 words; this was 0.4% of the 132,699 words of EU coverage. Only 72% of the words spoken by withdrawalists were in the main body of Today – the remainder were in Yesterday in Parliament in short soundbites.

Withdrawal as a topic was mentioned in other contexts directly or obliquely by other speakers only 15 times, and they were never asked to elaborate their views. Presenters suggested on three occasions that some figures in Parliament wanted to leave the EU, but the respective interviewees were never pressed on the point, apart from Lord Heseltine, who gave an unsurprising reply that he favoured continued membership and also stressed that hundreds of thousands of UK jobs depended on this.

Thus withdrawal as an issue was never seriously considered by the programme, despite its relevance to many aspects of the EU debate.

Firm Eurosceptics: Newswatch also analysed the number of 'firm' Eurosceptic interview contributions made by figures making points which were robustly critical about elements of the EU. Given the major rebellion against the government's approach to the EU on October 25, it would be expected that such views would have been widely reflected in the output. In fact, there were only 37 contributors in this category, and they spoke only 11% of the words delivered by guest contributors to Today's EU coverage, compared to 30% by those who were Europhile and 20% from those (mainly from the Conservative Party) who claimed to be Eurosceptic but actually supported EU policies in their contributions.

So at a time of major upheaval in the EU when major questions were being asked inside and outside Parliament about Britain's future relationship with the EU, only about one in ten words spoken by guest contributors to the EU debates on Today could be described as firmly Eurosceptic.

Other matters:

Referendum debate: In the build-up to the debate about whether there should be a referendum on Britain's EU membership, there were only four interviews with firm Eurosceptics who supported the 'yes' vote, and they were allotted so little time that they were unable to make their case on anything more than a fragmentary basis. Only one non-Conservative supporter of the need for a referendum was interviewed, for less than three minutes.

Repatriation: A key theme during the period was repatriation of powers from the EU. There were only four occasions when questions about the topic were put to firmly Eurosceptic politicians, and each contribution was limited to less than one minute.

Tory splits: Much of the coverage was viewed as always through the prism of splits in the Conservative Party – the mentions of this were disproportionate to the point of distortion. In parallel, Euroscepticism was often treated as extreme, with questions put to interviewees that they were 'mavericks' or 'bonkers', together with suggestions that opposition to the EU was associated with the 'far right'.

Westminster bubble: In the continued controversy about the need for a referendum, there were only five interviews with firm Eurosceptics who were not politicians, and none at all with members of the public or those outside the Westminster bubble. In contrast, Today on several occasions asked Greek citizens what they thought about steps towards the bailout.

EU policy not covered: Despite the high level of EU coverage, there were only three interviews from the Eurosceptic perspective about matters relating to the continued expansion of EU powers. These covered stem cell research, new restrictions affecting diabetic drivers and new fishing quotas regulations. Vast areas of EU policy were not discussed at all and, for example, key issues linked to EU competencies, such as immigration and the European Arrest Warrant , were raised only once each during the survey period.

Tobin tax: The financial transactions tax, a major topic for both political and economic reasons during the survey period - which Eurosceptics claimed would have a dire impact on the City of London - was mentioned only six times from the Eurosceptic perspective and usually as part of the discussion of other economic matters.

Business news: Despite unusually high levels of business news coverage, there were only nine interviews with figures who expressed firmly Eurosceptic views, compared to 28 with Europhiles. Most of the Eurosceptic points made were incidental to the main theme of the relevant exchanges and were not explored by interviewers.

Yesterday in Parliament: During the period there were 13 parliamentary reports featuring mentions of the EU, an exceptionally high number. There were 43 Eurosceptic and 16 Europhile speakers. But this skew was insignificant in overall balance terms, because all contributions in this programme slot are short. It meant only that Eurosceptics had 15 minutes more airtime than Europhiles and overall, the Eurosceptic contributions in the slot added up to just 1% of the 27 hours and 19 minutes of EU coverage on Today. Further, none of the speakers had the time to make anything but the most basic of points, and thus the coverage did not add anything of significance to audience understanding of EU issues. The suspicion is that the slot was used, during a period of intense debate about the future of the UK's involvement in the EU – to an extent at least – as a kind of dumping ground for elements of anti-EU opinion that were held by MPs on the Conservative backbenches who were firmly and strongly Eurosceptic. Many of them, such as Jacob Rees-Mogg, David Nuttall and Andrew Bridgen, for example, appeared only in Yesterday in Parliament. They expressed passionately-held views that were reflected in the Today programme as a whole by a much narrower range of speakers.

Anti-monarchist: On March 10, as this analysis neared completion, Today carried an interview with a republican and an anti-monarchist MP about the Queen's Diamond Jubilee celebrations. Between them, they had almost 1,000 words to put their case and were allowed to do so in some depth, with John Humphrys in the role of firm but fair interviewer. This is how controversial subjects should be treated by the Today programme. Yet republicanism is supported – according to the guest's own website – by only around 20% of the population, whereas at least 50% of Britons want withdrawal from the EU. And yet at a time of intense debate about the EU, the combined contribution of seven withdrawalist guests was only 534 words (just over half those in the Diamond Jubilee interview) and – as has been noted – not one of them was asked to explain or elaborate on the withdrawalist case. Thus the republican interview underlined sharply the imbalance inherent in Today's coverage of EU affairs, which is characterised by a determined neglect of the withdrawalist perspective.

THE BBC's TODAY PROGRAMME AND 'EUROPE'

PART ONE: WINTER 2011 MONITORING STATISTICS

This survey investigates the Today programme's coverage of EU news and current affairs for an eleven-week interval between Monday 3 October and Saturday 17 December 2011. Newswatch monitored and analysed each edition of the programme in its entirety. All programme items were timed and logged, and all which were relevant to the European Union or its relationship with the UK were transcribed in full.

Information was collated in Newswatch's bespoke database to identify patterns in coverage and to facilitate comparisons with the seventeen previous monitoring projects that have been undertaken since 2002.

This methodology allows weaknesses in individual news items to be identified, and highlights long-term trends and imbalances that would be impossible for a casual listener to discern.

1.1 OVERVIEW

Today is BBC Radio 4's flagship news and current affairs programme. It broadcasts for three hours each weekday morning, and for two hours each Saturday. Each edition is also made available 'on demand' for those visiting the programme's dedicated website, and selections from Today are included in the BBC's podcast service, which enables listeners to download content directly to their computer or personal music player. The Today website also carries a comprehensive audio archive, with programme material dating back to June 2003.

RAJAR's figures reveal that Today had a weekly audience reach of 7.15 million listeners during the fourth quarter of 2011 – the period September 19 to December 18. This figure was only marginally lower than Today's highest ever audience reach of 7.18m, and up approximately half a million on the same quarter in 2010.

1.2 AIRTIME

Newswatch's airtime calculations focus on 'feature reports', to ensure totals are not affected by repeated content such as bulletins and newspaper reviews and 'non-news' items such as sport, weather and trailers for other Radio 4 programmes. The total space available on Today for features during the survey interval was 121 hours and 41 minutes. Of this, 27 hours and 19 minutes – 22.5% of the total available airtime - was EU-related. All EU material broadcast during the survey was fully transcribed, categorised and analysed. The transcripts amounted to over 411,000 words.

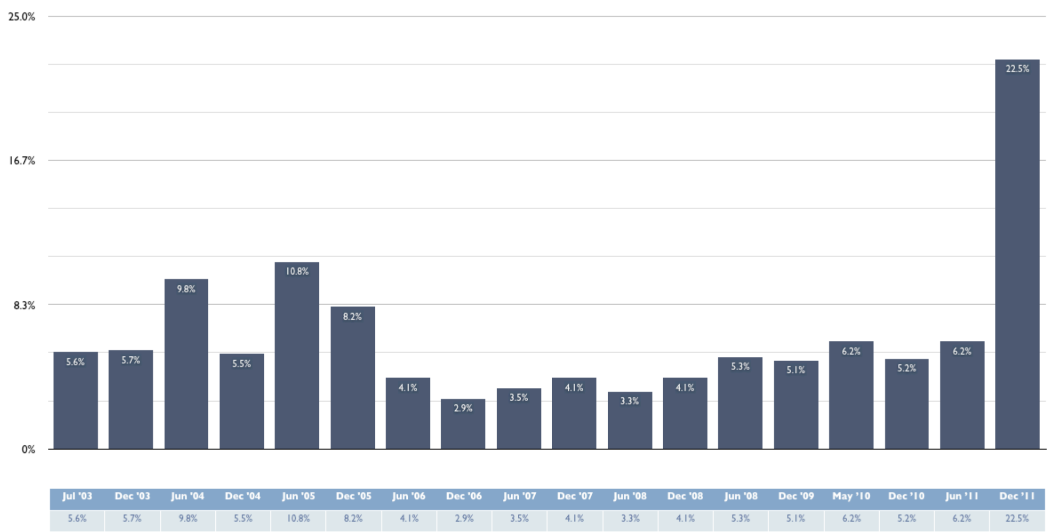
Since 1999, Newswatch has monitored, tracked and analysed Today for 282 weeks, which equates to 1768 individual programme editions, with a combined airtime of 4794 hours. This has generated almost seven thousand transcripts, running to over 4 million words of output.

The long-term monitoring has established that Today has, on average, devoted 5.6% of its 'feature' output to the discussion of EU themes. During the Winter 2011 period, EU coverage was 16.9% above the long-term average, or slightly over four times greater than usual. The 22.5% figure was also more than double the previous high watermark for Today's EU coverage - the 10.8% observed during the Summer 2005 Newswatch survey.

The table provides details of the 18 Newswatch surveys undertaken between September 2002 and December 2012.

	Survey Date	Monitored Weeks	Proportion of EU coverage
1	September 2002 – July 2003	47	5.6%
2	September – December 2003	12	5.7%
3	March – June 2004	13	9.8%
June 2004, Mark Thompson appointed BBC Director General			
4	October – December 2004	10	5.5%
January 2005, Publication of the Wilson Report into the BBC's EU Coverage			
5	March – June 2005	15	10.8%
6	October – December 2005	9	8.2%
7	February – June 2006	16	4.1%
8	September – December 2006	14	2.9%
9	March – June 2007	14	3.5%
10	September – December 2007	14	4.1%
11	March – June 2008	12	3.3%
12	September – December 2008	14	4.1%
13	April – June 2009	6	5.4%
14	September – December 2009	13	5.1%
15	March – May 2010	6	6.2%
16	September – December 2010	13	5.2%
17	March – June 2011	13	6.2%
18	October – December 2011	11	22.5%

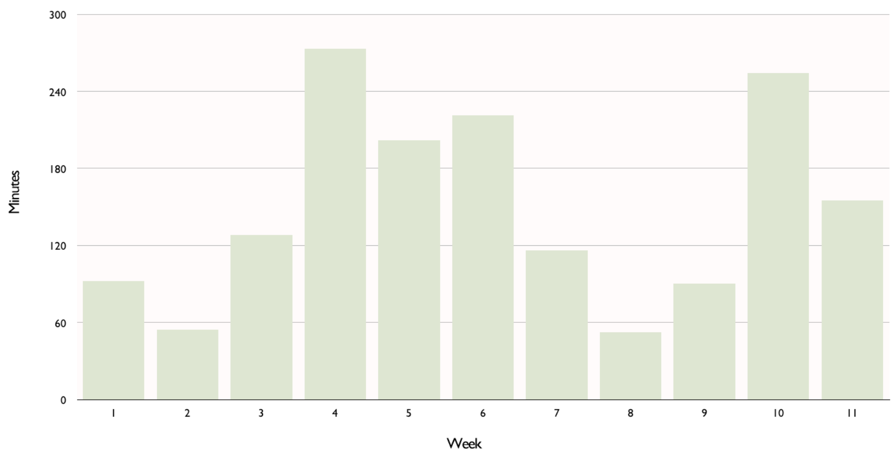
A number of the surveys, particularly during election periods, included multi-programme monitoring. For the purposes of the current survey, information pertaining solely to the Today programme has been isolated from the main data collected during these investigations to facilitate direct comparisons. The graph presents EU airtime proportions in the eighteen most recent Today surveys, listed by the end date of each investigation. The chart illustrates the dramatic upsurge in EU coverage in Winter 2011.



1.3 COVERAGE BY WEEK

Today transmitted 621 EU-related items during the eleven-week survey. There were 119 bulletin reports, 94 mentions of EU matters in the programme's newspaper review section, and 408 'features', with a total duration of 27 hours and 19 minutes. In addition, there were 89 marginal or passing mentions of the EU, and six discussions of EU themes in the religious affairs slot, Thought for the Day.

The chart shows the amount of EU coverage broadcast during each week of the survey.



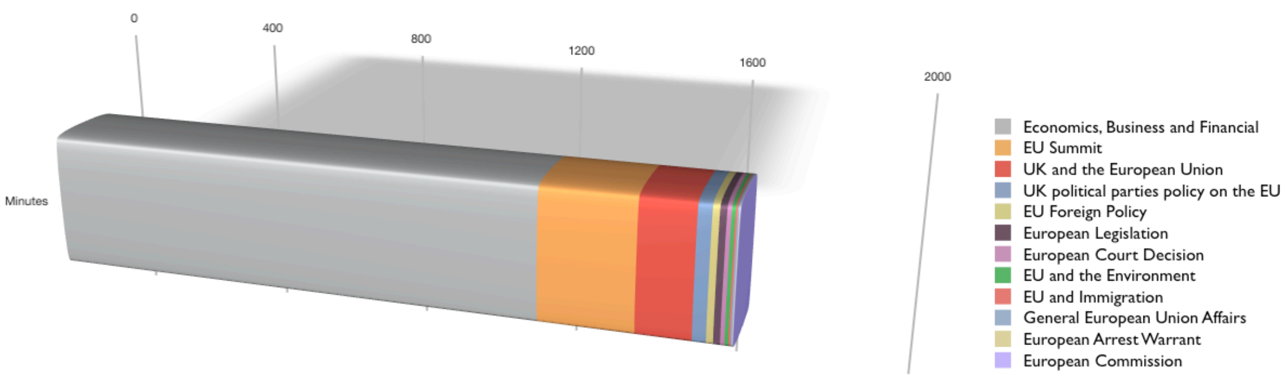
EU coverage reached its peak during week four of the survey, accounting for 273 minutes or 41% of Today's available feature airtime. Week four coincided with the Commons vote on a motion calling for a referendum on British membership of the EU, and a summit of eurozone leaders which agreed on a three-pronged approach to solving the debt crisis. This was the highest weekly proportion of EU news ever recorded by Newswatch - the previous highest level was recorded during the week of the French and Dutch referendums on the EU Constitution in June 2005, in which EU coverage accounted for 31% of Today's available airtime. In the current survey, two other weeks also generated more airtime than this previous high watermark. EU Coverage reached 33% of available in week six, with a government of national unity being formed in Greece, and Italian bond yields reaching record highs, and 38% in week ten, which coincided with the heads of government summit in Brussels, and David Cameron's claim that he had 'vetoed' an EU-wide treaty.

Even when EU coverage was at its lowest, during the eighth week of the survey, it still accounted for 7.8% of Today's available feature airtime.

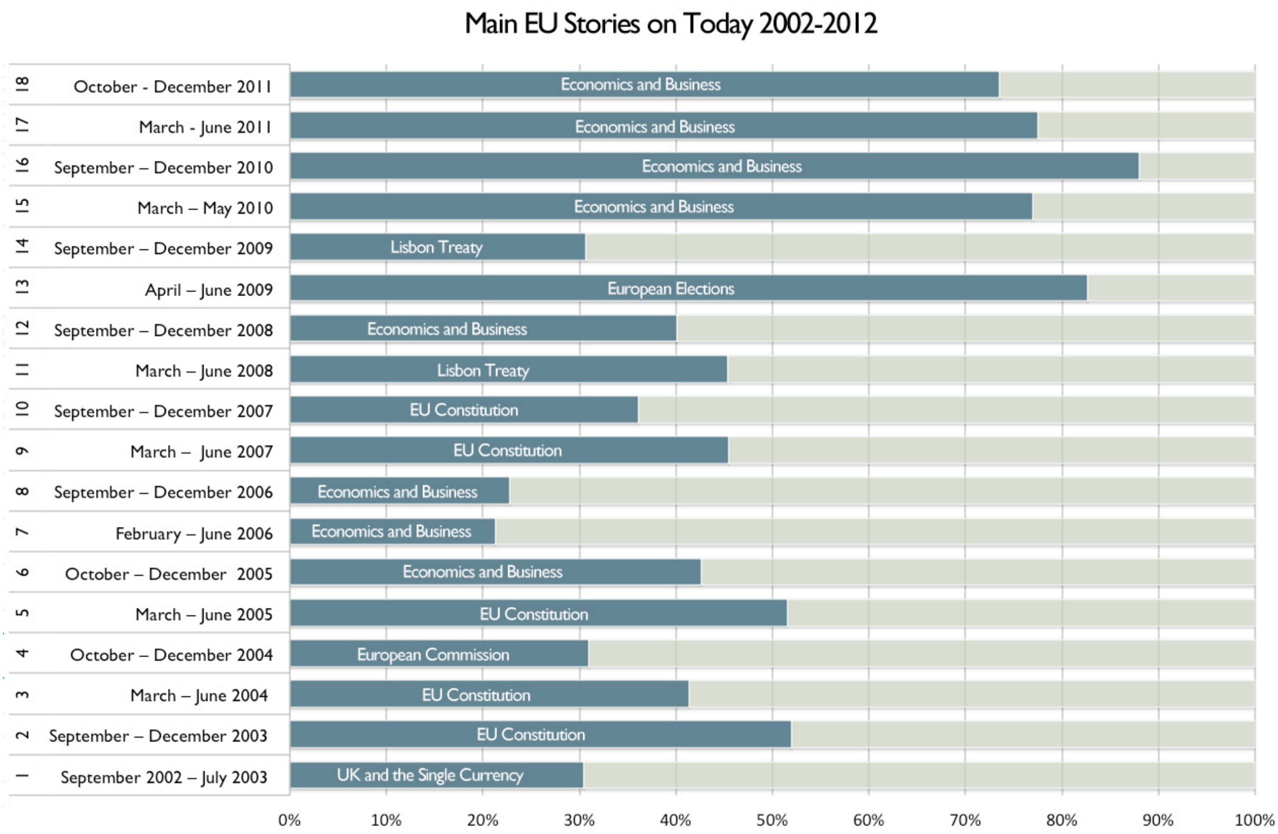
1.4 EU THEMES

The table and chart show the range of EU themes covered during the eleven-week investigation. The second, third and fourth most widely-covered themes presented some difficulty in terms of categorisation, primarily owing to the overlap caused by David Cameron's claim to have used the British veto at the Brussels heads of government meeting. This produced a number of programme items which focused on all three themes simultaneously: the events at the summit, the implications of the 'veto' for the UK's relationship with the EU, and the effect of these events on the coalition government. When such overlaps occurred, the transcripts were studied carefully and categorised according to which theme was dominant.

Subject Area	Minutes	%
Economics, Business and Financial	1205.5	73.6%
EU Summit	220	13.4%
UK and the European Union	125	7.6%
UK political parties' policy on the EU	30.5	1.9%
EU Foreign Policy	15.25	0.9%
European Legislation	14.75	0.9%
European Court Decision	9.25	0.6%
EU and the Environment	8.25	0.5%
EU and Immigration	3.75	0.2%
General European Union Affairs	3.75	0.2%
European Arrest Warrant	1.5	0.1%
European Commission	1.5	0.1%



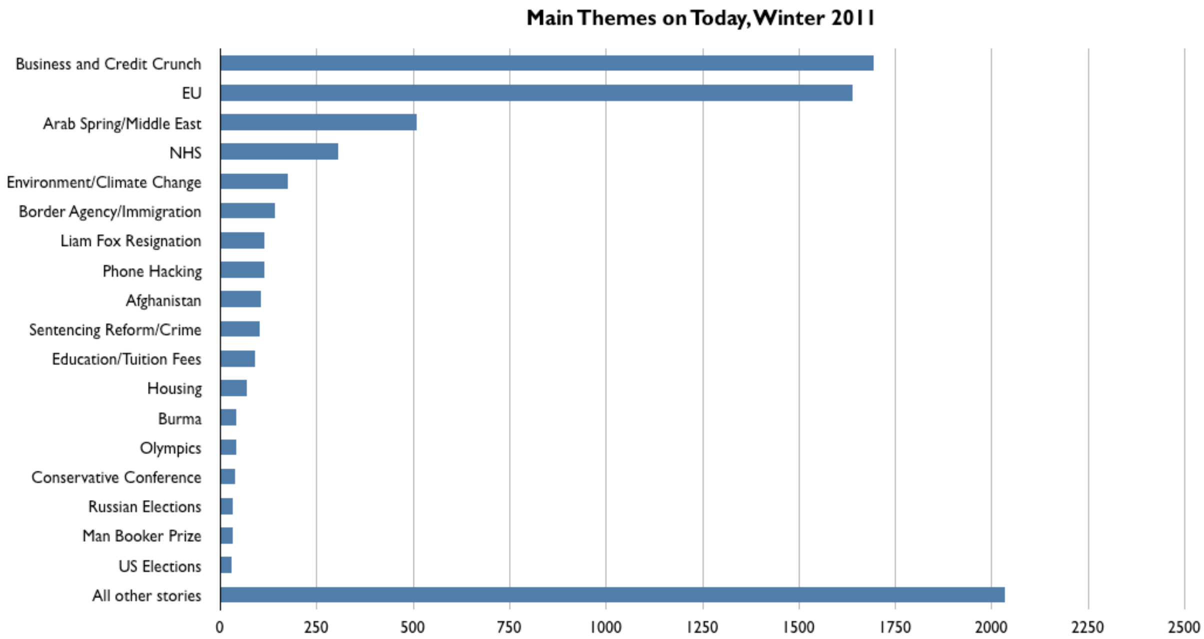
By far the most widely-addressed EU subject during the survey interval was Economic, Business and Financial. This theme accounted for 73.6% of the total airtime spent discussing the EU. Newswatch used its historical data to explore this coverage pattern in greater detail. The most significant EU themes in the eighteen surveys undertaken since 2002 were identified and calculations were made to assess the proportion of coverage given over to these 'main themes', compared to all other EU themes combined.



The most recent survey saw 74% of EU airtime devoted to the main theme of Economics and Business, and 26% of EU coverage focusing on secondary EU themes. This pattern was similar to the three previous Newswatch surveys, in which Economics and Business themes dominated EU coverage in a similar proportion. Newswatch has found previously that the dominance of single EU themes in recent times has often been to the detriment of thorough coverage of secondary themes. This effect was mitigated slightly during the Winter 2011 survey, as EU coverage levels overall were significantly higher, and therefore the 26% of EU airtime devoted to secondary themes represented approximately four times more airtime than previous averages. However, as has been detailed previously, the secondary themes in the Winter 2011 survey were dominated by three overlapping issues - EU summit coverage, debates about the UK's place within the European Union, and UK domestic political party policy on the EU. Other EU matters, including legislation, foreign policy, the environment and immigration, received only 58 minutes of coverage over the eleven week survey, or 0.8% of Today's available feature airtime.

1.5 THE WIDER NEWS AGENDA

All feature reports during the survey period were timed and categorised, and those news themes which received over 30 minutes of coverage during the survey interval are listed in the table.

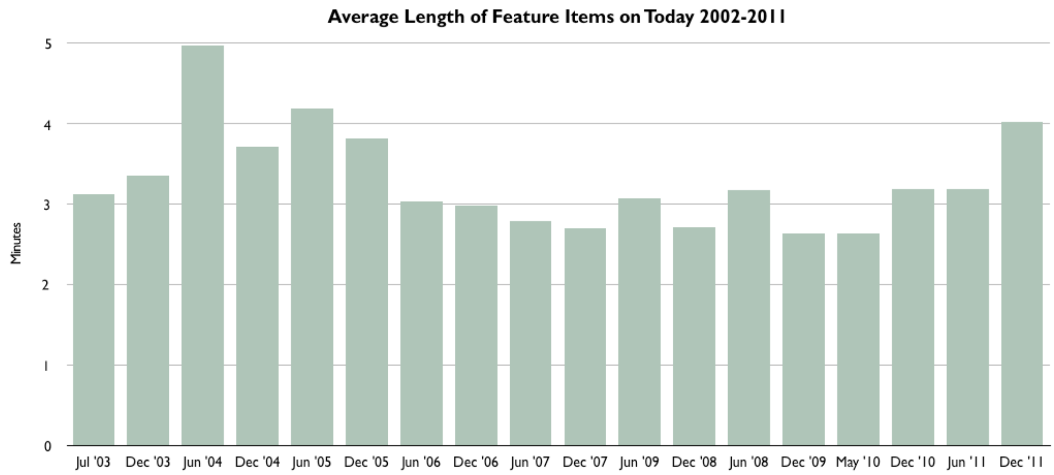


Despite the extraordinarily high levels of coverage given over to EU stories – 27 hours and 19 minutes, or 22.5% of available airtime - the EU was only the second most prevalent theme during the survey interval. Slightly more space was given over to the discussion of Business and Economics, which accounted for 28 hours and 13 minutes, or 23.2% of Today's available airtime.

It is important to appreciate that the Newswatch methodology is designed to give precedence to the EU in the categorisation process. This ensures the EU airtime proportions referred to in each survey represents an absolute maximum, but as a consequence, when themes overlap, it reduces the proportions of news coverage in other categories by an equivalent measure. As the table in Section 1.4 shows, the majority of EU news items during this survey might reasonably have been classified as 'Economics and Business'. If this alternate approach to categorisation had been employed, then the proportion of Business and Economics news would have increased to 39.7%, and the remaining EU coverage would have accounted for 5.9% of available airtime.

Although the two most prevalent themes for almost half of Today's running order, almost 24 hours of coverage – 27.8% of feature airtime – was given over to stories other than the 18 main themes listed in this chart. This space was taken up by news themes generating less than thirty minutes of coverage during the eleven-week survey, and the majority of these were single, standalone reports.

1.6 EU ITEM LENGTH

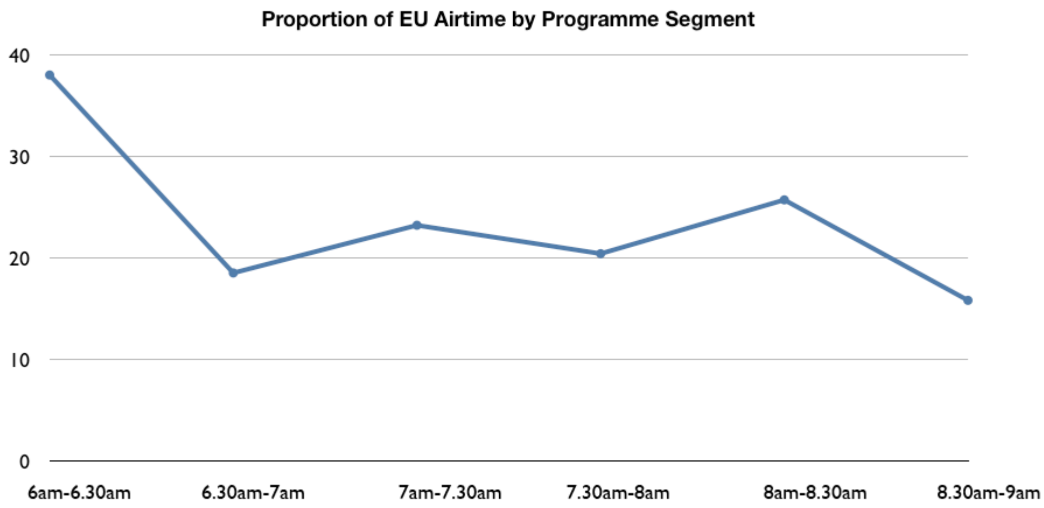


During the Winter 2011 survey, the average duration of an EU feature item on Today was 4 minutes and 1 second. This was the highest average since the Summer 2005 survey, and the third highest of the eighteen surveys undertaken by Newswatch since September 2002. This increase can be attributed to the greater number of extended features. 55 packages lasted over seven minutes, and 13 of these were over ten minutes in duration.

1.7 THE POSITION OF EU FEATURE REPORTS

Assessing the positioning of EU material in the Today running order necessitates a complex calculation, given that each half-hour segment does not carry equal space for feature reports. For example, the first half hour of the programme generally has space for 17 minutes of features, while the last half hour has between 26 and 29 minutes. In addition, the Saturday programme begins at 7am, and has a slightly different running order to the weekday editions.

With all these variables taken into account, the next graph gives weighted totals for EU news coverage, as a percentage of the total airtime available in each half-hour segment of Today, over the full survey interval. If EU coverage had been spread evenly across each segment for the full eleven weeks, the graph would show a horizontal line.



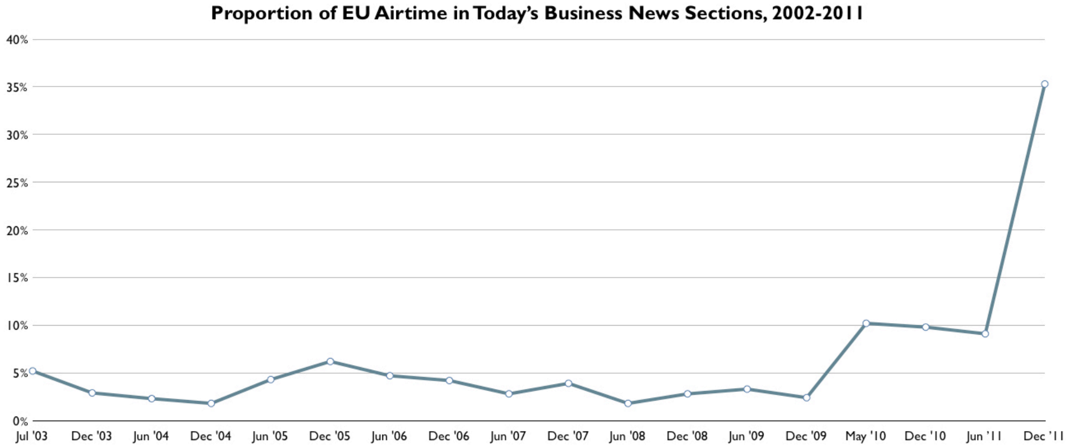
The graph shows that EU coverage was significantly more prevalent in the first half hour of the programme, with 38% of feature items in the 6am-6.30am slot having an EU theme. This is as a consequence of extensive coverage of EU issues in the programme's main Business News slot at 6.15am, a pattern which will be explored in more detail in the following section. Coverage remained strong across all segments of the programme by historical standards, although there was a relative decline in the final half hour of the programme, with EU coverage falling to 15.8% of feature output. This meant that listeners in the final half hour were half as likely to hear an EU themed report as in the first half hour.

There are some structural disadvantages for material placed into Today's first hour. Not only does this part of the programme have the fewest listeners, material broadcast in the first two segments tends not to be made available online as individual audio clips, and is therefore not retained for posterity as part of the Today online archive.

1.8 THE BUSINESS NEWS

Today broadcasts a main Business News report at around 6.15am each weekday morning, along with two shorter updates later in the programme. Combined, these three slots typically account for somewhere between 14 and 20 minutes per programme, which equates to between 12% and 17% of total coverage in Today's weekday editions.

The next table provides details of the EU stories which have appeared in Today's Business News and Business Update slots in the eighteen Newswatch surveys undertaken since September 2002.



Data from the 240 weeks monitored between September 2002 and June 2011 shows that Today's Business News slots delivered a long-term average of 4 minutes 34 seconds of EU news per week. During the current survey, EU coverage increased to 35 minutes 19 seconds per week, an almost eight-fold increase. The rise was wholly attributable to coverage of the on-going financial problems in the eurozone.

The three most recent Newswatch surveys have seen the eurozone crisis dominating Today's Business reporting, with 91% of business coverage devoted to the issue in Summer 2011, 78% in Winter 2010, and 94% in Summer 2010. However, in the current survey non-eurozone related business coverage was ignored almost completely. Of the 6 hours and 29 minutes of EU coverage broadcast in the business slots, 98.5% dealt with discussion of the eurozone crisis, and less than six minutes (1.5%) focused on other EU business matters, including the EU's Solvency II directive, Agency Workers Directive, and a new European system for patents.

In total there were 166 contributions to Today's business coverage. Three quarters (74%) were speakers who offered a neutral or factual overview rather than making any direct political point. Pro-EU speakers outnumbered sceptics in this slot by a ratio of almost two to one, with 28 Europhile speakers and 15 sceptics appearing in Today's business news slots.

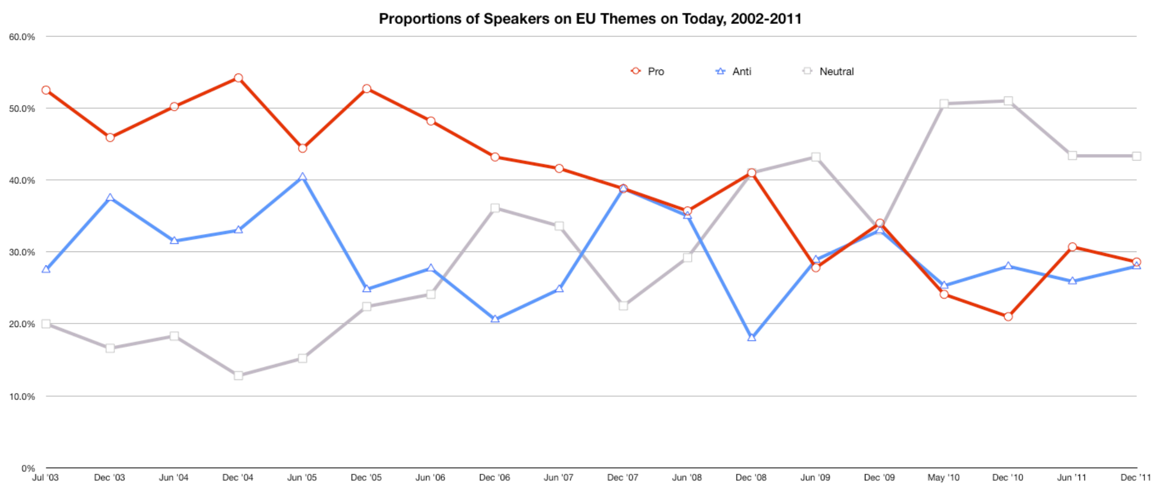
1.9 SPEAKERS

Today's EU coverage featured 517 guest contributors during the survey, of which 326 were interviews and 191 were pre-recorded soundbites or vox pop contributions. The table records speakers according to whether they expressed Europhile or Eurosceptic views. Each guest was categorised according to the contents of the contribution, rather than the established views of the person concerned, or their party affiliation.

Contributions by Party	Labour	Conservative	Liberal	UKIP	EU	Other	Total
Pro-EU	22	1	16	0	60	32	**131**
In favour of specific EU legislation/action	1	2	0	0	0	14	**17**
Anti-EU or Eurosceptic	4	91	0	3	0	7	**105**
Against specific EU legislation/action	2	1	0	0	2	35	**40**
Neutral/Factual viewpoint	6	5	0	0	12	201	**224**
Total Speakers	**35**	**100**	**16**	**3**	**74**	**289**	**517**

In broad terms, 148 guests (29%) spoke in favour of the EU or specific legislation, 145 (28%) were against the EU or specific legislation, and 224 speakers (43%) offered a neutral, factual or unknown viewpoint.

The chart shows the proportions of broadly Pro-EU, Anti-EU and Neutral speakers over the course of the eighteen Newswatch surveys since September 2002, and corresponds to a total of 3785 individual guest contributions to the Today programme's features and bulletins.



	Jul '03	Dec '03	Jun '04	Dec '04	Jun '05	Dec '05	Jun '06	Dec '06	Jun '07	Dec '07	Jun '08	Dec '08	Jun '09	Dec '09	May '10	Dec '10	Jun '11	Dec '11
Pro	52.5%	45.9%	50.2%	54.2%	44.4%	52.7%	48.2%	43.2%	41.6%	38.8%	35.7%	41.0%	27.8%	34.0%	24.1%	21.0%	30.7%	28.6%
Anti	27.5%	37.5%	31.5%	33.0%	40.4%	24.8%	27.7%	20.6%	24.8%	38.8%	35.0%	18.0%	28.9%	33.0%	25.3%	28.0%	25.9%	28.0%
Neutral	20.0%	16.6%	18.3%	12.8%	15.2%	22.4%	24.1%	36.1%	33.6%	22.5%	29.2%	41.0%	43.2%	33.0%	50.6%	51.0%	43.4%	43.3%

For the fourteenth time in the eighteen surveys undertaken by Newswatch since 2002, broadly Europhile contributors outnumbered those who were broadly Eurosceptic. The proportion of speakers offering politically neutral or factual contributions remained static in relation to the previous Newswatch survey.

Newswatch has employed the same speaker categorisation model uniformly across all surveys since 2002. However, recent surveys have seen strains emerge in the process. The early surveys saw a much clearer delineation; speakers could more easily be identified as being on one side or the other of significant political questions: for example, whether the UK should join the single currency, or whether the EU should adopt a Constitution. Most Labour and Liberal Democrat speakers put forward pro-EU arguments, and most Conservatives offered a sceptical perspective.

More recently, political changes have meant that the dividing lines have become blurred, and positions have become less polarised. For example Newswatch identified in its Winter 2010 survey a tangible shift in the way EU arguments were being expounded by the Conservative leadership. Analysis showed that when talking abstract or theoretical terms about policy direction, Conservative ministers were keen to deliver tough rhetoric on the EU, but on concrete matters such as budget negotiations and financial bailouts, their position became more measured, and in some cases even supportive of the EU. Contributions became increasingly nuanced, with 'traditional' Conservative Eurosceptic viewpoints being juxtaposed with softer or more pragmatic lines.

This same division was evident in the first half of the current survey, particularly with regards to the Commons motion which called for a referendum on Britain's membership of the EU. The Conservative leadership opposed the motion, but 79 Conservatives defied the whip. However, by the end of the survey, another shift occurred, with David Cameron refusing to sign a new EU-wide treaty to tackle the eurozone debt crisis, and therefore, it appeared, reverting to a more 'traditional' Conservative Eurosceptic line.[1]

In addition, midway through the survey, on 14 November, Today reported that the Labour Party had announced 'a new approach to the European Union'.[2] The party declared that it would oppose any further transfer of powers to Brussels which might damage UK growth, and that it would look at any treaty change sought by Germany in response to the euro crisis 'as a legitimate occasion to look at the balance of powers between Europe and nation states.'[3] Although Shadow Foreign Secretary Douglas Alexander was keen to stress he believed that Britain's interests were served by being within the EU, he argued that it would be 'fatal to simply dust off the traditional pro-European arguments in

[1] This was ultimately short-lived: by 31 December 2011 the British press was reporting that David Cameron had angered his backbenchers by circumventing the veto, and had dropped his earlier threat that he would prevent the eurozone using the European courts and Brussels institutions to uphold its breakaway fiscal pact.
[2] Today, 14 November 2011, Interview with Shadow Foreign Secretary Douglas Alexander, 8.43am
[3] Today 14 November 2011, Newspaper Review, 6.07am

changing circumstances'[4] the interview suggested Labour were therefore moving closer to the position the Conservatives had held while in opposition.

The fluidity of EU policy within the main political parties has led to an increase in the numbers of contributions which are ambiguous or difficult to categorise. It has therefore become progressively necessary to consider the various *subsets* of contributors to the EU debate, and look beyond the headline totals generated by the speaker proportions. The next section considers one of these subsets in closer detail.

1.10 THE VOTE ON A REFERENDUM ON THE UK's MEMBERSHIP OF THE EU

On Monday 24 October 2011, the House of Commons debated a motion calling for a national referendum on the UK's membership of the European Union. The subject for the debate had been determined following a representation by Conservative MP David Nuttall at a public meeting of the Backbench Business Committee on 18 October 2011. A large number of backbench MPs had indicated their support for the debate, and the issue had also been raised through paper and online petitions which between them had collected more than 100,000 names. The debate had originally been arranged for Thursday 27 October, but was brought forward by three days. The government claimed that this was to ensure that the prime minister and foreign secretary would be able to attend the debate - although speculation on Today suggested that it had been rescheduled to prevent a head of steam building up behind the rebellion.[5] The text of the motion read:

> This House calls upon the Government to introduce a bill in the next session of Parliament to provide for the holding of a national referendum on whether the United Kingdom should remain a member of the European Union, leave the European Union, or renegotiate the terms of its membership in order to create a new relationship based on trade and cooperation.[6]

Opinion polls undertaken at the time of the debate indicated widespread public support for a referendum. A Guardian/ICM poll published on Monday 24 October, the day of the Commons vote, signalled that some 70% of voters supported a referendum. The same poll found that 49% would prefer Britain to leave the EU, compared to 40% who wished to remain a member.[7]

Despite the imposition of a three-line whip by prime minister David Cameron, 81 Conservative MPs supported the referendum motion, making it the party's largest ever rebellion over Europe. 19 Labour MPs also defied their own party whip, and eight members of the DUP supported the motion,

[4] Today, 14 November 2011, Interview with Shadow Foreign Secretary Douglas Alexander, 8.43am
[5] Today, 20th October 2011, EU Referendum Debate, 6.32am
[6] http://www.bbc.co.uk/news/uk-politics-15354203
[7] http://www.guardian.co.uk/world/2011/oct/24/eu-referendum-poll-uk-withdrawal

along with one Liberal Democrat, an Independent Unionist, and the Green Party's single MP. In total 111 MPs voted in favour of the motion, and 483 voted against.

Today broadcast 28 items relating to the motion on holding a UK referendum in the period 19-28 October. There were six bulletin reports, seven mentions in Newspaper Reviews, and fifteen features with a combined duration of 92 minutes. In addition, there were two passing mentions of the referendum debate in subsequent parliamentary coverage.

The table lists all those who added to the debate. The darker cells indicate those speakers who supported the referendum. As the proposed referendum was not framed as a straightforward 'in/out' question, it did not necessarily follow that those who supported the measure were doing so from a withdrawalist standpoint. Similarly, not all those speakers who supported the referendum were against the EU – Fraser Nelson, for example, spoke about being pro-European and supportive of British membership, but supported a referendum.

Speaker	Party/Organisation	Words
Mark Pritchard	Conservative Party	587
Nadhim Zahawi	Conservative Party	547
David Rennie	The Economist	616
Fraser Nelson	The Spectator	406
Sir George Young	Conservative Party	55
Angela Eagle	Labour Party	52
Mark Pritchard	Conservative Party	80
Bernard Jenkin	Conservative Party	55
Mark Reckless	Conservative Party	60
Graham Stringer	Labour Party	443
Graham Stringer	Labour Party	56
Peter Lilley	Conservative Party	628
Bernard Jenkin	Conservative Party	55
Bernard Jenkin	Conservative Party	664
William Hague	Conservative Party	1133
Stephen Pound	Labour Party	433
Sam Gyimah	Conservative Party	325
Mark Pritchard	Conservative Party	51
William Hague	Conservative Party	74
David Nutall	Conservative Party	74
Andrew Bridgen	Conservative Party	45
Douglas Alexander	Labour Party	38
John Redwood	Conservative Party	41
Adam Holloway	Conservative Party	59
Malcolm Rifkind	Conservative Party	114
Jacob Rees-Mogg	Conservative Party	39
Peter Bone	Conservative Party	50
Mark Pritchard	Conservative Party	715
Michael Gove	Conservative Party	1823

Although pro-referendum speakers outnumbered anti-referendum speakers by 17 to 12, the majority of pro-referendum contributions were short, with twelve of them being 80 words or under. As a consequence, the pro-referendum viewpoint accounted for just 37% of the total words spoken on the issue, compared to 63% spoken by those against a referendum. This uneven division is very difficult to justify, given the wider levels of public support for a referendum.

The table breaks down the contributions by speakers who were in favour of the referendum, and lists their arguments themes in order of prevalence.

ARGUMENTS DEPLOYED IN FAVOUR OF THE REFERENDUM MOTION.

Argument	Speaker(s)	Words	%
There have been 100,000 signatories to the petition, so the debate is important./Millions of people have never had a say on the European question, and want a referendum	Pritchard, Nelson, Stringer, Jenkin, Nutall	467	13.7%
That the call for a referendum is about democracy and the legitimacy of the EU project	Pritchard, Nelson, Jenkin	367	10.8%
Explanation of the contents of the motion, that it is not a straight 'in/out' referendum, it includes the option of renegotiating Britain's relationship with the EU.	Pritchard, Nelson, Jenkin	345	10.1%
Growth in the UK will only be achieved if the UK's relationship with the EU is renegotiated	Jenkin	238	7.0%
The cost of British membership of the EU/Leaving the EU would allow Britain to make its own decisions/ it is a scare tactic to say that Britain would suffer in terms of trade if it were to leave the single market	Nelson, Stringer, Redwood	222	6.5%
The government's position on Europe is unsustainable, given the crisis in the eurozone, and there needs to be clarity following the rebellion	Pritchard	187	5.5%
Question of whether rebels will defy the whip	Pritchard. Stringer, Jenkin	159	4.7%
There is not the strength of feeling within Labour about the EU that there is in the Conservative Party	Stringer	154	4.5%
That he voted according to his conscience and putting the country first/voted for his constituents	Bone, Holloway	154	4.5%
Discussion of the Coalition Agreement and Conservative and Liberal Democrat manifesto commitments on the EU	Pritchard	147	4.3%
The economics of Europe cannot be disregarded by domestic British politicians	Pritchard, Stringer, Bridgen	135	4.0%
The Conservative Party will move on from the vote, but Europe as an issue will become more rather than less of an issue over the course of the parliament	Pritchard	133	3.9%
Ed Miliband is making a mistake in telling his MPs to vote against the referendum	Stringer	112	3.3%
Discussion of the precise numbers of backbenchers who rebelled	Pritchard	97	2.9%
Successive governments have promised to renegotiate powers back from Brussels, but this hasn't happened	Pritchard, Jenkin	90	2.6%
Discussion on the timing of a referendum	Jenkin	73	2.1%
Concerning David Cameron not having listened to the parliamentary debate on the referendum	Pritchard	67	2.0%
The People's Pledge are to be congratulated for Pressing for the referendum debate	Reckless	60	1.8%
David Cameron should negotiate a settlement in line with the wishes of the British public	Nelson	58	1.7%
Businessmen see more disadvantages than advantages to the single market, because of regulation burdens	Jenkin	55	1.6%
The Conservative Party has learned lessons from its past, and don't want to make the mistakes of the 90s and personalise things	Pritchard	41	1.2%
That Britain should behave like a tiger towards its European partners 'not like Bagpuss'	Rees-Mogg	39	1.1%

The table shows that a range of arguments were deployed by the pro-referendum speakers, but that 16 of the 21 arguments were under one minute in length, and often were made in a single sentence. Approximately one third of airtime was spent dealing with the practicalities of the referendum motion – why it had been called, the public petitions on the issue, and the terms of the referendum, and although issues of withdrawal and repatriation were discussed, they were only given minimal consideration and would have benefited from a more thorough exploration.

1.11 YESTERDAY IN PARLIAMENT

Today broadcast a total of 45 Yesterday in Parliament reports during the current survey interval, and 13 of these were concerned with EU themes. The EU component amounted to just under an hour of coverage, or 3.6% of the programme's overall EU output. When viewed alongside historic data, the amount of coverage on Yesterday in Parliament during the Winter 2011 survey interval was extraordinarily high. In the 251 weeks analysed by Newswatch since 2002, Yesterday in Parliament has featured just under four hours of EU-themed coverage, but a full quarter of this total was broadcast in the Winter 2011 survey.

True like-for-like comparisons between surveys are problematic, primarily because Yesterday in Parliament is only a semi-regular fixture on Today, and is absent from the running order during periods of parliamentary recess. In addition, there have been variations in Newswatch's monitoring schedule over time which means that certain surveys, because of their positioning in the year, have picked up more or fewer editions of Yesterday in Parliament than others. However, prior to the most recent survey, Yesterday in Parliament devoted an average of just 44 seconds per week to EU themes. This rose to 5min 25s during the Winter 2011 period, a seven-fold increase.

The sharp growth in EU-related parliamentary coverage also had implications in terms of the speaker proportions. Whilst the numbers of pro-EU and Eurosceptic contributors were closely balanced in terms of the survey as a whole, in Yesterday in Parliament sceptical speakers outnumbered pro-EU contributors by almost three to one. While this at first might appear to be evidence of bias against the Europhile position, the consequences were actually more complex.

Foremost, there are questions as to whether placing 30% of sceptical speakers[8] into a single programme slot had the effect of isolating them from debates elsewhere on Today. It certainly raises structural concerns: Yesterday in Parliament contains only pre-recorded soundbite contributions, and opinions are therefore not tested or explored in the same way as they might be during a live interview. The package paints debates in broad strokes, and the 'parliamentary sketch' form often produces a narrative which has a more irreverent tone than typical Today items. In addition Yesterday in Parliament resides outside of Today's peak slot and is not made available as a standalone

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[8] 43 out of the 144 speakers categorised as broadly Eurosceptic appeared in the Yesterday in Parliament

sound clip on the Today website. As such, the distinctive nature of Yesterday in Parliament means there is no inherent benefit to being given a greater share of its airtime, and if speaker proportions had been more evenly balanced in the Yesterday in Parliament slot, then Pro-EU speakers would have outnumbered Eurosceptics by a much greater proportion in the survey as a whole.

1.12 THE WITHDRAWAL ARGUMENT

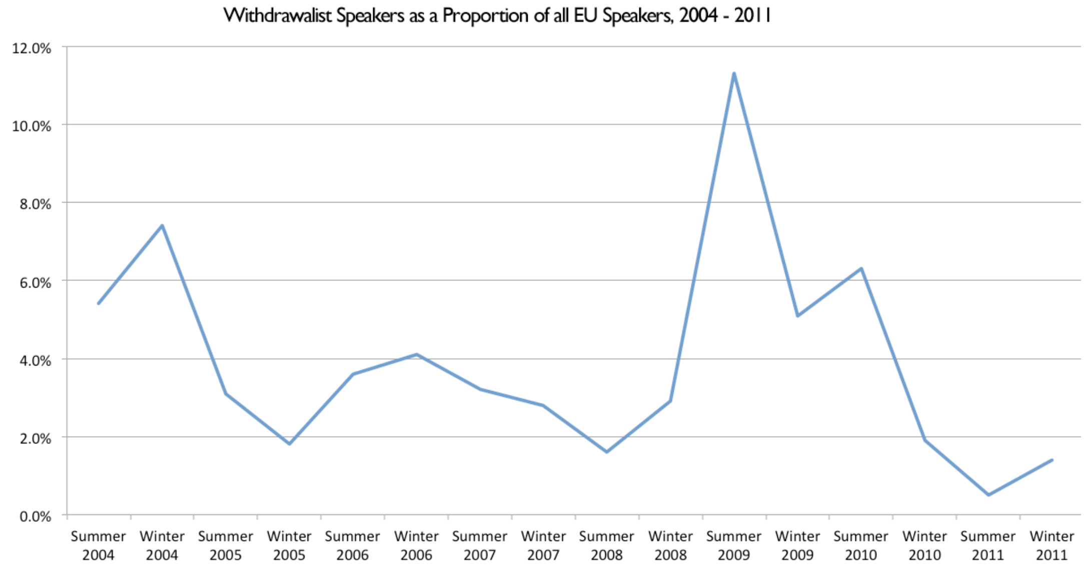
Of the 517 speakers invited onto Today to speak on EU matters, seven could be classified as 'withdrawalist' as a result of their party affiliation, the contents of their contribution, or the commentary given by journalists or presenters.

The table shows the numbers and proportions of identifiably withdrawalist speakers who have appeared on the Today programme in the sixteen surveys undertaken by Newswatch since 2004.

Survey Date	Weeks	Total Speakers	Withdrawalists	Percentage
Mar – Jun 2004	12	279	15	5.4%
June 2004, Mark Thompson appointed BBC Director General				
Oct – Dec 2004	10	94	7	7.4%
January 2005, Publication of the Wilson Report into the BBC's EU Coverage				
Mar – Jun 2005	12	389	12	3.1%
Oct – Dec 2005	9	165	3	1.8%
Feb – Jun 2006	16	167	6	3.6%
Sep – Dec 2006	14	98	4	4.1%
Mar – Jun 2007	14	125	4	3.2%
Sep – Dec 2007	14	178	5	2.8%
Mar – Jun 2008	12	123	2	1.6%
Sep – Dec 2008	14	139	4	2.9%
Apr – Jun 2009	6.3	97	11	11.3%
Sep – Dec 2009	12	197	10	5.1%
Mar - May 2010	6	79	5	6.3%
Sep - Dec 2010	13	156	3	1.9%
Mar – June 2011	13	205	1	0.5%
Oct – Dec 2011	11	517	7	1.4%

Despite the huge increase in the level of EU coverage Today, the proportion of identifiably withdrawalist speakers was the second lowest ever recorded by Newswatch – only the previous survey, in Summer 2011, saw a lower figure. Furthermore, all seven contributions were short, pre-recorded soundbites rather than full scale interviews and most simply indicated that they supported a policy of withdrawal without explaining why.

As the chart illustrates, the proportion of withdrawalist guests was at its highest during the Summer 2009 survey, which coincided with the European Parliamentary Elections. During this interval more stringent editorial guidelines were in place to ensure that 'due impartiality' was achieved, and that proportion coverage was given to parties based on past and current levels of electoral support.[9] As such, parties with a withdrawalist stance, including UKIP, the BNP, the English Democrats, and No2EU party were afforded more consistent access to the debate.



During the Winter 2011 survey period, three of the seven withdrawalist speakers appeared in a single package on the first day of monitoring, October 3. Presenter Sarah Montague, in a report from the Conservative Party Conference, first introduced a soundbite contribution from MP Heather Wheeler:

> HEATHER WHEELER: The dream scenario is that before 2015 we actually have a referendum. That's not going to happen, but what could happen and what I'm fighting to happen is that in our manifesto we absolutely will have a cast-iron guarantee of a referendum. My letters that I receive are one hundred per cent for that. I do not receive, I have not received in seventeen months, a single letter saying, 'you're bonkers, don't do this', you know, 'we want to vote for you Heather, because your Conservative, but if you're going to really push for 'better off out' we can't.' I haven't received a single one.

There followed short exchanges with two unnamed Conservative conference delegates:

> SARAH MONTAGUE: Should the government call a referendum on Europe?
> VOX POP FEMALE: Yes. Please.
> SM: Yes please?
> VPF: Yes please, yes.

[9] http://www.bbc.co.uk/editorialguidelines/page/guidelines-politics-practices-elections

SM: And what should the referendum be? In or out?

VPF: Oh out, out. (*laughs*)

SM: We're asking whether you think there should be a referendum on Europe.

VOX POP MALE: Absolutely. Positively. Without doubt, let us have it.

SM: And the referendum . . . and so that you can vote 'No, get out of Europe.'

VPM: That's right.

SM: Get out completely?

VPM: Yes. Well (words unclear, 'we're in'?) negotiations, I mean (fragment of word, unclear) Look, in '75 I voted for joining a, what was it? A free trade association – that's all it was. And Heath lied to us, Wilson after him lied to us, and we end up selling our birth-right.

Of the three speakers categorised as withdrawalist, only the male vox pop interviewee offered any rationale for his support of withdrawal – Heather Wheeler and the female vox pop contributor simply stated their support for the policy.

The fourth contribution from a withdrawalist speaker was broadcast just over a month later, when an excerpt from a speech given by UKIP's Lord Pearson to the House of Lords was included as part of a Yesterday in Parliament report on November 4.

LORD PEARSON: It remains to be seen whether the people, of first Greece and then elsewhere, will go along with the austerity required by the grand plan, the grand euro plan which has been imposed on them without their informed consent. In the meantime, I hope that I can be forgiven for saying: some cement, this euro.

The section of Lord Pearson's speech that was chosen for inclusion made no direct reference to withdrawal, despite Lord Pearson having made arguments for withdrawal later in his same address to the House. He also referred to recently published research by Channel 4's *Fact Check,* which revealed that academics who had previously estimated that 3 million jobs were dependent on the sale of goods and services to clients in the EU had admitted that these jobs would *not* be lost if Britain were to leave the EU. This was a particularly pertinent point, given that the '3 million jobs' claim was repeated without challenge by a guest on the Today programme just a week later.[10]

The fifth withdrawalist contribution was broadcast on the morning after Lord Pearson's appearance, November 5. A report on the financial crisis in Greece included the following exchange with an unnamed Greek protestor:

VOX POP MALE: You know, there is like a dictatorship of the market, so to say.

JOHN HUMPHRYS: The financial markets?

[10] Today 14 November 2011, Business News, 6.14am Interview with Carmen Watson from Pertemps

VPM: Of course, of course, of course. And you know, they don't allow any, even slight things in the policies that are imposed upon the people of Europe. They say, you know, the markets say, 'we want this', if they don't want it, there will be chaos, and you know, that's what we are listening, for two years now. A strong majority of the people in Greece believe that there is another, you know, way open for us. We have to look, you know, from another point of view.

JH: But what is the other point of view? Do you want to leave the eurozone, is that, is that what this is partly about, do you want to get out of the eurozone?

VPM: Of course I would not want any more to be under the dictatorship of the banks and the IMF. Everybody here in Greece hates, hates them. And we want to get out of the European Union as well.

JH: But look, you're an educated young man, Greeks, you've, you've, this is your country, what future do you see for your country outside the European Union? Don't you think of yourself as Europeans?

VPM: Yes, of course, I'm a European, as people from Switzerland are also European, and as people from Norway are also European. This is not the dilemma for us. Here in Greece, chaos is already here.

The demonstrator's anger was directed at four targets – the financial markets, IMF, the banks, and the European Union, and he only raised the issue of EU withdrawal towards the end of his exchange with John Humphrys. Although it could be inferred that he supported this move because of the 'chaos' in his country, there was no space for any substantive discussion. Indeed, the response from John Humphrys was questionable, with the presenter being surprised that 'an educated man' could see a future for Greece outside of the EU – the subtext here was that withdrawal supporters might somehow be 'uneducated.'

The sixth withdrawalist contribution was featured on November 26, with a Yesterday in Parliament report including a second soundbite from UKIP's Lord Pearson. Although Lord Pearson referred to withdrawal being 'back on the agenda' his focus was on a call for an impartial inquiry into the costs and benefits of EU membership, and there was no direct argument made for withdrawal:

LORD PEARSON: For more than 30 years, our political class has done its best not to talk about our membership of the EU. But the wheel of history turns, my Lords, and the question as to whether we should leave the European Union is now firmly back on the national agenda. But, my Lords, this Bill does not deal with that question. It is an altogether milder and more innocent little creature. It merely requires the Chancellor of the Exchequer to set up an impartial inquiry into the economic costs and benefits arising from our membership of the EU.

The final appearance from a withdrawalist guest came on the penultimate day of the survey, December 16, in a report on the Feltham and Heston by-election. UKIP leader Nigel Farage made the following short contribution:

NIGEL FARAGE: We were 88 votes behind the Liberal Democrats, of course I'm disappointed.

GARY O'DONOGHUE: UKIP's leader, Nigel Farage. He accepts that David Cameron's actions at the EU summit last week may have hurt his party.

NF: The Cameron veto, people are saying, 'Well, you know, maybe UKIP's not as important as it was a week ago, and so we don't need to go out and vote for them.'

Mr Farage made no mention of withdrawal in his comments, and only qualified for inclusion because of his leadership of an identifiably withdrawalist party.

In addition, there were appearances from a number of known withdrawalists who did not meet the criteria for inclusion. This group included some of those who defied the whip on the EU referendum motion, and members of the 'Better Off Out' campaign. However, these contributors were not introduced as supporting withdrawal, and did not speak directly on the issue. As such, there was nothing to indicate to the casual listener whether they were speaking from a withdrawalist perspective, or if they were simply strongly Eurosceptic.

The seven contributors who did meet the criteria delivered just 534 words, or 0.4% of the total words spoken on the EU during the survey period. As the commentary has shown, even this figure must be considered an absolute maximum, for example, the Greek contributor spoke 174 words, but far fewer focused on withdrawal; similarly, none of the three UKIP contributions – amounting to 196 words – explicitly called for withdrawal. Even with categorisation at its most lenient, the seven contributions accounted for only approximately three and a half minutes, which equates to 0.2% of the total airtime spent on EU issues, or 0.05% of Today's feature airtime for the period.

The survey interval saw turmoil across the eurozone, and the future shape and direction of the EU consistently high on the news agenda. In the same period a Guardian/ICM poll conducted in October 2011 showed that 70% of voters wanted a referendum on Britain's EU membership and 49% would vote for British withdrawal compared to 40% who would vote to remain a member of the EU.[11] Against this backdrop, it is astonishing that Today carried no substantive discussion surrounding the arguments for withdrawal, nor explored the issue in any detail with its invited guests. Similarly, no withdrawalist speaker was invited to comment on the European Council meeting in December – despite earlier assertions from the BBC's Editorial Standards Committee that Today's previous omissions of the withdrawal perspective had been a 'mistake'.[12]

[11] http://www.guardian.co.uk/world/2011/oct/24/eu-referendum-poll-uk-withdrawal

[12] The BBC Trust's Editorial Standards Committee, when confronted with evidence from Newswatch that there had been no withdrawalist speakers on Today in the period of the European Council meeting in June 2007, judged that this had been 'a mistake', but said that it was 'satisfied that the programme was fully aware of this misjudgement and that it was unlikely to be repeated in the future.' However, the mistake has been repeated, with no withdrawalist commentary on the European Council meetings in June 2008, June 2011 and December 2011.

THE BBC's TODAY PROGRAMME AND 'EUROPE'

PART TWO: ANALYSIS OF EU COVERAGE

PROLOGUE: THE ANTI-MONARCHISTS' TALE.

On March 10, as this report was at its final stages of preparation, Today carried a report about anti-royalist reaction to the BBC's coverage of the start of the Queen's Diamond Jubilee tour.

The item ran for more than 7 minutes (1,527words) and the interviewees were Paul Flynn, a Labour MP - who said he believed the Jubilee was "an irrelevant piece of candy floss" – and Graham Smith, chief executive of Republic, a campaigning anti-monarchist group, who declare on their website that most of the problems in British democracy stem from the Crown and claim that around 10-12m Britons are republicans.

John Humphrys challenged both his guests' attitudes towards the monarchy in questions which included adversarial observations that the BBC was the UK's national broadcaster and therefore its royal coverage reflected that; that the national mood was in support of the Jubilee; that the Queen had done a "terribly good job" over 60 years; and had given the country stability. Mr Humphrys thus put robust points to both men, and freely interrupted their answers with counter points.

The issue here is that Republicanism is supported, according to its own website, by only around 20% of the UK population, Mr Smith was given a clear opportunity in a Today prime time slot (8.34am) to put across his views about abolition and Mr Flynn to attack those members of the royal family he thought were not carrying their weight. Their combined contribution (excluding John Humphrys' questions) was 980 words. In particular, Mr Smith – though closely questioned – was allowed to advance his case in some detail for an elected president.

In sharp contrast, withdrawal from the EU is supported, according to opinion polls, by at least 50% of the population and many more are Eurosceptic. Republicanism does not attract significant electoral support, but in 2009, Britain's Eurosceptics cast almost 2.5m votes directly for the main withdrawalist party, almost two thirds of the total attracted by the Conservatives (4.1m) and more than Labour (2.4m) and the Liberal Democrats (2.1m).

Yet in the latest Newswatch survey period – when EU affairs were high on the news agenda to an unprecedented extent – there was not a single interview about withdrawal. And although there were seven contributions spoken by withdrawalists, not one of them was asked a question about their core beliefs. Their combined contributions added up to only 534 words, a little more than half the space allotted to Mr Smith and Mr Flynn in one interview.

Within the survey period, Parliament also debated whether there should be a referendum on UK membership of the EU. It led to the biggest revolt of Conservative MPs in a generation. Yet, in the build-up to the debate, there were only four interviews with firm Eurosceptics about the debate, totalling 2,166 words. Examination of the transcripts shows that only about five minutes (around 800 words) were directly focused on the case for the referendum.

So Mr Smith and Mr Flynn – with no demonstrable electoral support - had the same space in one interview to put their case than more than 100 MPs campaigning for a referendum on EU membership. This sharp contrast chimes entirely with Newswatch long-term findings that the Today programme has failed chronically to reflect properly the strength of Euroscepticism in its coverage of events.

POOR COVERAGE OF THE EUROSCEPTIC PERSPECTIVE

'Firm' Eurosceptics

In the survey as a whole, there were a total of 144 speakers who were Eurosceptic in the sense that they either clearly expressed such views, or were supporters of the official "Eurosceptic" policy of the Conservative Party.

But, as has already been noted, many of the contributions by such Conservatives were not "sceptic" or gave out mixed signals, in that they were supportive of the EU or specific EU policies. For example, the senior government ministers who were interviewed – including William Hague, David Cameron and George Osborne – said that it was in the national interest that the eurozone should survive, and were strongly supportive of the EU measures adopted so that it could. They were also firmly against an immediate referendum about the UK's membership of the EU.

Further, 43 of the contributions designated Eurosceptic were within Yesterday and Parliament. These – as is explained in more detail in the next section – were also so short that they contained only a very limited element of sceptic sentiment, such as when Lord Pearson of Rannoch (November 26) explained why he wanted a cost-benefit analysis of EU membership. He was confined to only 70 words on the topic and his reasoning was not raised or expanded upon anywhere else in the programme. Such soundbites are "coverage" only in the most narrow sense of the word. The contributions from Yesterday in Parliament have therefore been discounted from this section.
This left only 101 contributions. These have been filtered further and are summarised in four separate tables, representing the four major categories that emerged.

TABLE ONE: POLITICIANS AND COMMENTATORS

The first table contains occasions where politicians or commentators are expressing views that can be regarded as firm Euroscepticism. Bernard Jenkin is included in this category because he strongly wanted a referendum on EU membership, combined with repatriation of powers. Sir Malcolm Rifkind is not because he went out of his way to insist that the rescue of the single currency was crucial to protect British interests and did not outline any other Eurosceptic points. By contrast, a long interview of Lord Hurd – known for his pro-EU views – on October 6 has also been classified Eurosceptic because he straightforwardly said that British interests would best be served by maintaining red lines protecting the single market. His inclusion, however, underlines that even toughly Eurosceptic standpoints expressed on the programme were not all that they seemed; they were sometimes underpinned by a strong basic support for the EU.

Date	Speaker	Words
October 3	Heather Wheeler	108
October 3	George Eustice	351
October 4	Mark Pritchard	42
October 5	Douglas Hurd	452
October 17	Daniel Hannan	400
October 20	Mark Pritchard	587
October 20	Fraser Nelson	413
October 21	Graham Stringer	443
October 22	Peter Lilley	628
October 24	Bernard Jenkin	664
October 25	Peter Bone	50
October 25	Mark Pritchard	715
October 25	John Redwood	380
November 3	Raoul Ruperal	310
November 9	John Redwood	429
November 11	Bill Cash	621
November 15	Mark Reckless	102
November 19	George Eustice	715
December 5	Dominic Raab	52
December 6	Douglas Carswell	413
December 8	David Davies	660
December 9	Mark Reckless	400
December 9	Allister Heath	463
December 10	Melissa Kite	410
December 12	Bernard Jenkin	588
December 17	Bernard Jenkin	435
December 17	George Eustice	325

TABLE TWO: BUSINESS LEADERS AND ECONOMISTS

The second category is of business leaders, analysts or economists expressing strong views that the euro was failing (for a variety of causes) or the EU had not dealt well with the euro crisis. These were contained mainly in the business news section.

Date	Speaker	Words
October 22	Steven Major	533
October 29	Mark Littlewood	256
November 9	Bill Blain	457
November 10	Charles Dumas	425
November 30	Paolo Guerrieri	362
December 7	Stuart Fraser	304
December 8	Max King	482
December 9	Terry Smith	453

TABLE THREE: SPECIFIC EU LEGISLATION OR DIRECTIVES

The third category is where contributors attacked specific EU legislation or directives, such as the Scottish fisheries minister expressed disapproval about the latest agreement on fishing quotas.

Date	Speaker	Words
October 6	Simon O'Neill	270
October 22	Sir Ian Wilmut	217
December 17	Richard Lochhead	134

TABLE FOUR: THE REMAINDER

The fourth category is the remainder. It is made up mainly of incidental mentions of disapproval of EU policy, presented in such a way that the reasoning is not entirely obvious, though the sentiment behind it is. The grouping further includes those interviews where it is not fully clear what the beliefs of the interviewee are – for example, Lord Wolfson explaining why he wanted to find a solution to allow countries to exit the euro.

Date	Speaker	Words
October 19	Lord Wolfson	540
November 1	Anna Podimata	364
November 3	Sebastien	21
November 5	Vox Pop Male	174
November 7	Vox Pop Female	177

In total, the firm Eurosceptics as listed in the four tables contributed a total of 16,325 words - 40% of the total number of words spoken by those categorised as Eurosceptic, and 12.3% of the total words spoken by guest contributors during the survey period.

This analysis shows that there were less than 40 interviews in 11 weeks with politicians or commentators who could be described as 'firm' Eurosceptics who were pursuing as part of the exchange a firm Eurosceptic agenda. These are all complete or partial interviews items and together make up Today's main coverage of robust Eurosceptic opinion during the period.

This was an average of approximately four such interviews per week during the survey period. But six of them were clustered around the House of Commons debate on the EU referendum (October 20-26) and a further seven in the week after David Cameron had said 'no' to changes in the EU treaties on December 8-9. Between October 5 and 16, there were no Eurosceptic interviews and in the six weeks between October 26 and December 9, there were only five. Thus, outside of the two weeks were there was a heavy concentration, the average was approximately two per week, a surprisingly low figure during a time of major ferment in terms of the UK relationship with the EU.

When the Eurosceptic interviews are examined, it emerges that on the occasions when Eurosceptics did appear, they had relatively little space to advance the ideas that were at the core of their stance, and mostly did so against sharply adversarial questioning. For example, on October 20 when it was confirmed that there would be a House of Commons vote about an EU referendum, possibly paving the way for the first such vote since 1975, Mark Pritchard was interviewed about the need for the referendum. Political editor Nick Robinson set the scene by first reminding the audience that that

William Hague had once called Europe a ticking time bomb for the Conservative Party that had done enormous damage. He stressed that there was a "desperate" search for a way out.

Mr Pritchard was allowed to explain in approximately 150 words (less than one minute) why he felt the vote was necessary. John Humphrys then pushed the exchange into an examination of whether the British people actually wanted such a referendum, and whether David Cameron would be embarrassed or compromised by the motion. Mr Pritchard was unable to add further arguments about the importance of the vote, other than to say very briefly (approximately 80 words, thirty seconds) that the EU was also threatening a financial transaction tax and steps towards closer union.
At this point, Mr Humphrys brought in another Conservative backbench MP, Nadhim Zahawi, who said he was strongly against the vote because of its timing. He maintained that no-one he knew wanted the referendum and insisted that the way forward was deeper engagement with the EU and European business partners. He eventually conceded there was a need to get back from the EU various powers relating to employment and social legislation, at which point Mr Pritchard reiterated that there was a democratic deficit that needed redress. Mr Zahawi agreed.

The overall thrust of the interview sequence thus appeared to be angled mostly towards drawing attention to the divisions within the Conservative Party over this subject rather than to explore the reasons why large numbers of Conservative backbenchers wanted the debate. Nick Robinson especially stressed the internal party conflict and it appeared to be the main line of interest for Mr Humphrys. In consequence, Mr Pritchard had less than two minutes to explore the core argument about the "democratic deficit" and was only able to lever in a very few words about why he believed this was so damaging. Mr Zahawi – who had almost as much time as Mr Prtichard to put his case – strongly disagreed that the referendum was necessary, and had ample time to explain why. The upshot was that the Eurosceptic arguments advanced by Mr Pritchard in favour of the referendum were heavily overshadowed.

Today of course, must subject politicians to questioning about their beliefs. The point of concern here is not that such questioning occurred, but it did so at the expense of a detailed exploration of the case of the referendum vote. The interview with Mr Pritchard was the main one on this topic, and in the event, he was allowed only around a minute and a half to put his substantive points about the need for the referendum across. Despite this being coverage of the paving of the way for potentially the first referendum about the EU in two generations, the Conservative Party's main backbench spokesman on the matter was very narrowly constrained in the extent he was able to talk about the reasoning behind his stance.

The only other interviews before the vote on October 25 about the referendum motion with firm Eurosceptics who wholly endorsed the vote were with Fraser Nelson of the Spectator (also October 20) Labour MP Graham Stringer on October 21, and Bernard Jenkin on October 24. Given that this turned out to be the largest revolt among the Conservative parliamentary party for more than 20 years that figure is in itself very low. There were numerous strands of opinion that could have been explored – such as, for example, what the public or outside think tanks thought of the proposal – but instead, consideration of the firm Eurosceptic case was distilled into just four interviews.

In the exchanges that did take place, Mr Nelson had a little over a minute to put his main case that the referendum vote had the support of the British people and he also briefly stated that if necessary, if the EU would not change, the vote should be about leaving the EU altogether. He did not have the chance to explain in any detail exactly why. He was also constrained in the amount he could say by the inclusion in the sequence of David Rennie, political editor of the Economist, who was very sharply against the idea of holding a referendum, to the extent that he claimed it was "dangerous". John Humphrys in his intro again reminded the audience of the power of the EU to divide the Conservative Party.

Previous Newswatch surveys have shown that interviews on Today of firmly Eurosceptic Labour MPs are rare. On this occasion, however, the Labour MP Graham Stringer was included in the consideration of the referendum vote.

But much of the interview on October 22 of Mr Stringer was taken up with Justin Webb's suggestion that those who supported the referendum vote from within the Labour Party – against the advice of their leader –were "mavericks". Mr Stringer was left with only about a minute at the beginning of the interview to explain why he was supporting the motion, his main point being that the EU was one of the main reasons for economic instability around the world. It appeared again to be the case that the Today editorial approach was to focus on potential division – this time within Labour ranks – rather than to explore the nature of the Labour revolt, why MPs were prepared to go against the whips, and the extent to which the call for a referendum enjoyed support.

Two days later, in the interview of Bernard Jenkin by John Humphrys, political correspondent Ben Wright said in the introduction that a "very Eurosceptic" MP had claimed the referendum vote was "folly and bonkers". Mr Humphrys opened the interview by asking Mr Jenkin if he was therefore bonkers. Mr Jenkin of course denied that he was. Most of the remainder of the interview was taken up whether the vote, if won, would pave the way for a final referendum on the matter, or whether there would need to be two. Apart from a short sequence at the beginning, Mr Jenkin was unable to advance any arguments about the need for referendum until the closing minute, when he claimed over 180 words that £60bn pounds' worth of EU regulation now hampered British business and also mentioned problems that could be caused by further financial services regulation and as a result of the Agency Workers Directive, which he said cost £1.8bn to implement.

Thus overall, in the week before the referendum vote, there were four interviews on the topic in which firm Eurosceptics were invited to contribute. In two of them, it was heavily stressed beforehand that the EU had the capacity to split the Conservative party, and it was said in one question that the desire to hold a referendum was 'bonkers'. Each of the various firm Eurosceptic spokesmen were allowed no more than a minute or so each to advance their main cases, the rest of the questioning was designed to draw attention to weaknesses in their approach or divisions within party ranks.

This did not amount to adequate exploration of the Eurosceptic arguments at a time when – as a result of the referendum debate – there was a clear and pressing editorial need to do so. The main arguments for the motion were compressed into a few hundred words, no more than five or six minutes of airtime, on the BBC's main news and current affairs outlet. Strikingly missing from the coverage was any attempt to go to any members of the public or EU reform groups to gauge their opinion at a time when the ferment in Greece and related proposed changes in the EU constitution also made the subject sharply topical. By contrast, Today went out of its way during October to incorporate a wider cross-section of opinion about the EU bailout proposals in Greece, to the extent that it sent John Humphrys there to file special reports.

The referendum debate was covered on only a limited basis; so also was the closely linked topic of repatriation of powers from the EU. The full range of contributions is in Appendix I. The table shows that questions directly about repatriation were put on only four occasions to firm Eurosceptics; George Eustice (October 3 and November 19), Bernard Jenkin (October 24) and David Davies (December 8). In each of the sequences, the various MPs had only the opportunity to say around 50 words on the topic, and therefore their contributions were at the level of soundbite only, with no contextual explanation. In addition, in terms of firm Eurosceptic contributions, Yesterday in Parliament included a question from William Cash in which he attacked Nick Clegg for suggesting that repatriation of powers should be treated with great care (November 2). There was a further contribution – the longest of all urging repatriation of powers – from a figure who was not an MP, Mark Littlewood, of the Institute of Economic Affairs (October29). Mr Littlewood explained over 233 words how he believed the EU project had undermined national sovereignty and that it was now time to redress the balance by repatriation especially in the fields of social policy and employment.
Conservative government ministers William Hague (October 24), Michael Gove (October 25) and George Osborne (December 10) also answered questions about repatriation. The main thrust of their arguments in each case was that powers had already been repatriated as a result of government action, that a referendum lock was now in place to prevent further erosion of sovereignty and that therefore the time was not right to press this matter. Each refused to be tied down further. The Prime Minister, appearing in Yesterday in Parliament (October 27), told Ed Miliband that the Coalition had reclaimed powers related to the bailout fund, and acknowledged that some Conservatives wanted a "rebalancing" in relation to the EU.

Thus in the 11 weeks of the survey, there were only eight reports on Today in which Eurosceptics spoke directly about 'repatriation', despite the topic being high on the national agenda in relation to the Greek bailout, EU reform and the call for a referendum about UK membership.

The interviews with government ministers were the longest and within them, the ministers clearly conveyed the arguments why they were against taking further immediate measures related to repatriation while claiming they had already achieved elements of repatriation. The various interviewers gave each of the ministers ample opportunity to put their respective cases; with Michael Gove, the exchange was more than 1,600 words long. These contributions, though Eurosceptic in tone, all accepted that it was more important for the UK to support the EU in its efforts to solve the Eurozone crisis. Their views therefore clearly did not accord to those of firm Eurosceptics such as Bernard Jenkin, who specifically attacked the Coalition for offering "jam tomorrow" on this topic.

By contrast, the firm Eurosceptic MPs who were interviewed by Today had virtually no time to put their case across, and the questions put to them were isolated instances rather than a systematic effort to explore why they supported repatriation and so urgently wanted it to be pursued by the government. There were only four such exchanges and they occupied less than four minutes of airtime. The only person who was able to explore the reasons why he believed repatriation was important in the national interest was Mark Littlewood, and his contribution – of a minute and a half in total – stands out as by far the longest of its kind.

The suspicion is that Today only pursued questions about repatriation at all because it wanted to expose divisions within the Conservative Party and within the Coalition about the topic. That is undoubtedly the area in which most editorial effort was placed in the questioning of Messrs Hague, Gove and Osborne. Of course, current affairs programmes should explore such divisions, but Today should also ensure that the main facts of important debates about national direction and issues are properly examined, with all sides of key arguments thoroughly examined. In the case of repatriation of powers – as with withdrawal and the call for a referendum – the views of firm Eurosceptics were relegated to the bottom of the heap, a few desultory minutes' of discussion about a matter which many inside and outside Parliament thought was vital to the future of the UK. Yet again, Today did not properly cover the Eurosceptic perspective.

The table also shows that the figures chosen by Today to contribute overall to the political EU coverage were drawn mainly from a very narrow spectrum of Conservative MPs and politicians. There was only one appearance by a Labour Eurosceptic MP, one MEP (Daniel Hannan) three journalists/commentators (Fraser Nelson, Melissa Kite and Allister Heath), and two members of a think-tanks (Raoul Ruparel of Open Europe and Mark Littlewood of the IEA). Of course, political figures like John Redwood, Lord Lamont and Bernard Jenkin were important contributions from the firm Eurosceptic perspective and were the backbone of what was reported on this front. But their comments formed the bulk of coverage and there was nothing at all from figures outside Parliament and only four from interviewees who were not politicians. It is remarkable that Raoul Ruparel of Open Europe – arguably the UK's most prominent group campaigning for reform of the EU – appeared only once, and was one of only two spokesman from such a think-tank. Neither Mark Littlewood nor Mr Ruparel was asked to comment on perhaps the most crucial topic of this period, the call for a referendum. By contrast, Mr Ruparel appeared many times during this period on other media outlets commenting on latest EU developments.

Deeper analysis of the nature of the appearances also shows that while they are classified as 'firm Eurosceptic', this does not mean that their contributions necessarily contained substantial commentary in that vein. For example, when Lord Lamont appeared on October 26, he spoke 446 words in the interview. But of this total, less than a minute was actually about his view that the euro had now moved to a stage where it was beyond repair. The bulk of the exchange with John Humphrys was actually about how bond markets work, and an exploration of why, in John Humphrys's words, we must all bow down before the expectations of market requirements.

Analysis of the other interviews of politicians raises similar concerns. For example, on November 15, Mark Reckless in an item about the UK's border controls, was asked what he thought should be done. He replied in less than fifty words – before being interrupted – that he was concerned that too many immigrants were coming from within the EU, from Eastern Europe, then finally asserted that the whole issue of border control was 'toxic'. Mr Reckless was able to give only a very short impression of what he thought. But the theme was not discussed at any other time, so this was a very fleeting and incomplete coverage of robustly-held views about the EU in a major area of public policy.

Bias by omission

Analysis of the firmly Eurosceptic interviews shows that many topics that were on the EU-related news agenda were explored either not at all or on a very limited basis by Today. There were – as has been previously noted – only five interviews of Eurosceptics who were not politicians about the proposals for a referendum or to renegotiate the UK relationship with the EU. There were no interviews at all with members of the public or academics about the same subject. By contrast, there was an interview with a range of opinion in the Netherlands on December 12 about how allegedly "far right" parties were exploiting the euro crisis to make political capital. It was striking that no British Eurosceptic was given a chance to comment or give a UK perspective on this item. The implication was that problems with the euro were feeding right-wing activism, and that this was the main consequence of opposition to the EU's approach to solving the euro crisis.

This Dutch item further underlined that a similar feature from the UK was not produced. It would have been relevant to have done so and it would have illuminated the impact on the UK of the ferment in the eurozone. Compounding this problem, very few of the firmly Eurosceptic interviews sought to test opinion outside the Westminster bubble. The nearest to this was two very brief vox pops with delegates at the Conservative Party conference, who were asked what they would if there was a referendum on EU membership. They said they would want to leave. This illustrated the strength of feeling on this matter, but such views from lay people were not sought at any other time during the survey period.

Also largely missing from the overall firm Eurosceptic agenda was any substantive discussion of what was being considered in terms of withdrawal. It has already been noted that there were only seven interviews with figures who were known overt supporters of withdrawal, and none of them were actually asked about the topic itself or given opportunity to expand upon their withdrawalist views, for example in relation to the plans to change the Lisbon Treaty or over the Greek bailout and other evolving economic interventions. These sequences are analysed in an earlier section. A full separate list of mentions of withdrawal or related phrases such as 'leave the EU' is at Appendix 2.

This shows that Graham Stringer and Mark Reckless both mentioned the possibility of leaving the EU, or developing a radically new relationship with it, but they were not asked to elaborate further on their views. Bernard Jenkin twice said he also wanted very different EU arrangements, but he deliberately stopped short – when invited to do so – of suggesting leaving. Fraser Nelson said that people should be allowed to vote on EU membership, but that he himself favoured continued membership.

On several occasions, presenters said that developments indicated that elements of the Conservative party were moving towards endorsing leaving the EU, but the topic was barely explored in questions – the only politician who was asked directly if the UK was heading towards exit was Lord Heseltine. Unsurprisingly – as an ardent Europhile – he said it was not, and saw the question as an opportunity to say that hundreds of thousands of British jobs depended on continued membership. Yet again – as has happened many times previously in surveyed output of the Today programme, this statement was not challenged. Lord Owen and Charles Grant of the Centre for European Reform both attacked David Cameron's alleged 'veto' for making departure from the EU a strong possibility.

In this context – a couple of vox pops from Blackpool from supporters of withdrawal, one direct question put by a programme presenter, and no interviews with Eurosceptics (or anyone else), it can be concluded that Today was not seriously interested in exploring the topic. Indeed 'withdrawal – despite the upheaval in the EU, and despite its strong support from members of the British public – was not on the Today agenda at all. The case for withdrawal was simply not explored.

Another major area of bias by omission was the very low level of consideration on Today of matters related to the continued general operation and expansion of powers of the EU. During the survey period, there was obviously close scrutiny and substantial coverage of some of the steps related to the Eurozone problems. But this apparently swamped out almost everything else. There were only three interviews in which what could broadly termed general EU expansion was discussed from a critical perspective: Simon O'Neill (October 6), who spoke about the negative impact of new EU legislation on diabetic drivers; Sir Ian Wilmut (October 22), who warned that new regulations about stem cell research would hinder commercial research in pharmacology; and Scottish fisheries minister Richard Lochhead, who attacked latest EU fishing quotas as against the interests of local fishermen. Each of these interviews showed that there were problems and the spokesmen were allowed to put their cases. They each illuminated significant areas of EU policy. But the combined contribution of the three was only 650 words – around four minutes. And it is very concerning that in more than 27 hours total coverage of the EU, that devoted to general EU policies was so minuscule.

These general interviews about EU expansionist issues were augmented by questions about the proposed EU financial transaction tax. There were six occasions when firm Eurosceptics, mostly in sequences in which they were discussing other topics, expressed concern about the tax: Mark Pritchard (October 20); former Tony Blair advisor Derek Scott (November 16); Jeremy Warner of the Daily Telegraph (also November 16); Stuart Fraser, a City of London senior official (December 7); Investec Asset Management managing director Max King (December 8); and newspaper editor Allister Heath (December 9). In each case, the interviewees expressed serious worries about the impact of the tax, and Mr Scott also attacked the government's approach in trying to avoid it being imposed. It was clear from their remarks that a considerable head of team was building both among firm Eurosceptics and the financial community about the EU's plans. But all the contributions were short and there were no dedicated items which explored the background to the tax, or in which it was debated between two or more guests. As such, Today did not properly reflect the opposition to the tax, the coverage did not explain to the audience the full dimensions of what was involved, or adequately convey the Eurosceptic arguments against it.

Business News

As has been noted, Today during this period carried an unusually high number of business interviews, mainly in the dedicated business slots and many related to the unfolding drama of the Greek bailout. Coverage was 35 minutes per week. Yet of these, only nine interviews could be regarded as firmly Eurosceptic, against 28 that were Europhile.

These nine sequences contained important statements of anti-euro and anti-EU sentiment, sometimes covering topics – such as the inherent structure of the euro – that were never or only lightly explored in a direct political context. Many of the views expressed were robust, including that the euro was like the Titanic, flawed from the start and incapable of reform.

But such views were firmly in the minority in business news as a whole, and also stood out because such staunchly-held views about elements of the euro and the EU's handling of the eurozone crisis were not often reflected in other parts of the output. Eurosceptic politicians, for example, were mostly not asked the same kind of questions.

Analysis also shows that in many of the 'firmly Eurosceptic' business interviews, the negative views about the EU were incidental to the main theme. For example, when Bill Blain, of Newedge Group, was interviewed on November 9, the main focus of his appearance was the performance of bond markets in Italy following intervention by the ECB. His substantive Eurosceptic point – that the euro project had caused misery in Europe, rather than spreading wealth, as it had been thought it would do – only came toward the end of his contribution and was less than one minute in length.

So although there were nine interviews the amount of material that was directly critical of elements of the EU was much less.

It is surprising, too, that at a time when the very survival of the Eurozone was at stake, the focus on alternatives was so small. There was no concentrated effort to ask figures such as Bill Blain what radical future options could be considered, and also to explore what would happen if – as many predicted – the euro did actually collapse. The focus instead was very much on what could be done to save the euro and the Eurozone.

A search for splits….

Previous Newswatch reports have noted a tendency to view in-fighting and division about EU policy to be a Conservative Party issue, and to make such splits a focus of coverage. Of course, the Conservative Party has faced such problems. But the danger of mentioning this prominently is that it distorts coverage and implies that the Conservative Party is the only party in Parliament to contain Eurosceptics and as a consequence means that consideration of the Eurosceptic approach is clouded by the stereotype that such views are riven by factionalism.

In reality, the UK's relationship with the EU has and continues to be been contentious for all the main parties, as figures such as Kate Hoey and Graham Stringer exemplify. The need is for coverage – as the Lord Wilson of Dinton report reflected – that conveys to the audience a balanced perspective of all the views involved without such labels. This does not mean that past problems cannot be mentioned; rather that they should not become the clichéd lens through which coverage is mounted.

In this survey period, there is significant evidence that "Tory splits" again became too dominant in the coverage. There was a large rebellion of 81 Conservative back benchers, but this was supported also by 19 Labour MPs and the Today output should have reflected that.

In reality, there was only one interview with a Labour supporter of the referendum vote, Graham Stringer on October 22. The entire exchange was just 443 words – less than three minutes – and Justin Webb put it to Mr Stringer that his views would be seen as "maverick". So there was a clear association in the one interview that a desire for a referendum and a change in the relationship with the EU was associated with extremism.

In terms of the Conservative Party, presenters were keen to present the idea of Conservative splits from the very beginning of the survey period and repeatedly raised the theme as the backdrop of their coverage. This has been a recurrent theme identified by Newswatch since the first survey undertaken twelve years ago. On October 3, Sarah Montague said it was the issue that "tore the party apart". On October 4, Gary O'Donoghue noted that for the Conservatives "Europe was always an issue". On October 5, Sarah Montague told Douglas Hurd it was a "fraught issue" for his party. On the same day, Nick Robinson reminded listeners that William Hague had once described Europe as "an unexploded bomb" for the Conservatives and said it was "causing panic" again on that day. Two weeks later (October 20) as confirmation of holding of a referendum debate came through, Mr Robinson repeated the 'unexploded bomb' message and added that it had done "enormous damage" to the party in the past. John Humphrys opened his interview with Mark Pritchard about the debate by noting ominously that never in 50 years had the issue of the EU lost its capacity to divide the Conservative Party and heightened the sense of crisis by stating that Mr Cameron "had just about managed to keep the lid on things". On October 21, Justin Webb, in his interview of Graham Stringer, said the "rebellious spirit in the Conservative Party" had now spread to Labour (thereby also suggesting – wrongly- that Labour divisions over the EU were only of recent origin). On October 24, Nick Robinson reminded listeners that John Major had once called the Maastricht rebels "bastards". On the same day, Evan Davis opened his interview sequence by noting there was a Daily Telegraph cartoon that morning about Tory splits. And on October 25, as the results of the referendum vote were announced, Nick Robinson said that the EU was "the most toxic of issues" for the Tories and claimed that there was now a party within the party. Susan Hulme, in the Yesterday in Parliament report on the vote, said that Tory splits over the EU had been "disinterred".

This was a blizzard of negative comment that went far beyond reasonable or fair observation. It clouded the audience's perceptions of Eurosceptic issues. There seemed to be a near-constant editorial determination to keep the idea of Conservative splits in the foreground – often at the start of key interviews – to the extent that it dominated the narrow coverage of the referendum vote. As has already been noted there were only seven relatively short interviews about the topic between October 3 and October 25, and the points that firm Eurosceptics were able to convey about background to the vote were very limited. Before almost every one there was a reminder about Conservative divisions, but no equal determination to explore for the audience the nature of the demands involved and what they represented in terms of the EU debate. The editorial emphasis was much more on exploring discord and splits than in bringing to listeners a balanced view of the issues involved.

APPENDIX I
'REPATRIATION'

Date	Time	Interviewee	Notes
3 October	7.09am	Sajid Javid, George Eustice	The influential website Conservative Home questioned 144 candidates in safe or target seats, just before the last election and found that nearly half of them wanted to repatriate powers from Europe. Conservative MP Sajid Javid argued that the 1975 on Britain's membership of the EU was about free trade rather than free movement of people, and he didn't think that this was a component he wanted to see in the future. Conservative MP George Eustice said that the Conservatives believe in localism, and that they should apply this principle to the EU, by bringing powers back from Brussels.
5 October	7.09am	Lord Hurd	It was put to Lord Hurd that the new intake of MPs wanted to repatriate powers. He argued that they had not yet formulated exactly what they want, and there is a much more thoughtful process going on within the party
5 October	7.49am	William Hague	Foreign Secretary William Hague confirmed that the Conservatives had passed a law saying that any further transfer of power from Britain to the EU would require a referendum. He added that he felt that the British people would strongly welcome the return of some powers to the UK.
20 October	Bulletins		Bulletins noted that 46 Conservative MPs had signed a motion in favour of a referendum on whether to stay in the EU, leave, or renegotiate the terms of our membership. The reports explained that David Cameron was against the idea; and while Britain should try to repatriate some powers from Brussels it wouldn't be right to have a referendum in this Parliament.
20 October	8.10am	Nadhim Zahawi, Mark Pritchard	Nick Robinson talked about the Coalition Agreement, which had stated that it wished to examine the balance of the EU's existing competences. Eurosceptic Conservative MP Mark Pritchard complained that successive governments had been 'banging on' about renegotiating powers, but when he asks 'what powers and when?' no one seems able to answer the questioning Conservative MP Nadhim Zahawi said that he wanted to get to a place where some of these powers could be renegotiated, and to put these to the government and push hard on them, particularly in the areas of employment and social legislation
22 October	Bulletins		The Bulletins noted that William Hague, writing in the Telegraph had said that while the government wanted to bring back some powers from Brussels, a sudden referendum at a time of profound economic uncertainty was not the answer.

22 October	8.17am	Peter Lilley	Peter Lilley said he would oppose the call for a referendum on Britain's EU membership. He said, 'The reason is that it's perfectly reasonable, indeed it's imperative that any government giving away powers to Europe should seek the support of the British people to give away powers which have just been entrusted and loaned to us. But if we are in the business of getting back powers from Europe, which is what the government was committed to at its manifesto, which Cameron, William Hague and the Chancellor are all strongly in favour of, then we have to go about negotiating a return of powers. And you can't do that through a referendum.'
24 October	Newspapers		The Telegraph reported that David Cameron had vowed to reclaim powers from Brussels during negotiations on a new rescue deal for the euro
24 October	7.20am	Bernard Jenkin	Bernard Jenkin argued that the government has kept promising a repatriation of powers, but hasn't delivered.
24 October	8.13am	William Hague	William Hague outlined the Conservatives' position of wishing to repatriate powers from Brussels, but argued that this was not the agreed policy of the coalition. He said that if the government was presented with a treaty change which gave them the opportunity to return powers to the UK, then the coalition would have to decide how to proceed. Mr Hague outlined the difference between 'very small, narrow treaty changes' and 'major treaty changes'. He said that if there was 'a big bang treaty change' then that would be the moment to seek 'quite a wide repatriation of powers' to the UK.
24 October	8.54am	Sam Gyimah	Sam Gyimah, Conservative MP, said 'if we're talking about getting out of the EU, we cannot really credibly be negotiating to bring powers back.'
25 October	Bulletins		The Bulletins reported that despite the biggest rebellion against a Tory leader over Europe, the motion was heavily defeated with 111 MPs voting in favour to 483 against. The education secretary Michael Gove told the programme that the disagreement within the Conservatives was cordial. He said the party was united as never before about renegotiating its relationship with the EU.
25 October	Newspapers		The Guardian reported that Conservative rebels in the EU referendum debate were not persuaded by Mr Cameron's pledge to repatriate powers.
25 October	8.10am	Michael Gove	Conservative Michael Gove was questioned on David Cameron's commitment to bring back powers from Brussels, and asked what would trigger a referendum. Mr Gove talked about the Referendum Lock, which would lead to an automatic referendum should any further powers be handed over. Mr Gove said he wished to take powers back over employment law, which are affecting Britain's capacity to grow. He spoke about the Coalition Agreement's commitment to look at the balance of competences between Britain and the EU. Mr Gove spoke about complex negotiations going on concerning the euro, and said that the government's main aim would be to safeguard Britain's interests, rather than to repatriate powers. When pushed

			on whether there was a timetable for repatriating powers, Mr Gove was accused by Mr Humphrys of 'ducking the question.' Mr Gove said events in the EU were changing rapidly, and he didn't want to explain his tactics ahead of a negotiation.
26 October	Newspapers		Report that The Mail was carrying an unusual full page leader article, calling for a single question referendum asking voters of Britain should reclaim powers from the EU, yes or no.
26 October	Yesterday in Parliament	Ben Bradshaw	In a parliamentary report, Labour former cabinet minister, Ben Bradshaw, criticised 'loose talk' by the prime minister and other senior Conservatives about the repatriation of powers, and Europe Minister David Lidington if he could name a single EU country that would support this.
26 October	8.54am	Lord Liddle	Labour Peer Lord Liddle argued that there was a contradiction in the government position. He said the government was right to request a say on the single market and how financial services are regulated, but to argue for a repatriation of powers was 'a fundamental contradiction.' . HL: My fear is that there's a fundamental contradiction in the position that the government is pursuing. They're right of course to say we've got to have a say on the single market, and how our financial services are regulated, absolutely right, I'm 100% in agreement with that. But at the same time to be arguing for repatriation of powers, I think is a fundamental contradiction. The interview was concluded before he could explain his point further.
27 October	Yesterday in Parliament	Ed Miliband, David Cameron	In a parliamentary report it was noted that Labour leader Ed Miliband had highlighted the differences between the prime minister, David Cameron, and his deputy, Nick Clegg over the repatriation of powers from Brussels. Mr Miliband said that the prime minister had said 'yes' to repatriation and his deputy had said 'no.' David Cameron replied with the exact quote used by Nick Clegg, that 'there's a perfectly good case to rebalance the responsibilities between the European Union and its member states.' He referred to a television interview in which Ed Miliband had said he didn't think the EU has too much power.
29 October	8.32am	Dionyssis Dimitra-Kopoulos, Mark Littlewood and Menzies Campbell	A joint interview with Dionyssis Dimitra-Kopoulos from Birkbeck College and Mark Littlewood from the Institute of Economic Affairs discussed whether the UK should attempt to repatriate powers from the EU. Mark Littlewood said that although he had always been sympathetic to the European project, he believed that there are powers which could and should be left to the member states, particularly in areas of social policy and employment law. Dionyssis Dimitra-Kopoulos said that such arguments reveal the values of the Conservative Party, as free-marketeers, with the supporters of 'regulated capitalism' on the other side of the debate. He spoke about shared values across the EU and a level playing field going beyond trade rules and into the area of the implications for ordinary citizens, Liberal Democrat MP Menzies Campbell said that the Coalition

			Agreement talked about the rebalancing of powers, and pointed out that this rebalancing would be a multilateral approach rather than a unilateral one. He said that nothing would be gained 'by threatening a dawn raid and throwing hand grenades to the belly.'
29 October	Newspapers		The Mail reported that the British public were overwhelmingly in favour of clawing back a wide range of powers from Brussels. The Telegraph says Whitehall officials are urgently reviewing every aspect of Britain's membership of the European Union to support David Cameron's promises to bring back powers from Brussels.
31 October	6.35am		A discussion between presenter James Naughtie and chief economics correspondent Hugh Pym about a desire on the Conservative benches to see powers returned from Brussels, and the response in the business world to this. Hugh Pym spoke about a group of Conservative MPs wanting to boost growth in the UK by lifting the burden of regulation including the Agency Workers Directive and Working Time Directive. He also spoke about the regulation of the financial services industry.
31 October	Newspapers		The Sun claimed that David Cameron had secretly struck a deal with his deputy to bring back some powers from Brussels, as long as all 27 member states agree, but the paper believed that this was simply a 'cheap PR stunt'.
31 October	8.10am	Nick Clegg	Deputy Prime Minister Nick Clegg was asked about coalition backbenchers wanting to 'claw back powers' from Brussels, and to get rid of some EU directives. Mr Clegg said that the Liberal Democrats had for years believed that the Common Agricultural Policy was too centralised, and that some of the detailed directives were 'far too fiddly'.
2 November	Yesterday in Parliament,	Bill Cash	A parliamentary report noted that Bill Cash was annoyed that Nick Clegg had shrugged off demands to bring back power from Brussels to Britain.
4 November	8.36am		In a report on the meeting in Cannes to try and solve the Greek debt crisis, Nick Robinson explained that a referendum in the UK would only be triggered if there were a transfer of powers from Westminster to Brussels
5 November	Bulletins		A bulletin item noted that the government had said it intended to take legal action against the European Commission over plans to extend some benefits to non-EU citizens. The correspondent report noted that David Cameron had pledged to repatriate powers from Brussels to London
7 November	Bulletins		The bulletins noted that a report by Eurosceptic think tank Open Europe had said that social and economic regulations were costing £8.6 billion a year, and the report would be examined by a group of Eurosceptic MPs who were drawing up detailed plans concerning which powers they wished to see repatriated from Brussels.
14 November	Newspapers		The Guardian reported that Labour had declared that it would oppose any further transfer of power to Brussels if it damaged UK growth, and view any treaty change sought by Germany in response to the euro crisis as a legitimate occasion to look at the balance of powers

			between Europe and nation states
14 November	8.43am	Douglas Alexander	An interview with shadow foreign secretary Douglas Alexander focused on an apparent shift in Labour Party policy in which the party, which had said joining the euro was no longer on the agenda, and that they opposed any further transfer of power to Brussels which would damage growth. Mr Alexander said that it was not in Britain's interests to leave the EU, but to try to reform it.
15 November	Bulletins	David Cameron	Bulletins reported that In a series of remarks in which he sought to identify himself with Eurosceptics, David Cameron had said he yearned for fundamental reform with powers flowing back to governments. The Item included a soundbite from Mr Cameron, which included 'As I've said, change brings opportunities, and opportunity in Britain's case, for powers to ebb back instead of flow away, and for the European Union to focus on what really matters.'
15 November	6.38am		Correspondent Gary O'Donoghue reported that David Cameron was talking about the direction of Europe being as more of a network than a bloc, and the prime minister wants to repatriate powers on things like employment rights. He said that the Tory backbenches would want to see him deliver on powers, rather than what he talked about in the past which was just a rebalancing.
15 November	Newspapers		The newspaper review reported on a piece by David Miliband in the Financial Times, in which he condemned the government for making the repatriation of powers from Brussels its priority, and called the move 'deluded and dangerous'
18 November	Newspapers		The newspaper review said that the Telegraph was reporting that Angela Merkel, the German Chancellor, was going to say that Britain does not need a referendum on treaty changes, in spite of demands from senior Conservatives for more powers to be repatriated to Britain.
19 November	7.51am	George Eustice	Conservative MP George Eustice argued that the EU had been heading in the wrong direction for twenty years and that David Cameron was absolutely right to be arguing for the repatriation of powers.
1 December	Newspapers		The Telegraph reported on an argument inside the Conservative Party, because those demanding the immediate repatriation of social and employment powers from Brussels, appeared to have to been pushed back by ministers
2 December	Newspapers		The Independent suggested that David Cameron had to stop 'carping from sidelines' and calling for the repatriation of powers.
3 December	Newspapers		The FT reported there are signs that a sizeable group of moderately Eurosceptic Tory MPs are being won round by the government arguments that this is not the time to present European leaders with a wish list of powers to repatriate.
3 December	8.10am	Anton La Guardia	Journalist with The Economist, Anton La Guardia said in an interview that he believed David Cameron was in an awkward position in

			negotiations, and would not be able to allow treaty change unless Britain was seen to get something in return. Mr La Guardia talked about a 'shopping list' of guarantees on the City of London, on eurozone summits, on preserving the unity of the single market.
5 December	Newspapers		In its editorial The Telegraph urged the Prime Minister to secure concessions on the repatriation of powers, in exchange for approving any treaty change.
6 December	Newspapers		The Times said that Conservative wounds over Europe were exposed after the Prime Minister ruled out holding a referendum on the outcome of the eurozone treaty, and signalled that he would push for repatriation of powers from Brussels to London.'
6 December	7.32am	Simon Hughes,	Evan Davis interviewed Liberal Democrat Simon Hughes, and asked him whether the Coalition Agreement said that it would be the duty of the British government to renegotiate the repatriation of certain powers if a new treaty was signed among the 27 members. Mr Hughes said that the Coalition Agreement ensured no further transfer of powers from the UK to the European Union without a referendum. He said the coalition would look at the area of competences including to limit the application of the Working Time Directive
7 December	Bulletins		Bulletins noted that his priority at the EU summit later that week would be helping the eurozone to sort out its debt crisis rather than trying to repatriate powers from Brussels.
7 December	6.35am		Sarah Montague spoke to political correspondent Gary O'Donoghue, and noted that Mr Cameron was speaking about safeguards for the City of London, rather than repatriating powers. Mr O'Donoghue noted that Mr Cameron's backbenchers wanted powers clawed back over matters such as working hours.
7 December	8.24am		Sarah Montague talked to political editor Nick Robinson about news that the prime minister had named his price for supporting any new treaty: safeguards for the City of London's financial services, but no repatriation of powers
7 December	Newspapers		David Cameron, writing in the Times, told his backbenchers in this article, effectively, not to expect any repatriation of employment or social powers.
8 December	Bulletins		Bulletin items reported that David Cameron, who had promised to oppose any measures that would damage British interests, was facing demands from some in his party to seek repatriations of powers from Europe to the UK.
8 December	Newspapers		Reports that The Times worried that the Prime Minister was going to the summit with 'blurred vision', when the paper believes 'he needs to be definite about repatriating powers and determined to renegotiate our relationship with the EU.'
8 December	Yesterday in Parliament	Ed Miliband	A parliamentary report featured Labour leader Ed Miliband asked David Cameron what powers he was planning to repatriate at the European summit. Parliamentary correspondent David Cornock noted

			that Mr Cameron's reply had sidestepped the question, and that he had noted he would call for protection for Britain's financial services industry.
8 December	7.09am	Michael Howard	Conservative MP Michael Howard noted that the government had made a commitment to a referendum, enshrined in law, that if any further transfer of powers from Britain to Brussels occurred, there would be a referendum. He said that this wouldn't be the case with any agreement made at the summit meeting, and so the referendum issue didn't arise.
8 December	8.16am	David Davis	James Naughtie asked Conservative MP David Davis whether comments he had written on the Conservative Home website were a call for repatriation of powers from Brussels. Mr Davies said there were a 'whole slew of things' that Britain needed to regain control of, and that if a two-tier Europe was to be on the table, it should be defined what it looks like.
9 December	6.11am		Correspondent Iain Watson, reporting on the new fiscal pact, said that there would be calls 'to go the whole hog and wrest some powers back from Brussels'.
10 December	Bulletins		Correspondent Robin Brant, reporting from the EU heads of government meeting, said that many Eurosceptic Conservatives were delighted at the stance David Cameron had taken, and some now wanted more to follow, 'restoring powers to Parliament on employment law, maybe a referendum on UK membership of the European Union.'
10 December	8.32am	George Osborne	John Humphrys put it to the Chancellor, George Osborne, that there was now no hope of repatriating powers, following the prime minister's refusal to sign up to the treaty at the summit. George Osborne said that they had 'actually repatriated a very important power', because when David Cameron became prime minister Britain was part of a bailout mechanism, and now they had pulled out of this mechanism this was 'in a sense, a repatriation of powers'
10 December	8.53am	David Rennie, Melissa Kite	Melissa Kite from The Spectator said that 'every time you do an opinion poll, the majority of the British public don't want to give any more powers to Brussels.' And that the prime minister had said 'no' to ceding more powers. David Rennie from The Economist claimed that Melissa Kite was inaccurate, and there had been no further transfer of powers from Britain to Brussels on the table at the summit.
12 December	Bulletins		Reports that David Cameron had vetoed a new EU treaty, and that some backbenchers would urge him to go further and bring more powers back from Brussels to Britain.
13 December	Bulletins		Bulletins reported that backbenchers will have another chance to get their views across during an opposition debate on Europe. It was noted that some Conservatives may use it as an opportunity once again to make the case for the repatriation of powers from Brussels.
13 December	Yesterday in Parliament,		Sean Curran reported that the DUP were expected to table a motion congratulating the prime minister and calling for the UK to bring back some powers from the EU.

14 December	6.34am		Correspondent Iain Watson explained that the Liberal Democrats had agreed that they wouldn't back more powers going to Brussels, but that they don't want to take any powers back either.
16 December	8.54am		Mention that Conservative George Eustice 'has been leading the drive to persuade a government not to leave Europe but bring some powers home'

APPENDIX II
MENTIONS OF WITHDRAWAL

“Withdraw”/”Withdrawal”:

October 3 Interview with Nick Clegg, 8.10am
October 21 Yesterday in Parliament
October 28 Newspapers
December 6 Eurozone Treaty and UK Renegotiation, 7.32am

"Leave the EU"

October 19 newspapers
October 24 EU Referendum Debate, 6.32am
December 9 Charles Grant and Allister Heath, 8.54am

"Out of the EU"

October 3 Greek Referendum, 8.53am
October 3 Newspaper Review
October 20 EU referendum debate, 8.53am
October 20 EU referendum debate, 8.10am
October 24 EU referendum debate, 8.54am
December 9 EU Summit, 7.09am

Additional:

October 3 Conservatives and the EU, 7.09am - includes Heather Wheeler, and Vox Pops who talk about their support for withdrawal but without putting it directly in those terms.

COMMENTARY:

October 3 – Heather Wheeler said she was convinced from her postbag that people wanted out of the EU. This was immediately countered by Stephan Shakespeare from YouGov, who said the weight of opinion was to stay “inside”. There were two vox pops from delegates at the Conservative conference who wanted to leave the EU.

October 5 – A Greek vox pop interviewee wanted his country to leave the Eurozone and EU

October 20 – John Humphrys said that since 1975, there had not been an opportunity to say whether voters wanted to leave the EU. He said many thought this outrageous. Mr Humphrys suggested to Mark Pritchard that voters had had the opportunity to vote against EU policies but had not done so – they had not voted for those who wanted to leave.

Before the interview with Fraser Nelson, John Humphrys said that Eurosceptics wanted a vote to stay in or leave the EU. Mr Nelson said he was a supporter of staying in the EU.

October 21 – Graham Stringer asserted that the time was right for the British people to decide whether they still wanted to be part of the EU. He claimed that leaving the EU would allow the UK to make decisions on its own. Justin Webb said he was regarded as a maverick for his views.

October 22 – John Humphrys said that there would be a vote on staying in or leaving the EU. Peter Lilley said he would oppose the motion.

October 24 – Bernard Jenkin was asked if his stance in favour of the referendum vote was bonkers. John Humphrys said the result of the referendum might be a tie between staying or leaving. He also asked if it would be sensible to have an 'in out' vote. Mr Jenkin said not.

William Hague said that an 'in out' referendum was not a good idea.

October 25 – Ben Wright said David Cameron thought that the EU was far too serious an issue to allow a free vote on an 'in out' referendum.

November 4 – George Osborne was asked about the possibility of Greece leaving the EU.

November 15 – David Cameron said that leaving the EU was not in the national interest.

November 26 – Lord Pearson, introducing a bill for cost-benefit analysis of EU membership, said the political class had done its best not to talk about membership of the EU but the issue was now firmly back on the national agenda. .

December 6 – Evan Davis asked Douglas Carswell if he wanted to leave the EU. He did not answer directly but said that treaty changes needed to be negotiated.

December 9 – Mark Reckless said that, with the changing structure of the EU, Britain needed to negotiate bilaterally 'in the same way that Switzerland does' to protect its interests. John Humphrys asked if he thought the UK was already in some ways outside the EU. Mr Reckless said it appeared to be developing like that, and Britain needed to 'secure its independence'.

Lord Owen said that David Cameron's 'veto' meant that the UK was in danger of not being in Europe. Justin Webb asked William Hague if the UK was separating itself from the UK. He denied that it was.

Charles Grant – appearing with Allister Heath – claimed that Britain's actions meant it was leaving the EU.

December 10 – an introduction to an interview with Lord Heseltine asked whether the UK would now head "inevitably" towards leaving the EU. Sarah Montague put the question to Lord Heseltine. He said it would not because when the British people saw it would lead to the loss of hundreds of thousands of jobs, they would not vote to do so.

George Osborne said that he completely rejected Mark Reckless's language that Britain should be like Switzerland.

December 12 – Bernard Jenkin said that there were some countries outside Europe who traded with it. He was also asked if he wanted and 'in out' referendum, and he said he did not.

APPENDIX III
YESTERDAY IN PARLIAMENT

1. October 21 – Government announced vote on EU referendum

Sceptic contributions: Mark Pritchard, Bernard Jenkin, Mark Reckless.

2. October 25 – Report of the parliamentary debate about the referendum

David Nuttall, Andrew Bridgen, John Redwood, Adam Holloway, Jacob Rees-Mogg spoke briefly in favour of the need for a referendum

3. October 26 – Questions about the referendum debate

David Lidington, Europe minister, said government is 'rebalancing the responsibilities' of the EU and that David Cameron had stood up for the interests of the UK ;, Nicky Morgan agreed that Mr Cameron was standing up for UK interests, and Bill Cash warned of the profound consequences of changes in the eurozone.

4. October 27 – PMQ clash with Ed Miliband over the referendum vote

David Cameron attacked Mr Miliband in his stance over the EU and the euro, and asked whether he thought Brussels did or did not have too much power. In addition he argued that the Coalition had got the UK out of its commitments to the bailout fund.

5. October 28 – Report about the latest deal in the bailout negotiations

George Osborne said the UK would not be prepared to see the IMF resources reserved solely for the use of the bailout fund, and attacked Labour's economic policy. Bill Cash asked again whether the changes in the eurozone would alter the UK's relationship with the EU.

6. November 2 – George Osborne responded to news of the call in Greece for a referendum.

George Osborne said the decision had added to instability and it was vital that they implement the package of reform already agreed. Julian Lewis asked why there could not be a referendum in the UK, and noted that if the Liberal Democrats had had their way over the euro, the consequences would have been dire, and asked how Mr Osborne felt about the current Liberal Democrat policy of closer fiscal union. Mr Osborne said he, too, had opposed the euro, but said there was a remorseless logic towards fiscal union. Bill Cash accused Nick Clegg of committing economic suicide.

7. November 4 – Treasury minister Mark Hoban answered questions about latest Greek bailout steps, and a debate on the same subject in the House of Lords was also covered.

Mr Hoban said the government was planning for all eventualities and there were no plans to join the euro. Peter Bone asked if there was a plan to deal with the collapse of the euro. In the Lords, Lord Bilimoria (crossbench) said he could not see how increased fiscal integration would work. Lord Marlesford said the Greeks should be ordered to leave the euro but stay in the EU; and Lord Pearson of Rannoch observed: "some cement, this euro".

8. November 26 – A call for an independent inquiry into the costs-benefits of EU membership.

Lord Pearson of Rannoch said his bill was an innocent little creature. Lord Stevens of Ludgate focused on alleged EU extravagance and pointed out that the EU foreign service included 150 bomb-proof limousines, the cost of EU quangos was £2bn and a new £25m EU office had been opened in London. Lord Gilbert (Labour) said another 50 years of peace in Europe could not be guaranteed, and asked what direction the Bundeswehr would march. .

9. November 30 – The Chancellor of the Exchequer's autumn statement. Mr Osborne said he would protect the UK from the (European) debt storm.

10. December 8 – David Cameron faced questions at PMQ about negotiations with the EU at that week's "summit".

Andrew Rosindell asked if Mr Cameron he would show bulldog spirit. Mr Cameron maintained that the national interest was dealing with the eurozone crisis but wanted protection for the financial services industry. In response to a question from Ed Miliband, he said if Britain had been in the euro, he would not be going to Brussels to fight for Britain's interests, but he would be going there to seek a bailout. John Baron said the history of repatriating powers from the EU was not a happy one, but asked if the prime minister would "seize the moment" in seeking renegotiation. Mr Cameron said a power had already been returned in relation to the bailout fund. He maintained the UK had influence in leveraging negotiations about the treaty.

11. December 9 – George Osborne was questioned about a possible collapse of the euro. Lord Forsyth asked why it was in the UK's interest to support a failed project. Mr Osborne said it would damage the economy. Lord Lawson said the euro would collapse and in the meantime the UK should not be involved in eurozone negotiations. Mr Osborne said he would resist a City financial transactions tax. Edward Leigh said it was vital that the prime minister stood up for UK interests, rather than saying he would. He added that he did not want a Chamberlain-type piece of paper. Jim Gray agreed.

12. December 13 – John Humphrys said David Cameron had "defended his veto" at PMQ. There were questions as to why Nick Clegg was not present. Mr Cameron said he had chosen not to back a new treaty because of the lack of safeguards. He stressed the UK wanted to be in the EU and remained part of discussions on transport, telecommunications, energy, agriculture, and fisheries. Nadine Dorries attacked the Liberal Democrats for not supporting Mr Cameron. Peter Bone said his wife was very happy.

13. December 15 – Again, PMQ was covered. Mr Cameron said that it was no surprise that his party sometimes disagreed with the Liberal Democrats over the EU. He asked whether Mr Miliband would have defended British interests in the way he had.

APPENDIX IV
FIRMLY SCEPTICAL INTERVIEWS

October 3: Heather Wheeler called for a referendum about the UK leaving the EU (108 words). There were also two vox pop contributions from Conservative Party supporters (56 words) who spoke in favour of withdrawal. George Eustice, who gave the biggest contribution (351 words), argued against leaving the EU but said powers should be repatriated. Sajid Javid argued (51 words) that there should be a reconsideration of how the EU operated.

October 4: Mark Pritchard argued (42 words) that there was a need for a referendum about the EU.

October 5: Lord Hurd (452 words) was interviewed about what should be done about engagement with the EU. He said it should be made clear that the treaties should not be changed in a way that affected the single market.

A vox pop in Greece about the deficit problems included a demand that Greece should leave the EU.

Nick Robinson referred to the EU as an unexploded bomb for the Conservatives. William Hague (724 words) rejected the idea that it was good time to start negotiations over the repatriation of powers from the EU and said the most pressing need was to rescue the euro. He denied that a referendum would automatically be triggered by the changes in EU arrangements that were under discussion.

October 6: It was explained that David Cameron had attacked as superfluous and unconnected with the single market an EU directive about diabetes and driving. A spokesman for charity Diabetes UK (270 words) said the relevant EU law had stopped from driving some diabetics who should be able to drive.

October 12: Richard Sulik, from the Slovakian coalition government, said (20 words) that he had voted against a motion that would have created "economic slavery" for his country by granting more money towards the EU bailout fund.

October 17: The MEP Daniel Hannan (400 words) attacked moves to augment the bailout fund to €2 trillion, saying the money was being conjured out of thin air. He noted that the UK had already increased its support for the IMF by 88% and had spent €12.5bn on bailouts.

October 19: Lord Wolfson was interviewed (540 words) about his plan to offer a £250,000 for an essay on how countries could leave the euro. He was at pains to say that he did not want the euro to collapse but thought it sensible to understand the issues. Lady Young argued that EU rules about allowing health professionals to move across borders to work were not robust enough (426 words).

Max King, of Investec Asset Management, attacked the latest EU proposals for dealing with bonds (189 words).

October 20: A feature about Greek unrest and falling living standards included an interview with a wine bar owner, (62 words) who attacked the process by which the EU had allowed his country to get into debt.

At 8.10am, Mark Pritchard (587 words) and Nadhim Zahawi (547 words) were interviewed about the referendum vote. It was prefaced with a contribution from Nick Robinson who said the issue was a ticking time bomb (according to William Hague) for the Conservatives and something that had done enormous damage in the past. Mr Pritchard said the vote was essential because there had not been a referendum since 1975 and the EU project had changed radically since then. John Humphrys said that people had had the chance to vote about the EU in general elections and had not elected those who wanted to leave. He said the referendum vote would include options both to leave the EU and to renegotiate the relationship. Mr Pritchard said that if necessary he would oppose the party whips on the vote. Mr Zahawi said he, too, wanted a vote but maintained the timing was "terrible" because the focus should be on dealing with other matters including the economy and welfare. He maintained that 40% of exports went to Europe. Mr Humphrys said that the UK would not stop selling goods to EU countries if "we pulled out of the EU". Mr Zahawi said the UK's influence would be diminished. Mark Pritchard then stressed there was a democratic deficit in the UK and the referendum was thus essential.

At 8.53am, John Humphrys said that the issue of the EU had never over 50 years lost its power to divide the Conservative Party. Fraser Nelson (406 words), editor of the Spectator, said that while he supported EU membership, the majority of Britons did not, so a referendum was a good idea, especially as it had stemmed from the government 'ask the people' initiative. David Rennie, political editor of The Economist, said the holding of a referendum would be dangerous and against the national interest.

October 21: Justin Webb interviewed Graham Stringer, who said (443 words) he would oppose the party whip and vote for the referendum motion because all three main parties had promised a referendum. Mr Webb said his leader had said it was not the right time because the focus should be on jobs and growth. Mr Stringer said he thought the EU was a major factor in causing instability. Mr Webb interrupted that leaving the EU would not alter instability and might make things worse. Mr Stringer replied that it would mean that Britain was not asked for subsidies for the EU and could make decisions on its own. Mr Webb said he would be accused of being a maverick. Mr Stringer replied that the Conservatives had not properly addressed this issue and it was also the duty of the opposition to oppose.

October 22: Sir Ian Wilmut (217 words) argued that a European Court of Justice ruling about patenting stem cell research would inhibit future research.

A feature contained a short soundbite (82 words) from Professor Marcus Kerber, a German who had taken court action against his country supporting EU bailouts. He claimed the policy was a failure.

Peter Lilley was interviewed (628 words) about the referendum motion. He said he would vote against it because the focus should be on getting powers back from the EU and a referendum would get in the way of that. John Humphrys suggested the people were getting restive. Mr Lilley said the EU would be forced into asking for a change in the treaties and that would provide the opportunity for further negotiation. Mr Lilley also maintained that the result of a referendum would inevitably be unclear and he said the motion would be defeated.

HSBC banking analyst Steven Major said (533 words) the financial architecture of monetary union had never been quite right because there was no fiscal union.

October 24: Ben Wright said there was a lot of pressure from constituents to vote for the referendum motion but added that a "very Eurosceptic" Conservative MP had told him that it was "folly and bonkers" to be pushing for a referendum. Bernard Jenkin (664 words) said promises on a referendum had been broken, letting down the British public. Against aggressive questioning from John Humphrys, he said the referendum would not necessarily be held immediately and might wait until a new treaty was on the table. He added that it was a consultation referendum ahead of treaty renegotiation. Mr Humphrys suggested he was polarising the situation. Mr Jenkin maintained the need was for renegotiation.

At 8.13am, Nick Robinson said that David Cameron was a profound Eurosceptic, but was desperate to say that this was the wrong time for a referendum. William Hague was then interviewed (1,113 words). He said that Britain did want to renegotiate powers back from the EU, but a referendum now would create economic uncertainties and the government was protecting the UK interests by ensuring the survival of the euro and a gradual process of ensuring that the single market survived and the 27 members retained control of the EU.

October 25: Nick Robinson, commenting on the referendum motion vote, said that the EU was the "most toxic of issues". In the bulletins, there was a soundbite from Mark Pritchard (51 words), who said the government must now provide greater clarity over its position on Europe and the stance at present appeared unsustainable. An item in Yesterday in Parliament contained short soundbites from five Conservative 'rebels' explaining very briefly their support for the referendum motion.

At 7.09am, Peter Bone explained in a soundbite (50 words) why he had voted for the motion. This was followed by an interview with Mark Pritchard (715 words). He noted the motion had also been supported by Labour MPs and said the vote meant that the EU would become more of an issue. Evan Davis explored what this would mean for the Coalition, and what Mr Pritchard thought of the prime minister's conduct in leaving the debate before it finished. He suggested the vote was a Cameron backlash. Mr Pritchard insisted the vote was about ensuring that the EU remained on the agenda and that the mechanics of renegotiation would have to be properly understood and explored.

At 8.10am, Michael Gove was interviewed (1,823 words) about the vote. It was prefaced by commentary from Nick Robinson, who said it was now clear that the Conservative party did not trust David Cameron to deliver change in the EU. He claimed that Mr Cameron had created a hostage to fortune in saying he wanted fundamental reform. John Humphrys asked Michael Gove if this was damaging for Mr Cameron; why, if the difference between Mr Cameron and the rebels was not great, he had forced this "humiliation" on himself; how it could not be a humiliation, if half your backbenchers voted against you; that it was different from the Liberal Democrat split on tuition fees because the rebels had said they did not agree, despite strong whipping ; that because the vote was "friendly" as Michel Gove contended, the vote was all the more dangerous; that the rebels had voted against calmly and not hot headedly – it was not a quick bloody nose; whether the MPs were disaffected over other issues (as Nick Robinson had contended – Mr Gove said they were not); that ministers resigning of an issue of principal was "even more dangerous for you"; if it was that serious "we're back to the old days" – this was not just personality politics, it was to do with serious principle, leading to a problem down the road; what Mr Cameron meant by bringing back more powers from Brussels because that was rhetoric; what exactly would trigger a referendum, for example treaty change; when exactly powers (such as employment cited by Mr Gove) would be taken back, and whether the Coalition would agree – would it be this Parliament; that it was not possible for the UK to be involved fully in the eurozone negotiations; that the UK could not veto fiscal union among the 17 that nothing would be done about repatriation of powers in this Parliament; whether Mr Gove had a timetable for the repatriation; that he was ducking the real question ; whether (again and twice more) it would be in this parliament.

At 8.54am, John Redwood was asked if – as had been contended – it was fair that Germany should pick up the bills for the failing euro. He replied that it was important that there should be economic discipline in the eurozone. He warned against the devaluing of bonds and said it would be better if the deutschmark were-introduced.

October 26: In Yesterday in Parliament, Europe minister David Lidington said that the government was serious about getting powers back from the EU. Bill Cash warned in the same item – which was focused on a bill introduced by him – that closer union between the eurozone countries would have damaging g effects on UK interests. In an interview (477 words), Lord Lamont, commenting on latest plans to boost the bailout fund, said he did not think the euro was repairable but wanted a solution that would avoid a disorderly break-up. John Humphrys asked what sort of "beast" of a market that Lord Lamont claimed must be satisfied. Lord Lamont said it was vital that bondholders were not forced into taking too many losses.

October 27: In Yesterday in Parliament, David Cameron was quoted as saying that there needed to be a rebalancing of the powers of the EU and that the Coalition had worked to get out of the bailout fund, and to freeze the EU budget. In an interview George Osborne (1,478 words) claimed that steps to rescue the euro were progressing and this was necessary for Britain because the economic problems were having a chilling effect on the UK. He stressed it was important for the UK to retain its voice at the level of the 27, but said he accepted the case for closer fiscal union among the eurozone. He denied that the UK would put more money into the EU bailout fund via the IMF.

October 28: Yesterday in Parliament contained a question from Bill Cash about whether George Osborne was concerned that the plans for close fiscal union represented a major change in Britain's relationship with the EU. Mr Osborne said it was a logical development which would help the euro work better. George Soros's ex-partner Jim Rogers said at 7.12am that the invitation to China to invest in the EU was a scam and claimed – in response to a question from Jim Naughtie about what more the EU could have done to avert the current euro problems – that radical steps by the EU to cut debts should have been taken much earlier. The interview was 438 words. Michael Lewis, author of the book 'Boomerang' suggested that joining the euro had given the Greeks the opportunity to borrow on the same terms as the Germans and thereby create jobs that really weren't jobs (624 words, mostly not to do with the EU).

October 29: Mark Littlewood, of the Institute of Economic Affairs, discussing possible EU treaty changes, claimed it was the right time to repatriate some powers from the EU, especially in areas of social policy and employment law. He also claimed that the EU did not need the level of 'harmonisation' that was being pursued (256 words in the context of pro-EU views from another interviewee). The sequence was followed by an interview with Menzies Campbell, who argued strongly against Mr Littlewood's stance. It was put to Menzies Campbell that he had been wrong about the UK joining the euro.

November 1: Anna Podimata, a Greek MEP, said she was in favour of a referendum about Greek austerity measures. She explained the background to the possible vote (364 words, mostly not about the EU). Europe correspondent Matthew Price said that a referendum would be disaster for the EU rescue plan.

November 2: There were contributions (285 words) in Yesterday in Parliament from Julian Lewis, Andrew Tyrie and Bill Cash about the Greek referendum. Dr Lewis said that British people should also be able to have a referendum, while Bill Cash suggested that this was the start of a two-tier Europe. George Osborne said it was vital that the latest EU rescue plan went ahead but said he had been against the UK joining the euro.

November 3: In business news, Sebastien, a French car worker, said it would have been better to have had a Europe of free trade but no common currency (21 words). Raoul Ruperal, of Open Europe, suggested that the EU must now start planning for Greece to exit the eurozone, instead of denying that it would happen (310 words).

November 4: George Osborne argued in the news bulletin that Greece should implement what it had agreed to implement (76 words). Yesterday in Parliament had a contribution from Lord Bilimoria, who attacked Mr Osborne's support of further fiscal integration. Lord Marlesford said Greece should be forced to leave the euro. Lord Pearson said that the grand euro plan was imposed without consent. Peter Bone asked if there were plans if the euro collapsed (their contributions added up to

180 words). George Osborne, interviewed at 7.51am, repeated that it would be best if Greece implemented the latest EU offer for help. He refused to be pinned down on whether Britain's contribution to the IMF would increase (1,100 words).

November 5: Sir Malcolm Rifkind, interviewed at 8.33am about Greece (633 words), stressed that it was mainly up to the eurozone countries to rescue the euro. He said extra funding from the IMF should have been agreed at Cannes, but it was not. He was asked by Justin Webb what he would say to Eurosceptic colleagues who said the IMF was not the appropriate funding body. He said some criticism was justified, but stressed that if the eurozone collapsed it would seriously damage the UK. At 8.10am, a report from Greece by John Humphrys contained vox pop opinion (250 words) that Greece had lost its sovereignty and that the country should leave the "dictatorship" of the eurozone. Mr Humphrys asked the second contributor if in wanting to leave the EU he saw himself as "European".

November 7: In another John Humphrys report from Greece, a vox pop contributor that Greece no longer belonged to the Greeks and had been sold at a very low price. At 7.43am, Mr Humphrys interviewed Manolis Glezos, who in 1941 had torn the German flag from the Acropolis. He argued that all Greek debt should be cancelled (190 words).

November 9: Bill Blain, a senior director of the special operations group at Newedge Group said in Business News that the euro was spreading misery and austerity across Europe. At 8.55am, John Redwood and John Stevens, founder of the Pro-Euro Conservative Party, debated whether the clean out of governments prompted by the eurozone crisis was democratic. Mr Redwood (429 words) said it was not. Evan Davis suggested that beggars could not be choosers. Mr Redwood said that being in the euro involved loss of sovereignty but said the EU was fundamentally undemocratic. John Stephens (229 words) said that if politics remained anchored in the nation state, it would be powerless against global economic forces.

November 10: Economist Charles Dumas (425 words) said at 7.34am that the Italian economy had been completely crushed by membership of the euro because growth had been only 1% for the past decade. He added that sorting existing problems out could not be done from within the euro, and added that a common currency depended on a political union and that did not exist. He added that the German expected everyone to be like them and they were not.

November 11: David Cameron said in business news that that action must be taken to save the euro. An interview with Bill Cash at 8.10am was prefaced by comments from correspondent Chris Morris that a new 'politburo' appeared to have emerged in Europe, led by a cabal of senior EU figures. John Humphrys suggested that there was no plot to take over Europe. Bill Cash (621 words) agreed there was not, but said that the EU must become more democratic and not be so dominated by Germany. Roland Rudd, who was part of the discussion, said the issue was a failure of policy, not democracy and that the prime ministers of Italy and Greece had been chosen by proper parliamentary process. Bill Cash noted it was impossible to leave the EU and despite Laeken, it was becoming less democratic. He also warned that the EU was taking decisions that were against the interests of the City of London.

November 15: Bulletins said that David Cameron, in his Lord Mayor's speech, had adopted a Eurosceptic stance about some EU polices, but had said leaving the EU was not in the national interest. Chris Morris noted at 8am that Mr Cameron's vision of the EU was very different from that of Angela Merkel, who wanted more power for the organisation, not less. In business news, analyst Martin O'Donovan (272 words) suggested that a European Commission proposal to ban credit ratings agencies to halt their forecasts during periods of upheaval would 'create panic'. At 8.10am Mark Reckless (102 words), said he wanted stricter immigration limits. James Naughtie said that people from Eastern Europe had a right to come to the UK.

November 16: Former Tony Blair advisor Derek Scott (408 words) – who said he had always opposed the euro – explained why he was awarding the Wolfson prize to an essay that best suggested ways of leaving the currency. At 6.51am, Jeremy Warner (145 words), of the Daily Telegraph, warned that financial transactions tax would drive business out of the City of London.

November 18: In Business News, James Bevan (127 words), of CCLA, commenting on market falls, said that there had been no action to sort out the euro since June and that was the reason for the mess that day. He warned that the longer "they left it" the worse the situation would become.

November 19: George Eustice (715 words), asked if he was "punching the air" because David Cameron and Angela Merkel had agreed a plan for economic recovery , said that Mr Cameron had suggested steps towards a repatriation of powers after 20 years of the EU going in the wrong direction. John Humphrys suggested that he should be instead be concentrating on stopping a breakdown of the euro. Mr Eustice said David Cameron was and he was right to do so in order to prevent a disorderly break-up. David Rennie said that Eurosceptic MPs were focusing on the Working Time Directive when they should be trying to save the euro. Mr Eustice said this was part of the 'long-term analysis' of how the EU could be made to work and it was right that this should also be considered.

November 26: Yesterday in Parliament focused on Lord Pearson's bill to set up an inquiry in to the cost benefits of membership of the EU. There were comments from Lord Stevens – who attacked EU spending on its foreign service – and Lord Pearson in favour (179 words).

November 30: Paolo Guerrieri, professor of International Economics at the University of Rome (362 words), said in business news said that the new agreement by the EU to increase the bailout fund was an "old bazooka" that was not sufficient. In Yesterday in Parliament, George Osborne, the Chancellor of the Exchequer, said that much of Europe appeared to be heading for a recession "caused by chronic lack of confidence". He said he would do whatever it took to protect the UK from this debt storm and build the foundations of growth.

December 5: At 7.52am, in a discussion between David Blunkett, the former homes secretary and Conservative MP Dominic Raab (52 words) about extradition from the UK, Mr Raab contended that there were horror stories about the European Arrest Warrant.

December 6: Douglas Carswell (413 words) argued that there was an opportunity – because the EU wanted a new treaty – to renegotiate the UK's involvement, but it was doubtful that the government or mandarins could be trusted to seize it through holding a referendum. Evan Davis asked whether they would be voting for treaty change or to leave the EU. Mr Carswell outlined the options. Mr Davis said other eurozone members would see this as a "distraction" and said they had rights, too. He suggested they would think the UK's action was "destruction". Simon Hughes said there already was a referendum lock to prevent further transfer of powers to the EU. Mr Carswell attacked the 'political class' for reneging on promises to hold a referendum.

December 7: Stuart Fraser (304 words), chair of policy and resources for the City of London said he was worried that the 17 eurozone countries would introduce the financial transaction tax and also might restrict access to the single market. He said he was fearful that the UK could not do much about it and had a weak negotiating stance.

December 8: Max King (482 words) of Investec Asset Management argued that the unravelling of the eurozone would be good for European economies. He also claimed the financial transaction tax was a war declared on the UK. At 7.09am, Lord Howard (445 words), discussing latest moves to create more EU fiscal unity, said that there would automatically be a referendum if further powers were given to Brussels and therefore talk about one was beside the point. James Naughtie asked him why the secretary of state for Northern Ireland had called for one in the latest edition of the Spectator, and one that was 'in or out'. Mr Howard maintained that the challenge for Mr Cameron was to support the euro while safeguarding British interests. Mr Naughtie claimed that the Conservative Party had been committed to being at the centre of Europe since Macmillan, but the rhetoric now emanating from the backbenches suggested this was no longer true. Lord Howard said he doubted if this was true and said the need now was for a rebalancing of the relationship while safeguarding national interests.

At 8.16am, David Davis (660 words) was asked if stabilising the euro was in Britain's interest. He said it was but this was not the only issue in play. James Naughtie asked whether Britain should be involved in moves towards further fiscal union. Mr Davies said all 27 members of the EU should be and the prime minister should not accept any other way forward. James Naughtie noted that Lord Howard has said the question of a referendum did not arise. David Davies said the referendum legislation was not as narrow as was thought and also there had been a shit in the balance of power in the EU, necessitating a referendum. Mr Davies said that Boris Johnson agreed with him. He added that he had written an article urging the urgent need for repatriation of powers. Nick Robinson commented afterwards that David Cameron desperately wanted to avoid a referendum to avoid splitting the Coalition.

At 8.10am, Peter Spiegel (860 words) of the Financial Times attacked the EU's latest attitude towards bond default and said that bondholders had been damaged.

December 9: Bulletins contained a soundbite from David Cameron explaining that it was vital that the single market was protected and it was "better not to have a treaty within a treaty". Nick Robinson said afterwards that Mr Cameron had used the veto.

Yesterday in Parliament contained comment about the stresses in the eurozone from Lords Forsyth and Lawson. George Osborne said Britain would resist the financial transaction tax. Edward Leigh and James Gray warned that parliament had had enough of prime ministers returning from the EU with Chamberlain-like pieces of paper.

Mark Reckless (400 words) was interviewed by John Humphrys about Mr Cameron's 'no' in Brussels and asked if Eurosceptics would now want more. Mr Reckless replied that there was now the opportunity to negotiate a new relationship with the EU, possibly on the lines of Switzerland. Lord Owen (585 words) – normally regarded as Eurosceptic – was sharply critical of what David Cameron had done and said it had been done without authority. William Hague (1,238 words), questioned by Justin Webb, was asked if the UK was now isolated in Europe. Mr Hague, stressing that the issue was about budgetary control, denied the UK was separating itself from the EU or that this was against the policy of the Coalition. He denied the need for a referendum but said that the decisions of the EU that affected all 27 members would still have to be made by all 27 members. Mr Hague added that there were many groupings within the EU and the government would continue to act in the interests of the UK. Mr Hague also said the UK was against extra funding from the IMF specifically to help the eurozone crisis, but conceded there had been an agreement to increase overall IMF funding in line with general support for the body. Nick Robinson said afterwards that a profound change had taken place in Britain's relationship with the EU and Britain was now clearly outside those who wanted to integrate more closely.

Terry Smith (453 words), chief executive of Tullett Prebon, at 8.40am likened the euro to the Titanic and said that it was impossible for European economies to improve while it was still there. He denied that a break up would be cataclysmic. At 8.54am, Allister Heath (463 words), editor of the City AM newspaper, appeared with Charles Grant of the Centre for European Reform. Mr Heath said the EU construct was out of date, maintained the euro was not saveable and attacked the amount of regulation it was creating. He said it was vital that there was a change in the relationship. Charles Grant said the UK was now leaving the EU in many respects.

December 10: Lord Heseltine (882 words) said at 8.10am that David Cameron had not signed because he had not got safeguards for the City and because the eurozone was on the edge of creating rules that changed the single market. He denied that the UK was heading "inevitably" towards leaving the EU, but said that foreign-owned newspapers wanted that. He claimed that Churchill had wanted a United States of Europe and said Britain could not float off into the Atlantic.

An interview with George Osborne at 8.32am (1,811 words) was prefaced with one by FT editor Lionel Barber who said the David Cameron veto had been staged entirely to appease 40 or 50 Eurosceptic MPs. Mr Osborne strongly disagreed and said that fiscal integration was now happening outside the panoply of the EU treaties, as the UK wanted in order to protect the single market and the City. These matters now remained the concern of all 27 members. Mr Osborne said he completely rejected Mark Reckless's idea that Britain should be like Switzerland.

At 8.53am, Melissa Kite (410 words) of the Spectator said that British people were relieved by the use of the veto because they did not want further powers given to Brussels. David Rennie said that Mr Cameron had not exercised a veto and nothing had been stopped from happening.

December 12: An item from the Netherlands at 6.53am examined how "far-right" parties were exploiting the problems over the euro. Vox pop contributions urged a return to the guilder. BBC correspondent Anne Holligan said that Geert Wilders was "capitalising" on frustrations brought on by the euro crisis. In a soundbite prefacing Libera democrat reaction to the veto, John Redwood (116 words) said he would be surprised if the party provoked a general election on the basis that they wanted higher European taxes and more government from Brussels. At 8.53am, Bernard Jenkin (588 words) said that Mr Cameron had done the right thing in seeking to safeguard the financial services sector and said that all that had been done was to exclude Britain from a monetary union that was not wanted. John Humphrys asked if he was worried about relationships being damaged. Mr Jenkin said that what had happened reflected the status quo and the problem was that the treaties were attacking UK competitiveness. There was a need for recognition that the UK would have a different relationship with Europe from other European countries. Mr Humphrys said it was inevitable that in that light, Britain would move further away from Europe. Mr Jenkin said Britain would still trade with Europe. The need was for Britain to make its own laws rather than have them imposed by hard core federalists.

December 13: In an item in Yesterday in Parliament, David Cameron said the choice had been between a treaty and no treaty and he had chosen the latter. It was noted that he had been cheered by Conservatives. Nadine Dorries accused the Liberal Democrats of cowardice. Peter Bone said David Cameron's actions had given his wife great pleasure. In Business News, Brent Hoberman (194 words) said Mr Cameron's actions had not changed the perception that London was still a vital gateway into the EU.

December 15: In Yesterday in Parliament, David Cameron said that no one was surprised that the Conservatives and Liberals did not get on over the EU.

December 16: Lord Chadlington (61 words) said it was underestimated how highly Britain was regarded in the EU and David Cameron was admired for his decisiveness.

December 17: Scottish fisheries minister Richard Lochhead attacked the latest EU agreement on fishing quotas and said it seemed the aim was to stop boats going to sea. Lord Lamont (402 words), in a two-headed discussion with Elmar Broc, warned that the euro crisis was intensifying and the strategy for dealing with the problems had no credibility in the markets. Evan Davis interviewed Bernard Jenkin (435 words) about taunts from France that the UK should lose its 'triple A' status. He said the way forward was to evolve a strategy which worked for Britain, including jurisdiction over key decisions. Lord Oakeshott, in a two-header with George Eustice (325 words), said that David Cameron was associating with 'weirdoes and wackos' and had undermined the UK's negotiating position. Mr Eustice denied this was the case. He said the euro needed intensive care.

APPENDIX V
SCEPTICAL INTERVIEWS

October 3

7.09am, Sarah Montague said there was no specific mention of 'Europe' on the Conservative Party conference agenda. She added that despite this, many seemed desperate to talk about the subject.

> And that's quite a change, because for years the Conservatives have tried not to talk about Europe. After all, when they were last in government it was the issue that tore them apart. Now, with the eurozone in crisis, a more Eurosceptic mood in the country, and a new generation of Conservative MPs, those who want Britain to renegotiate its relationship with Europe are becoming bolder, as I found out at the conference here in Manchester last night.

There was then actuality from Heather Wheeler, MP, who said:

> The dream scenario is that before 2015 we actually have a referendum. That's not going to happen, but what could happen and what I'm fighting to happen is that in our manifesto we absolutely will have a cast-iron guarantee of a referendum.
>
> SM: Heather Wheeler, the MP for South Derbyshire, is convinced that, like her, the country wants out of Europe.
>
> HW: My letters that I receive are one hundred per cent for that. I do not receive, I have not received in seventeen months, a single letter saying, 'you're bonkers, don't do this', you know, 'we want to vote for you Heather, because your Conservative, but if you're going to really push for 'better off out' we can't . . .' I haven't received a single one.

Ms Montague said that what the public said depended on what they were asked, and there was actuality from Stephen Shakespeare, from YouGov, who stated:

> Essentially, people want to be less in Europe but not quite out. When we asked the question in or out, we get a slight majority saying out, but when we give them options like 'Get out altogether' or 'Step back a bit in a lower tier' or 'go in further', then the weight of opinion's definitely just inside.
>
> SM: So they want Europe, but just less of it.
>
> SS: They want Europe, but much less of it. They'd like to go about as far back as you can go without actually leaving the EU.

Ms Montague then said this was what increasing numbers of Conservative MPs wanted, and 120 had attended a meeting in which George Eustice had explained how to renegotiate 'our deal with Europe'.

There was actuality from Mr Eustice (presumably from the meeting):

> I think there's been a problem with the Conservative Party in the past, there's lots of scars from the past and that makes people nervous to talk about this subject at all, and other people feeling betrayed.

SM: That's certainly the feeling you pick up talking to delegates here, many of whom sound desperate for a referendum. Should the government call a referendum on Europe?

VOX POP FEMALE: Yes. Please.

SM: Yes please?

VPF: Yes please, yes.

SM: And what should the referendum be? In or out?

VPF: Oh out, out. (*laughs*)

SM: We're asking whether you think there should be a referendum on Europe.

VOX POP MALE:Absolutely. Positively. Without doubt, let us have it.

SM: And the referendum . . . and so that you can vote 'No, get out of Europe.'

VPM: That's right.

SM: Get out completely?

VPM: Yes. Well (*words unclear, 'we're in'*) negotiations, I mean (*fragment of word, unclear*) Look, in '75 I voted for joining a, what was it? A free trade association – that's all it was. And Heath lied to us, Wilson after him lied to us, and we end up selling our birth-right.

SM: George Eustice again.

GE: What we're saying is, look, we've got a whole new generation of Conservative MPs now in the party, times have changed, the context has changed, we've got a lot of restlessness among other European countries and other national parliaments in other EU countries as well, so let's try and see if we can come up with some coherent thinking about how we stay in the EU, but have a new relationship, a settled relationship where some powers are returned to national governments.

Ms Montague asked him what sort of powers he was talking about. He replied:

Well, I think there are core areas that we should expect all members to sign up to, and those are the areas that promote competition and open markets for instance. I then think there are lots of areas around health and safety legislation, employment law, social policy, where frankly the EU is not the right level to make those kinds of laws. And we need to see a much greater acceptance of those laws being decided at a national level. And perhaps groups of countries that have already signed in to some, you know, European legislation in these areas, being able to opt back out. This idea of ever-closer union, that it's a sort of relentless march towards passing more and more power to a European institution has got to end, otherwise the EU simply does not have a future.

SM: The influential website Conservative Home questioned 144 candidates in safe or target seats, just before the last election and found that nearly half of them wanted to repatriate powers from Europe. More than a third would go even further, thinking the government should seek a fundamental renegotiation of our membership. That's what a rising star of the party Sajid Javid thinks. He was a City high flyer until he stood in the last election. He told me what renegotiation could mean for the way we live.

SAJID JAVID: Today, any citizen of the EU can come to Britain and work, and now, potentially, from the Court judgement we've seen just a few days ago, claim benefits. I think that was not really part of the deal that we struck with Europe back in 1975, that was about free trade, and so this free movement of people I don't think is a necessary component of the kind of European Union I want to see in the future.

SM: Literally you'd stop free movement? So you'd stop the movement of peoples, which would affect Britons as well, wanting to work in Europe?

SJ: I wouldn't say you stop it entirely, I just think you make it more fair, you make it fairer.

SM: So far the party leadership has only promised a referendum if Brussels seeks more powers. And here in Manchester, Europe doesn't feature on the official agenda. The theme for the week is modern compassionate conservatism. So is there a danger that if MPs say they want to overrule European laws on things like maternity and paternity leave, they won't look compassionate? It's a point I put to George Eustice.

GE: Absolutely not. I think it's progressive. I think, we believe in localism, the Liberal Democrats believe in localism, we should apply that principle to the EU as well. I think we've got to end these days where the EU has some kind of immunity to accountability, where it just does what it likes and tells everybody what to do without any kind of accountability. We've got to reverse that, and I think it's absolutely progressive to take powers away from the EU and return it to a more local and national level.

8.10am, Sarah Montague asked George Osborne how he would 'intervene on Europe' as he had said a couple of weeks ago there was six weeks to save the Euro. Mr Osborne responded that it was important to resolve the euro crisis, that it was in Britain's national interest to do so, and that he would be suggesting that the size of the bailout fund should be increased. In addition, he wanted to action to deal with weak banks because they were a drag on growth.

October 4

7.23am, Gary O'Donoghue said that the Conservative 'troops' were getting uneasy about the EU:

Europe is always there as an issue, and the pressure is mounting on David Cameron to show his colours in a more robust way.

He quoted Mark Pritchard, MP, secretary of the 1922 Committee:

Europe impinges on the lives of millions of Britons every single day of the week. People want a say on Europe.

GO: The Prime Minister has set its face against that kind of referendum.

MP: I think he's somebody that recognises the European issue will need to be addressed. It's a matter of choosing the timetable.

8.10am, Sarah Montague said that William Hague had described the euro as a burning building with no exits and then put it to David Cameron that he had 'surprised people' when he had said the euro must be made to work. Mr Cameron said the UK was not going to join the euro, and he was very glad that it had not,

> but there's a real need for us to help the euro get its act together, because 40% of our exports in Britain go to eurozone countries.

Ms Montague asked if his stance was therefore 'purely pragmatism', and the lesser of two evils that there was lesser integration with Europe.

> DC: I think it's necessary, because if you have a single currency, you need the countries of that single currency working more closely together, otherwise you end up with disastrous situations such as like you've got in Greece at the moment.
>
> SM: But you certainly wouldn't have argued that before the crisis?
>
> DC: I've always argued that the logic of a single currency is more of a single economic policy, and that's one of the reasons I never wanted to join it. But let me make this point, because I don't think we have explained this perhaps well enough: as the eurozone countries move to coordinate more, as I believe they should, those who are outside the euro, like countries, Sweden, Poland and of course Britain, we will need certain safeguards to make sure that what the eurozone countries are agreeing separately does not adversely affect the single market, which is in our interests to make work for the good of British business. So this is not some naïve view, they just go off on their own and we sit back, intensely relaxed about it, there are safeguards we'll need, and the Liberal Democrats absolutely agree with that. But I think we've got to get our work in a row (*sic*) the first thing is the eurozone crisis is holding back the entire world economy, Britain included, so the greatest need now is to give them the menu of things they need to do to sort this (*words unclear due to speaking over*)
>
> SM: (*word unclear*) is to ask German tax payers to stump up, to write another cheque?
>
> DC: Well, I think it's obviously, they've got to scale up the European financial stability facility, which they have. There are a number of ways they can do that. There's the need for the IMF to be more involved. There's an absolutely classic need for Europe to strengthen its banking system for whatever might unfold in the future. We've done that here in Britain. And clearly the Greek situation needs to be resolved one way or the other and done extremely quickly.

October 5

7.09am, Lord Hurd – who it was said was foreign secretary at the time of Maastricht – was asked what Britain should do about the euro crisis. He replied:

> Well, it means that we have to sit down quite solemnly and work out among ourselves what the British interest is, and then we have to say to the eurozone countries, look, we're delighted if you want to create a Europe of your own, we're delighted, but there are certain things which are crucial for us. And then you should work out what those are. The single market is a major British interest and therefore any big changes they made which went in a protectionist direction, against the single market, against our interest, we should object to it, and we would have a veto.

Sarah Montague asked whether, if there were 17 countries that shared a currency and 10 that were on the periphery and did not, it would affect the single market. Lord Hurd said Britain should make it clear that it would not allow a change to the treaties that would affect the single market. Ms Montague suggested that Britain would have to give up power to allow the 17 to sort out the euro. Lord Hurd responded:

> Well that depends what they decide to do. Our position should not be to tell them what they ought to do or ought not to do, our position should be to say, quietly but firmly, we have in this whole question of the future of Europe, its economic and political policies, we have an interest, we've always had an interest and it's as strong as ever today. And we would prevent a slide of the inner countries, the inner zone towards protectionism, or towards isolationism, or towards anti-Americanism. And there are a number of things, actually, which we should put down as our firm British position, our red lines.

Ms Montague said that Europe was 'fraught' for the Tories. Lord Hurd said he thought it was not an issue: new members were 'thoughtful and questioning and not willing to take things for granted, and that's all very good.'

Ms Montague said they wanted to withdraw powers from Europe.

> LH: But it's not yet formulated, I think, exactly what they want. But what I have the strong impression is that people actually think it through, she was not a position when we had to deal with the Maastricht rebels, for example, they, they fought with their bayonets fixed as it were, I mean it was all, it was all, combative. I'm of the impression there's a much more thoughtful process going on now.
>
> SM: So, the Conservatives and the Conservative leadership, in coalition, of course, with a very pro-European party, doesn't need to be scared of Europe, and opening the discussion?
>
> LH: It would be crazy to be scared, I think the prime minister has set a good example of leadership in this, and he's not scared, he's clearly not scared of Europe, and he tried to keep on telling the Tory party not to be scared of Europe.

7.41am, in an item about protests against Greek austerity measures, Despina Kutzumba, said to be part of the 'silent majority', Christopher Morris said:

> I caught up with Despina Kutzumba who told me about the effect on her family.
>
> DESPINA KUTZUMBA: Yeah, from this September, we've lost half of our salaries. Half of our salaries.
>
> CM: That's tough.
>
> DK: Yeah, it's tough, it's very tough. So we have to get out of this politics.
>
> CM: Out of the politics and out of the eurozone as well?
>
> DK: Yes, I really, I strongly believe that it would be better for us to get out of the eurozone.

CM: But leaving the euro, some people say a new currency, call it the drachma whatever you want, that'll be even more painful.

DK: Some people are afraid that the money they have in the banks, but if we stay another more year in eurozone, these deposits will be off. We have to start from the beginning.

This was followed by an interview with someone who was against leaving the euro.

7.49am, Sarah Montague interviewed William Hague. Ms Montague said in her introduction that countries in the eurozone might need to surrender decisions on tax and their economies 'to perhaps Berlin, Paris, or Brussels'. She noted that David Cameron had asked how that would impact on the UK, how it would affect the single market and how British interests might be safeguarded.

Nick Robinson, reporting from the Conservative Party conference, said that David Cameron wanted the government to start thinking about this, but 'for goodness sake' not now, because the word at the conference was not to talk about Europe apart from the immediate crisis of the eurozone. He said that William Hague used to talk about Europe as an unexploded bomb:

> So dangerous is the issue considered that Boris Johnson, who avoided all mention of it when he came to speak at this conference, gave a radio interview yesterday which implied he was still in favour of a referendum on Europe, and then anxiously rang round what we used to call Fleet Street and the BBC and others, saying, 'No, no, I didn't mean it, please don't report it, it's not really a story at all.' The reason though it's an issue that can't be avoided is this, Sarah, which is if the eurozone does – as the government wants it to do – becomes, in effect, a new economic club at the centre of Europe, what is to prevent it then governing the rules of the whole of Europe, including those countries that are not in the club – Britain, of course, particularly, who are not in the eurozone and have no plans to be there. Why shouldn't they start to have meetings before every EU meeting, to decide what the agenda should be? Why shouldn't they take decisions on, for example, the single market, where Britain can be outvoted because there's qualified majority voting in a way that benefits the eurozone but may not benefit Britain, in particular, for example on the City of London, where the French, the Germans and others have often wanted to hamper the City of London, and could of course have meetings at which they took precisely those sorts of decisions which Britain wasn't even in attendance at. And, in the long term, if the Germans in particular say 'we want this new club to be formally recognised via the new treaty,' at that moment, there are Conservatives - maybe even William Hague next to me himself - who think this is the moment Mr Hague was put on the planet for, he is the man who said you should be in Europe not run by it, he's the man who said don't go into the euro, he's now the Foreign Secretary, shouldn't he renegotiate Britain's relationship in these entirely new circumstances in a way that allows Britain to have a looser relationship with Europe? Now, that may be a long-term agenda, but as we discovered with economic events it could move much faster politically and government think, and they may have to take this delicate decision in a coalition with people who are pro-European and in their own party coalition between a few, not that many pro-Europeans, but people like Ken Clarke, who we discovered on the issue of cats and other things, is quite happy to talk out in public, and all those other people - how will they make those decisions?

Ms Montague first asked Mr Hague what the prime minister would be trying to protect.

Mr Hague first said that the government wanted a stable ands healthy eurozone, even though Britain would not join. He said that if the 17 countries of the eurozone made decisions, they would still have to ensure that matters affecting the 27 countries were decided by the 27. He added that the government also wanted to protect the UK financial services industry.

Ms Montague said this would be a 'fabulous opportunity' to renegotiate a looser relationship with Europe. Mr Hague said that matters were not at that point because a major treaty change was not being proposed. He added that he would say in his speech later that the EU had too much power over the UK, and that his party wanted some powers returning to the UK, but that opportunity was not there at the moment.

Ms Montague noted that the repatriation of powers was one of the dividing lines with the Liberal Democrats that could be spelled out at the next election. She suggested his hand might be forced on the issue before that. Mr Hague said it was difficult to predict, and re-iterated the current position in wanting the European economy to get going. He added:

> The most important thing of all is for the jobs and businesses of this country and our European partners to grow, and that means expanding and completing the single market, it means free trade agreements for the rest of the world, it means budgets that are under control. And these are our priorities in Europe, and they are the right priorities for the people of this country.

Ms Montague asked if there was a threat of the `17 countries sliding towards protectionism, putting the single market at risk, as Lord Hurd had said earlier. Mr Hague said there was a need to guard against this happening, and to win the argument so that countries signed up to a growth agenda. He said pre-emptive action was being taken to achieve this.

> SM: Just a quick thought on this: you have promised a referendum, you were responsible for the law that says if there's any more powers transferred to Brussels, there will be a referendum. We could have a situation know, where we have new treaties and relatively sooner, as we're suggesting, that could lead to this federal core to Europe, but we have power transferred back to us. So I wonder, could that dramatic change happen without a referendum?
>
> WH: Well, look, you're getting into very hypothetical territory here. Yes, we have passed the law that says any further transfer of power requires a referendum. Now that is where we stand at the moment, everything else, at the moment . . .
>
> SM: (*speaking over*) Okay, but what about the reverse, and I bet . . . you must've been talking about it.
>
> WH: (*speaking over*) Everything else, at the moment, is hypothetical, and we will debate that at the time. And I think, actually, the British people will strongly welcome a return of some powers to the United Kingdom. But all of that can be debated at the time. And I think . . . I must make this point again, don't run away with expectations that there is about to be some major treaty change. You know, these things take years to negotiate an end to ratify in other countries. So the moments that may come to put right some of the things we want to put right may, over a period of some years or many years, rather than this week. Our economic priorities are absolute top of the list this week here in Manchester.

October 6

8.51am, Justin Webb said:

This is what David Cameron said yesterday in his keynote speech: 'Almost every day, I see pointless new regulation coming out way. A couple of weeks ago, I was up in the flat going through some work before the start of the day and I saw this EU directive. Do you know what it was about? Whether people with diabetes should be allowed to drive. What's that got to do with the single market? Do you suppose anyone in China is thinking, 'I know we'll grow our economy, let's get those diabetics off our roads' – Europe has to wake up' et cetera. Well, what was he talking about? Simon O'Neill is director of care and advocacy at the charity Diabetes UK, he's on the line now, good morning to you.

SIMON O'NEILL: Good morning.

JW: What was he talking about?

SO: Well, basically an EU directive was brought out about eighteen months ago now, which has brought about some changes to the way people with diabetes who treat their diabetes with insulin, whether they're allowed to drive or not. And we personally believe that although there are some good things about the EU regulation, allowing people to drive large goods vehicles for the first time in twenty years, it's also tightened up restrictions which will actually stop some people who we believe are actually quite safe to drive, from holding driving licenses.

JW: Right, so one would assume then that the government would be, I mean from what, if you read David Cameron's words, the government's on your side?

SO: Well, we would have liked to think so, but when we've approached the Department of Transport and spoken to the minister, Mike Penning, we've been told very firmly that, 'our hands are tied, this is a European decision, there's nothing we can do.'

JW: How recently was that, Simon?

SO: In the last couple of months.

JW: So you've been to them and raised this issue, and said 'there are perfectly good reasons why these people should be allowed to drive, this EU directive has got it wrong,' and they've done nothing?

SO: Nothing's happened at all so far. I mean, we're trying to see what's happening in the rest of Europe, because the UK has traditionally always adopted EU regulations with probably the more strict interpretation than other European states has done, and we're seeing if that's the case this time. We believe that the regulations that were in place before this came were absolutely adequate, and we should really be pushing back against this directive.

JW: So following what the prime minister said yesterday, are you going to renew your efforts to get the government to act on your behalf?

SO: Well, we will certainly be writing to David Cameron asking him to perhaps speak to his Secretary of Transport, and the Department of Transport to see if the rules can be interpreted differently in the UK, and if not, what is he going to do about trying to lobby this in the European level.

JW: Simon O'Neill, thank you very much, and I should say in the interests of openness that I have a son with type 1 diabetes, insulin dependent diabetes, but he's way, way, way off the driving age.

EVAN DAVIS (*laughing*) Not quite . . . .

JW: He has a personal taxi service.

ED: Not begging for the keys yet.

October 12

6.16am, Simon Jack noted that the Slovakian parliament had voted against moves to expand and strengthen the eurozone bailout fund, triggering the collapse of the Slovakian coalition government. He added that the outgoing prime minister and her main opponent had said they would now work to approve the bill quickly. Richard Sulik, leader of the junior coalition party which had refused to back the expansion, said that there was no reason to pay, and his country was heading for 'economic slavery'.

Chris Wheeler, analyst at Mediobanca, said that the Slovak vote was disappointing. He added:

> …as you touched on, the efforts will be made to try and reverse the situation, and clearly sort of moral persuasion will come into play and saying, look, you know, at the end of the day, you know, if we don't solve this, the knock-on impact to you could be quite detrimental.

Mr Jack said it could be a couple of weeks before the new vote happened. Mr Wheeler said it had to be passed by October 23 when there was an EU meeting in Cannes. Mr Jack said:

> We've got sixteen governments saying 'yes', one saying 'no', the European Central Bank's saying one thing, the European Commission's saying another, and the leaders of France and Germany with unresolved differences, sounds like a cacophony of noise in Europe with no clear plan of action yet?
>
> CW: Yes, it's ugly and obviously, you know, most commentators are calling for some kind of unified approach. That's obviously why I think Mr Barroso is going to come forward today and try and least calm the waters by saying 'here's what we're proposing.'
>
> SJ: What are you expecting from him today?
>
> CW: Well, it appears – what I'd like to think he's going to do is actually put together some kind of package, because obviously he's going to talk about recapitalising the banks, further stress-test, raising the level of capital they need, but at the same time he must talk about how we're going to deal with the sovereign debt.

October 17

7.49am, Sarah Montague said that G20 finance ministers had been meeting in Paris to discuss boosting the eurozone bailout fund to 2tr euros. Peter Hahn, from the Cass Business School, explained that the measures involved would lead to the part nationalisation of the banks. He said the current problem hinged on countries borrowing from banks that did not have the resources to support such lending. Ms Montague asked Daniel Hannan MEP if he supported Britain putting more money into the IMF as George Osborne had suggested.

He replied:

> No I don't. This is more of the medicine that sickened the patient in the first place. We have a debt crisis in Europe, we're not going to solve it with more debt. And as you were just discussing, if somebody had €2 trillion lying around, they'd have spent it by now. This is, this is money that's just being fabricated out of thin air. This is exactly what caused the problem in the first place, we spent £2 trillion bailing out our banks in 2008, we know where the money came from, we don't know where it went, we don't know who has it now. We were told that that would stave off the downturn, what we've seen since then is that the countries which decreed the biggest bailouts have suffered the worst recessions. It is incredible that we propose to repeat this mistake, and yet again to expect tax payers to rescue some very wealthy individuals from the consequences of their errors.
>
> SM: Okay, but to be accurate here, the way that the IMF works, it doesn't come out of current spending, so it doesn't stop money that tax payers would otherwise get, it comes from sort of the pot that's put aside, that's usually used against international currency movements, the foreign reserves.
>
> DH: Sure, but that pot has to be filled up.
>
> SM: And it isn't, it isn't a donation either, it's a commitment to lend if needed.
>
> DH: Well, in June, Britain increased its IMF subscription from £10.5 to £19.7 billion, an 88% increase. Now that pretty much wipes out all of the domestic savings we've made through the cuts programme, so this is not loose change, this is a huge sum of money that we have already had to put in, uselessly, because, as I say, it isn't actually helping the recipient countries, it's causing preventable poverty in the Mediterranean countries, it's causing additional tax rises in the core countries. The idea that somehow this is money that you don't have to pay for I'm afraid is untrue, everything has to be paid for in the end, we're borrowing this from our children, basically.
>
> SM: (*speaking over*) But is it . . . is it not money though that if you say, 'I'm prepared to spend this', you won't ever need to spend it, because you're providing the confidence.
>
> DH: Right, that's what we were told about the Greek bailout, you know, 'Oh it's going to be this great shock and awe fund, it's never going to be called on because it's so big, it's just a temporary liquidity problem they have', nobody now expects to see that money again. We've doubled our commitment to the IMF, we've put up £12.5 billion already in the Irish, Portuguese and Greek bailouts. You know, every penny that we're saving, through these difficult domestic spending cuts, these necessary domestic spending cuts, to get on top of Labour's deficit, is being swallowed up by the European Union and by these bank bailouts.

October 19

6.15am, in Business News, Simon Jack said that Lord Wolfson, 'Conservative Party donor, and I think it's fair to say, prominent Eurosceptic', had offered a £250,000 prize for an academic suggesting the best way for leaving the euro. He said:

> The best thing would be for it to, as you say, muddle through, and let's hope that it can, but there are an enormous number of pressures that mean that perhaps it won't. And I should be, absolutely clear, I don't want the euro to fall apart. All I'm saying is that, if it's going to happen, it needs to be thought through properly and people need to start thinking about it now. Pretending that it isn't going to happen, not thinking about it, is not going to make the event any less likely.
>
> SJ: So is this just a stunt then, just to get this sort of (*fragment of word, unclear*) are you saying that the governments involved in the eurozone aren't able to have this debate because it sort of way as a white flag and actually it risks bringing about the very thing that you fear?
>
> LW: No, I certainly, I certainly don't think it's a stunt, and if it is, it's a very expensive one. But, you know, this, what I'm hoping for as we do get the world's best and brightest academics, economic academics, really thinking about this issue and coming up with some good answers. So the answer is no. I do recognise that there is a problem, certainly within European governments, that the moment they start talking about this, it could become a self-governing prophecy. So I think there is also a need for people outside government to begin to talk about this and to sponsor the debate.
>
> SJ: If and when you have your winning entry you, you'll send the winner off to Brussels and they'll be welcomed with open arms by Messrs Trichet and Sarkozy and Merkel - it's quite a provocative gesture, isn't it? They're not going to take kindly to this?
>
> LW: I don't think so. I think having a sensible contingency plan is in everybody's interests and, you know, ultimately those leaders have got the interests of their nations at heart, and having this backup plan and having a method by which it can be done has got to be good for them, even if it doesn't happen, it's sensible to have a contingency plan.
>
> SJ: Well, we're going to be looking at a business . . . the prospect of Greece falling out of the euro in just a few minutes, but let me ask you one or two things about the UK first.

The focus then moved to Greece and an analysis of what might happen if the country left the euro. Nigel Cassidy said that some believed it would be an absolute disaster for the Greek economy. Mr Jack then said:

> Nigel Cassidy there. Of course, the markets being buffeted one way and the other by expectations about what's going to happen this weekend. *Gives market figures.* Max King is investment manager and strategist at Investec Asset Management, good morning to you. Article in the Guardian that's provoking quite a bit of reaction this morning, saying that France and Germany have agreed on a way to beef up the European Financial Stability Fund to €2 trillion. That sounds like progress, if it's true?
>
> MAX KING: Well, I think it's a gross exaggeration. They have said that they're not going to increase the amount of money available, which is €440 billion, all they're talking about is spreading the money more thinly, across a wider range of assets. And if you underwrite 20% of a bond issue for example, you can spread, er, you're underwriting over a

large amount of money. But it's not going to solve the problem, and all it's going to do is defer the problem. It might have some short-term benefit, but it's a very dangerous policy.

SJ: French bond yields, the difference between what the French can borrow at and what the Germans can borrow at hit a record yesterday. French bond yields hit a nineteen year high themselves, so it seems the two axis powers, people are beginning to distinguish between the two of them?

MK: Well, France is getting into trouble, and the problem is that France has mounting debts, it has a very high and intractable fiscal deficit, it has a banking system which is in severe trouble, and everybody knows that the capacity of the French to actually knuckle down and tighten their belts and reduce public spending is somewhat limited. Now, France's debts and its costs of debt have not got to the sort of levels that we've seen in Italy and Spain, let alone in Greece, Ireland, Portugal, but France is heading into trouble, quite clearly.

SJ: Alright, Max King, investment manager and strategist at Investec, we're going to have to leave it there, I'm afraid, thank you very much.

7.18am, James Naughtie said that a House of Lords committee chaired by crossbencher Lady (Lola) Young had warned that patients were being put at risk by the free movement of medical staff facilitated by the EU. She said that in order for confidence to be restored, the basic checks required by the EU should be supplemented by tests from the General Medical Council. James Naughtie suggested that there was no way of knowing if the qualifications stipulated by the EU were enough. He added:

I mean, it touches on another issue that we've got in the NHS, which is the number of untrained people working as assistants, where patients perhaps think that they are trained. What happens if you're healthcare worker from elsewhere in the EU and you arrive and say, well, I've been working in a hospital in wherever it is, Hungary, I want to go and work at a hospital in Manchester, what checks can there be?

LY: Well, what happens here, we have a number of regulatory bodies, and it's important to say that here, those bodies that carry out registration and regulation are separate from the organisations which represent the healthcare professionals. So, for example, we have the GMC here, the General Medical Council, they carry out registration, whereas the BMA is the body that represents doctors . . .

JN: Yes.

LY:… and in some countries, that's not the case. So those two bodies are melded into one.

JN: But under EU rules at the moment, the GMC has no role to play if someone can demonstrate that they have training up to a certain level, whatever quality that training turns out to be.

LY: Well, they can look into it to a certain extent, but in essence, you're right, the whole principle of automatic recognition is that you say that if somebody is qualified elsewhere then they're qualified to register here. There are obviously some very immediate checks and balances in place, but not enough in our view.

JN: Well, and there are also, obviously, some very good staff who come from abroad.

LY: Absolutely.

JN: I mean, that goes without saying. But you're suggesting that patients are being put at risk by the fact that our own authorities cannot check.

LY: We cannot check to the degree that we'd like to, and indeed, the Commission itself recognises that some of its procedures aren't as robust as they could be, and have actually being quite cooperative in terms of the evidence they've given to us. And we hope that we will have some impact on their thinking through our response to the green paper.

October 20

In business news, Simon Jack said that there had been violent protests in Greece in the wake of the unveiling of the latest austerity package. He added:

...27 year old Aisis Agipitos (*phonetic*) runs a wine bar near Syntagma Square in Athens - the focal point for the anti-austerity protests, and he says there are many reasons why Greece is at crisis point.

AISIS AGIPITOS: For example we have politicians that are corrupt so they wasted so much money, the other countries who are keeping lending Greece a lot of money, they knew the situation. So the situation from the beginning was badly designed. And I think everyone knew that, not only Greece, everyone, the EU, and all the countries that have to do with this.

SJ: And on top of that, Germany has forecast to lower its growth forecasts today and Spain has been hit by a credit downgrade. It's a fairly rum combination of events here.

8.10am, John Humphrys said:

If you're under the age of 54, you will have never been allowed a say in whether this country should be a member of the European Union. The last referendum, the only referendum on membership was in 1974 and even that wasn't on whether to join but whether to stay in. We joined a couple of years earlier. And that, many people believe, is outrageous - especially given that the EU has become a very different beast from the organisation we joined all those years ago - which is why David Cameron is in more than a spot of bother with his party today. Because many of his MPs want another referendum and they thought their moment had come. There will be a debate on Europe in the House of Commons next week, earlier than planned, but Mr Cameron has already suggested he'll order his MPs to vote against a referendum. I'm joined by two Tory backbenchers, Mark Pritchard who's the secretary of the backbench 1922 Committee and the MP for Stratford on Avon Valley Nadhim Zahawi. But first, our political editor Nick Robinson. And a quick thought about why Mr Cameron brought that debate forward Nick? There's a lot of dark suspicions surrounding it.

NICK ROBINSON: Well, I think partly because it unsettles those who are trying to build momentum for a positive vote in favour of a referendum, and partly because he was going to be out of the country. He wants to be head boy he wants to sit on the front bench, he wants to look his backbenchers in the eye and say to them 'don't do this'. Why? Because William Hague once told him that Europe was a ticking bomb and the great fear of the prime minister and the foreign secretary is that if they have a split vote on a referendum it will speed up the clock on something that's done enormous damage to the Conservative Party in the past.

JH: Will he order his MPs to vote against a referendum? Will he impose what they call a three line whip?

NR: The public line is yes, that there will be a three line whip to vote 'no' to a referendum. Remember that the proposal is for a referendum giving people the option of 'in or out', or renegotiation. That's why it's quite politically clever because the government wouldn't find it difficult to defeat an 'in or out' referendum, there aren't that many backers for it, but renegotiation is in fact the official Conservative Party policy. That's his difficultly. Now, public line is a three line whip, behind the scenes there is a desperate search for a way out. A rather worrying sign for ministers is that the man who is effectively shop steward to the Conservative backbenchers, he's the chairman of what's called the 1922 Backbench Committee, Graham Brady, writes in the Telegraph today, 'just give us a free vote', he says, 'it'll strength in your hand in negotiations like on that issue of prisoner voting' - it is a warning, in effect, that he is willing to defy, I think, a three line whip in certain circumstances. So the search is on for a way through. One way through, John, could be this: there is a suggestion that there could be an amendment to this vote in which the government agrees to have a white paper examining the future powers of Europe - that is in line with the coalition agreement that said that the government would quotes, 'examine the balance of the EU's existing competencies', and then promise a future referendum. Now, that might be good enough for some Tory Eurosceptics, would it be acceptable to Mr Clegg?

JH: Well, the words 'kick' and 'long grass' come into that as well, don't they, a little bit? Look . .

NR: That of course is the purpose . . .

JH: (*laughs*) Precisely.

NR: . . . for the Conservatives to say, 'make this issue go away'. And there is one positive reason, John, it is not simply because of the party management difficulties, last night in Frankfurt the real euro story was going on Nicholas Sarkozy didn't even see the birth of his own child, flew to Frankfurt for a drinks party, ostensibly, with the retiring president the European Central Bank - in truth he was meeting Angela Merkel of Germany and they were once again finding that they could not agree on a package to solve the euro's problems which, in Mr Cameron's view, is the real game in town, rather than the debate about a referendum.

JH: Hmm. Thanks very much for that Nick. Let's have that debate about the referendum. Mark Pritchard, you want – I said by the way the last referendum, the only one was '74, it was '75, of course. And you want another one because that was a long time ago.

MARK PRITCHARD: Absolutely, I mean, millions of people in this country have never had a say on the European question. Either they weren't born in 1975 or they were born and not old enough to vote, or indeed some, you know, voted and thought they were just signing up to a common market, but that has turned out not to be the case that we move ever closer into political union with Europe. But do you know, this is not about necessarily the terms of a particular bill that may or may not come forward in parliament or a future referendum, this is fundamentally about freedom it's about democracy and it is about the legitimacy of the European project. You know there are the great disenfranchised out there that have never had a say, they need to be enfranchised, that is a fundamental democratic point, and I think . . .

JH: Well . . .

MP: . . . that people feel there's a real disconnect not only between Brussels and the British people but increasingly between Westminster and the British people.

JH: You say they've never had a say, but they've always had the option in election after election for many years anyway, of voting for parties that want to pull us out of Europe, they haven't taken that option?

MP: No there's been this grand consensus, and in fact one of the . . .

JH: (*interrupting*) Well, there have been parties who've said, 'let's pull out of Europe, let's have done with it', and they haven't had the support of the British people.

MP: Yes and that's because I don't think, as a culture, that the British people, and obviously I speak as a Brit, you know, want to evolu—want revolution, they prefer evolution. And that is why I think . . .

JH: And now you're proposing revolution?

MP: No, no, no, no, no, no. And if you look at the wording of the motion, yes there's an option to leave the European Union, there's an option to stay within the European Union on its current terms, but also an option to renegotiate the terms of our membership in order to create a new relationship based on trade and cooperation. And I think it is that that will attract a widespread support not only in the public but across the political divide and also on the Eurosceptic left of the Conservative Party.

JH: So given that, if Mr Cameron imposes a whip and says 'You've got to vote against a referendum, what'll you do?

MP: Well, I'm, I . . . I, we'll have to wait and see. I . . . We'll have to wait and see.

JH: You might defy the whip?

MP: Well, if it's a three line whip, yes I will. Because ultimately . . .

JH: Will you?

MP: Yes, ultimately . . .

JH: How many of you'll do that?

MP: Well, we'll have to wait and see. But, you know, ultimately this is about country first, party second and career last, and that's where we've got to move to because . . .

JH: Alright . . .

MP: Ultimately, ultimately the British people have not had a say, the majority, on this issue, it's not going to go away, you know, we've got the Financial Transaction Tax possibly coming down the line, the eurozone bailouts, or backdoor bailouts through the IMF, we've got ending Britain's veto on fiscal matters, if you're going to believe Mr Barroso, and fiscal union, and the implications of fiscal union for the single market and the United Kingdom. So Europe is not going to go away and the economics of Europe cannot be . . .

JH: Alright . . .

MP: I'll just finish if I may . . .

JH: No, no, yeah . . .

MP: Sorry . . . cannot be, the economics of Europe can no longer be disaggregated from domestic British politics.

JH: Alright, well . . .

MP: It's unsustainable.

JH: Well, don't go away, because I want to bring Nadhim Zahawi in to this. Why shouldn't people have a say, Mr Zahawi?

NADHIM ZAHAWI: Oh, I absolutely think they should have a say, we, in fifteen months passed legislation to have a referendum lock so if any powers moved to Europe we would absolutely put it to a referendum. Now . . .

JH: You mean, if there has to be another treaty.

NZ: Well yes, but also we all agree that there is a paradigm shift in the structures of Europe because of the eurozone crisis. What we should be doing is helping them get through that crisis and in return negotiating to take powers back to our country on employment law and social legislation. My problem with – and I don't need a three line whip to vote against this debate – is timing. I was a businessman before I became a politician and brilliant strategies badly timed and executed end up in failure. To have, now, government time when we're dealing with the economy, welfare, education, all the problems around all those things that we've inherited, to have a referendum in eighteen months, I think the timing is terrible.

JH: The timing's never right for these things.

NZ: Well, you say that John, but let's try and get what's the best deal for Britain. I had four hundred businessmen and women at my local Enterprise Partnership on Friday, not one of them said to me, 'I want a referendum on Europe now, let's get this done now.' 40 – over 40% of our exports are going to Europe, I'm in Frankfurt today . . .

JH: (*interrupting*) We wouldn't have stop selling things to Europe if we pulled out of the EU,

MP: Exactly.

JH: Lots of other countries do.

NZ: I don't, I don't disagree with you. Switzerland does, but Switzerland has no seat of the table in making those legislations in the first place. But I'm in Frankfurt today with a British business that's doing really well in Europe, to understand better what effects Europe would have, if things change, on British business.

JH: But it won't happen till 2013 anyway. I mean, if there were to be a referendum. We're not talking about it happening next week or next year even.

NZ: I don't disagree with you, but it's parliamentary time now, when we have to deal with an economy where we're borrowing £500 million pounds a day . . .

JH: Ah.

NZ: . . . a welfare system that's broken . . .

JH: Yeah, but you see that's precisely . . .

NZ: . . . education . . .

JH: That is precisely why a lot of people want this referendum, because they say we're fed up with bailing out Brussels, or at least that's a fairly . . .

NZ: Well . . .

JH: . . . crude way of putting it, but you take my point.

NZ: I do take your point, but even Graham Brady admits today that it is not top of people's priorities, it comes about fifth or sixth in every poll on these things.

JH: Yeah.

NZ: We as politicians have to take a lead. The prime minister, leading the debate on Monday, and William Hague being there is a very positive thing and I think we could have a really good positive debate, Mark Pritchard is a very smart guy and a very eloquent debater and he'll make his point I will be making mine.

JH: Go on, you make your point then, against that, because really the argument is that even if there is this great appetite to have this referendum, not now, Mr Pritchard.

MP: Well, just on the point of renegotiating powers, you know, we've heard it all before, successive governments have been banging on about it for long enough, and I say, 'what powers and when?', nobody seems to be able to answer that question.

JH: Go on, answer that Mr Zahawi?

NZ: Well, employment legislation, social legislation. Let's actually get in a place where we can negotiate back some of these powers. 120 MPs, Mark, you were there, met together in Parliament and actually said we're going to all work to essentially deep dive and understand which powers we can take back, and let's put those to our government, let's push hard on this. I signed a letter, with many colleagues to the Financial Times saying let's do this now.

MP: (*speaking over*) But do you accept, do you accept, yes . . .

NZ: That's the priority for our country.

MP: Yes.

NZ: The economy needs, you know . . .

JH: Go on, let him just ask one quick question.

MP: I'll just say, it's always jam tomorrow, but I hope that all my colleagues would accept that there is a democratic deficit and that disconnect between the British people and Westminster, and more so between the British people and Brussels is going to get worse rather than better.

JH: And that, Nadhim Zadawi is at the core of it, isn't it, that's at the heart of it, the disconnect?

NZ: Well, absolutely, and we all agree there is a paradigm shift in the structures of Europe. When we get to a place where we see what that looks for the eurozone, what powers we can take back, then that's the place to have a debate.

JH: Alright.

NZ: . . . say let's have a referendum on . . .

MP: (*inaudible*)

At 8.53am, John Humphrys said:

> Now, if there is one single issue that has never lost its power, over the past half-century anyway, to divide the Conservative Party it is Europe – ask Margaret Thatcher, John Major, David Cameron. Mr Cameron has just about managed to keep the lid on things, but possibly not for much longer. MPs will debate the European Union next week and the sceptics want, not just the sceptics, want a referendum on whether we should stay in or pull out. So what does all this mean for our politics? David Rennie political editor of The Economist, used to be Europe editor himself, and Fraser Nelson editor of the Spectator. Fair to put you on the sceptical side, Fraser Nelson?
>
> FRASER NELSON: Yeah, I guess so, I mean I'm a supporter of our membership of the EU, I think it's a good thing which puts me in the minority, only 25% of the population think that, so it's completely reasonable that the government should, well the backbenchers, should respond to this huge clamour there's been for this debate to happen in Parliament. There's been 100,000 signatures on a petition. This isn't some kind of thing which a bunch of MPs cooked up in the Tea Room, this is a result of the government's new 'ask the people' initiative, so we shouldn't be surprised if the MPs do actually try to ask the questions which the petition's put to them.
>
> JH: Is it fair to say that 100,000 is a big figure, but out of a voting population of whatever it is, thirty-odd million, it isn't actually that big a figure, given the amount of publicity it's got?
>
> FN: You could say that, but in which case why have this petition system at all if you don't think that? Only two petitions have ever got more than 100,000, one of them was the Hillsborough one. I mean, this is the way that parliament is working nowadays, so I don't think it's odd if they do actually obey the petitions if you get enough signatures.

Mr Rennie argued that the idea of holding a referendum was 'dangerous' and could put the government in a difficult position in terms of negotiations. He added:

> …if you really look at what Eurosceptic MPs want, they want to be a free rider on the single market, but without a lot of the regulation and costs and employment laws, environmental laws.

Mr Humphrys asked why they should not have that. Mr Rennie replied that it would lead to other EU countries grabbing investors and business from the UK. Mr Humphrys asked if this scared Mr Nelson. He replied there was another option, to pull out of Europe altogether. Mr Humphrys asked if he would do that. Mr Nelson replied:

> Right now, I would far prefer if David Cameron were to manage to negotiate some settlement with Europe that was far more going with the wishes of the British public. But if we can't, if David Rennie is right and the rest of Europe says 'no, we're not going to, we want your nine billion quid a year and we're going to give you all these regulations to punish you for all this money', then you could ask the public for the first time since 1975, do you actually want this relationship?

JH: So therefore, what of David Cameron's strategy? Has he got it right? Is he running a huge risk here? Or is there anything else he could do apart from telling them not to vote – not to vote for a referendum that is?

DR: Well, we need to be serious here. We're having a British discussion which makes sense in Britain, on the continent their economies are on fire, their single currency is on fire, France is threatened with losing its Triple-A credit rating because it can't afford to bail out other economies in the eurozone. So they are facing the worst economic crisis in living memory.

FN: Time for us to back away from all this.

DR: Fine, okay, that's fine in the British context. But in the meantime what do they hear from Britain? They hear we're not going to help you, we're not going to help you fight the fire, we have no interest in fighting the fire, but in the meantime here are the lists of purely selfish British demands, stop fighting the fire for a minute and listen to our concessions . . .

FN: (*speaking over*) We're giving them nine billion quid a year, which is a lot of money. I mean, what do they hear from Norway, what do they hear from Switzerland? It's quite . . .

JH: Alright let's leave the arguments for the closing minute – what about the politics of it? Will David Cameron, a) will he impose a three line whip and b) if he does, that's it, it's dead, it's all over isn't it Fraser?

FN: No, he knows that there is a storm coming. Public opinion is so far removed from the political elite's opinion on this, that something has got to give. David Cameron would be very unwise. He will get by next week, he'll have to give a concession, the question is what.

JH: David?

DR: I think that's right, and in some ways I think maybe let's have an 'in-out' referendum, a straight 'in-out' referendum, it's a straight fight and then The Economist will come out and say, 'stay in'.

JH: Hang on, this isn't The Economist saying 'let's have a referendum' officially is it?

DR: It's me.

JH: Alright.

FN: If David really wants an 'in-out' referendum, so do an awful lot of other people.

October 21

At 7.14am. Justin Webb said:

The Labour leader, Ed Miliband has been completely clear: he is going to tell his MPs to vote against the proposal that there should be a referendum on Europe. The referendum idea, the result of an e-petition, is to be debated on Monday in the Commons. Quite a sizeable number of Conservatives, as we already know, are going to break with their leader and vote in favour, and that rebellious spirit has, it seems, spread to Labour as well. Graham Stringer is a Labour MP, former whip, and is in our Westminster studio, good morning to you.

GRAHAM STRINGER: Good morning.

JW: And how are you going to vote?

GS: I shall vote for the motion. I think there should be a referendum. I think when people have been asked through a petition and there's a very moderate motion down, there can't be any opposition in principle to having a referendum. All three parties have put, have agreed to put referendums in their manifestos recently, the original decision to join the EEC was a referendum, so there can't be a principled opposition to it, and I think practically now is the time to give the people a choice of whether they want to stay in the European Union, which they've never been asked about.

JW: (*speaking over*) What your . . . what your leader says, what Mr Miliband says is now isn't the time to do that, it's not the right thing for jobs, it's not the right thing for growth, it would create economic uncertainty that our country doesn't need right now.

GS: I think the European Union at the moment is one of the major factors in causing economic instability around the world, and I think now is exactly the right time to discuss whether we should stay part of a project that the people in this country have never been (*words unclear due to speaking over*) about.

JW: (*speaking over*) But us leaving it wouldn't alter that fact of economic instability, would it?

GS: Well it might change it actually, it would certainly . . .

JW: (*speaking over*) It might make it worse.

GS: It would mean we wouldn't be asked for money to subsidise it. It would mean that we could take decisions on our own, which we can't in some areas at the moment, not to do with Europe admittedly, it's other areas of policy across the European Union, and I think now is exactly the time when the European Union is in crisis to have a fundamental debate and discussion about it.

JW: And give us a sense of how widely your view is shared. Albeit secretly, perhaps even semi-subliminally at the moment on the Labour benches, because you know, you're a former whip, you know what the whips are going to say, 'this is a bunch of mavericks these Labour people who vote in a way that their leader doesn't want them to vote, they're the usual awkward squad'. Even among those who do eventually end up voting as Ed Miliband wants them to vote, is it fair to say there is disquiet about Europe and a sense that this is something that should be put to the people?

GS: I think there's two issues. I mean, the issue of Europe, unlike in the Conservative Party, has gone to sleep really since the mid-1990s, it was seen as a cause that was losing elections in the 80s, and there's not been a debate, so there's not the strength of feeling about Europe in the Labour Party that there is in the Conservative Party, but I think that's changing and people are beginning to debate and discuss it. But secondly there's a feeling that it is the duty of the opposition to oppose – you couldn't get a more pro-European leader than John Smith, but when it came to Maastricht, John Smith thought he was the leader of the opposition and that the government should be tested on what they were doing, and he opposed the Maastricht Treaty in the Commons. So I think there's those two strands of thoughts that are gaining momentum within the (*words unclear due to speaking over*)

JW: (*speaking over*) So Ed Miliband's made a serious tactical error?

GS: I don't agree with him. He's got his job to do. I think it's a mistake of all three party leaders when the public are clearly aching for a say on Europe, to say, 'no you can't have it', when all those three parties have, in the past, agreed to referenda, and they've not been held.

Bulletins included the following at 8.30am:

CHRIS ALDRIDGE: The Labour leader, Ed Miliband, has come under fire for telling his MPs to vote against a proposal for a referendum on Britain's membership of the EU. David Cameron is facing a rebellion among the possible 60 Conservatives because of his insistence that they oppose the measure. The Labour backbencher, Graham Stringer who is a former whip, says Mister Miliband is making an error of judgement.

GRAHAM STRINGER: I don't agree with him. He's got his job to do. I think it's a mistake of all three party leaders when the public are clearly aching for a say on Europe, to say, 'no you can't have it', when all those three parties have, in the past, agreed to referenda, and they've not been held.

6.46am, Yesterday in Parliament included the views of Mark Reckless, Sir George Young, Mark Pritchard and Bernard Jenkin in favour of the referendum debate.

October 22

At 7.35am, Evan Davis said:

An important judgement came out of the European Court of Justice this week - that's not the human rights court, incidentally, it's another one - the case was instigated by Greenpeace, and it concerned a German professor whose invented a way of converting stem cells derived from human embryos into nerve cells. Now, the court found that he could not patent that invention, a process that involves the removal of the stem cell at an early stage entailing the destruction of that embryo cannot be patented, the court said. Well, as patterns are necessary to make much of that kind of research viable, many scientists have reacted to the judgement with dismay. Was the court right? David Jones is director of the Anscombe Bioethics Centre, and Sir Ian Wilmut is from the Centre for Regenerative Medicine at the University of Edinburgh. Good morning to you both.

Sir Ian Wilmut argued that companies would be less interested in investing in the research necessary to bring the relevant knowledge into clinical practice. He said if companies could not protect patents, they would not develop; the relevant treatments. He said the European court ruling was thus "inappropriate". Mr Davis suggested they had only said there was something odd about patenting an embryonic cell and Greenpeace were against it because they did not want use for profit something that was not actually an invention. Sir Ian said there was an inventory step, one of the requirements in patents, in learning to take an embryonic cell and turn it into a nerve or the particular kind of cell which used the treatment.

David Jones said the court ruling was not a surprising decision and in line with others taken over the past 10 years. Mr Davis suggested it should be a parliamentary decision rather than the court's. Mr Jones said the court was following what the European parliament had decided on the limits to patenting.

7.43am, Chris Morris said that Professor Marcus Kerber was a critic of the current partnership between France and Germany and had unsuccessfully taken legal action to prevent Germany 'taking part in eurozone bailouts'. He said:

> Today, the German-Franco friendship, the cartel as I call it, is part of the problem of European governance, because you can no longer govern Europe with 27 countries just by the understanding of two important and economically significant nations. Of course, the two parties try their best in order to comments the public now on the right path, on the euro-rescue path, but if you look empirically what has been achieved in one half years, for the time being, it's a failure.

Chris Morris followed this without comment; he went on to discuss efforts to expand the bailout fund and analysis of further rows between Germany and France. Bruno Waterfield, of the Daily Telegraph, then commented that there was bafflement that Germany and France seemed unable to get on. Mr Morris concluded:

> So, the irresistible force of France facing the immovable object, Germany. Someone, soon, has got to give.

8.17am, John Humphrys said:

> There are probably more Eurosceptical MPs in the Conservative Party now than there have ever been, and on Monday they will get a chance to vote for a referendum on whether we should stay in or get out of the European Union. Will they take it, or will they obey their leader's orders and vote against a referendum? Peter Lilley, former Cabinet Minister has always been sceptical, he's on the line, good morning to you.
>
> PETER LILLEY: Good morning.
>
> JH: How are you going to vote?
>
> PL: I shall oppose the motion, which may surprise you. The reason is that it's perfectly reasonable, indeed it's imperative that any government giving away powers to Europe should seek the support of the British people to give away powers which have just been entrusted and loaned to us. But if we are in the business of getting back powers from Europe, which is what the government was committed to at its manifesto, which Cameron, William Hague and the Chancellor are all strongly in favour of, then we have to go about negotiating a return of powers. And you can't do that through a referendum.
>
> JH: On the other hand, if they say, 'No, you can't have them', and anyway, negotiations could go on for 10 years, then people are getting restive.
>
> PL: (*speaking over*) No, no, no. The opportunity will present itself when Europe comes to us and the eurozone countries want to change the treaty to shore up the euro with further integrationist measures. We will say, well you need our support because you need unanimous support of all countries to change the treaty, so even though that doesn't affect

us, we will only give our support if in return you return some powers to us. And that's the opportunity that we have, the whole party is united on that, Sir John Major recently endorsed it, I think, on your programme. So it's not a question of there being more Eurosceptic MPs, the whole party is committed to getting back powers to this country to govern ourselves.

JH: Ah.

PL: And the right way to do that is through negotiation on those, on that, when that . . .

JH: Ah, but . . .

PL: . . . opportunity presents itself.

JH: But isn't that the point, and in one sense aren't you slightly missing the point, because this is an emotional thing for many people - they want Britain to be governed by Britain.

PL: Exactly. Well, it's more than an emotional thing, it's a perfectly sensible and reasonable thing.

JH: Well . . .

PL : It's in tune with the whole ethos of the coalition, the coalition is about localism. Within Britain, we want to transfer powers to local authorities, within Europe we want to get back powers from central authorities to nation states (*words unclear due to speaking over*)

JH: (*speaking over*) So have a referendum and get out of it.

PL: Well that's a different matter. We want to remain within Europe, but get powers back to govern ourselves.

JH: Be of Europe, but not in it, was that the expression that we used to use, a very long time . . . seems years ago – well, it was years ago.

PL: It was the slogan we used under William Hague, it was a very good slogan, he uses it again today in The Telegraph.

JH: Hmm.

PL: It's what the vast bulk of us want. Some would like to go further and leave, but all others would like to get powers back from Europe to the UK. The opportunity is likely to present itself, the need for it will be even more urgent if Europe is forming a sort of inner caucus of eurozone countries who are committing themselves to tighter integration.

JH: Alright . . .

PL: And I think this vote a slight distraction. If it were just about an 'in-out' referendum, I think that would be tactically very unwise, I think there's every chance that such a referendum would be lost.

JH: Really?

PL: And the cause of self-government would be put back a generation, just as happened in 1975.

JH: But it isn't just 'in-out' is it? Because you've got either the status quo or a renegotiation of powers, or leaving the EU. So you do have three options there, or at least that's the theory.

PL: (*speaking under unclear*) It's an 'in, out or shake it all about' option. Supposing you have 35% for staying in, slightly less than that for leaving and slightly less for renegotiation, what would you . . . it'd be a meaningless.

JH: You'd have another referendum then, I suppose. Do you reckon that Mr Cameron and Mr Hague they've rather messed up by forcing the vote earlier than it was going to be, and issuing this diktat?

PL: I don't know whether I would have had a three-line whip, but I've never been a whip, and that's a second-order issue. I would vote the way I'm going to vote, regardless of what the whipping is, and I'm sure others will make their own decisions according to their own principles.

JH: It's not going to go through, is it? Just in a word?

PL: It isn't, because the Labour and Liberal parties are going to vote against it – it's particularly odd the Liberals are going to vote against it in that they specifically did demand and 'in-out' referendum in their election manifesto.

JH: Well, you mustn't be unkind about them, they're your partners now remember.

PL: We can point out what they said before and what they're doing now, and I'm sure you will want to do so when you haul them into your studios to ask them how they stood on their heads yet again.

JH: Invite them into our studios. (*laughing*) Peter Lilley, thank you very much.

8.31am. John Humphrys, noting that it was six weeks since it had been stated that there were six weeks to save the euro, spoke to Elmar Brock, the German MEP. A clip from Wolfgang Schaeuble, Germany's finance minister, was played. He first said the situation was serious and there was a great responsibility to act. Mr Brock said he thought the situation would be sorted out. Mr Humphrys said there was a profound disagreement between France and Germany. Mr Brock said it was only over how far the stability mechanism should go and he was confident the differences would be resolved.

Mr Humphrys then spoke to Steven Major, a banking analyst from HSBC, who first discussed why interest rates were so high. Mr Major then observed that the architecture of monetary union had never been quite right because there was no fiscal union, and no tax raising authority. Mr Humphrys said that could not happen before next Thursday (when the agreement had to be reached). Mr Major said:

> Well, there are steps that can be taken right now towards this. There could be some partial fiscal union, there could be some recourse to some of the tax receipts, from some of the VAT, from the big countries, for example. But we need steps in the right direction, not in the wrong direction. The idea of guaranteeing debt that's been borrowed from these special vehicles is a move in the wrong direction.

He added:

> …we need to fix, we understand that Greece needs a proper haircut on its debts.

October 24

7.08am, in an item by Chris Morris about the latest negotiations over the euro crisis, David Cameron was quoted. He said:

> The crisis means that greater fiscal and economic integration in the eurozone is inevitable. But this must not be at the expense of Britain's national interest. We must safeguard the interest of countries that want to stay outside the euro, particularly with respect to the integrity of the single market for all 27 countries of the EU.

7.20am. John Humphrys asked Ben Wright if there was pressure on the government from those who wanted to vote for the referendum. Mr Wright said that a lot of whipping had been going on, including direct calls from the prime minister. He added that despite this, MPs were being urged by their constituents to vote for the motion. He said:

> Another MP, ambitious, wants to get on, said he wasn't going to sell-out his principles for a job that may never come. He was also very critical . . .
>
> JH: (*interrupting*) You mean he might sell-out his principles (*laughing*) if the job did come?
>
> BW: Well, there's more. He was also very critical of the way David Cameron treats the parliamentary party. And I do get a sense, talking to quite a few MPs, that that's galvanised quite a number of them. Recent promotions of angered those still on the backbenches and there is concern about the upcoming boundary changes. And I think the need to prove Eurosceptic credentials to local associations has also focused the mind. Those are some of the undercurrents here and we are looking at a large Conservative rebellion against the three-line whip, it could be 70, perhaps 80, but it's hard to predict. Another very Eurosceptic said to me that it's 'folly and bonkers' for MPs to be pushing for a referendum at a moment like this.

Mr Humphrys then asked MP Bernard Jenkin if his stance in favour of the referendum was "bonkers". Mr Jenkin replied that this was an issue of principle because promises of a referendum had been broken. He observed:

> We gave a cast-iron guarantee that there'd be a referendum on the Lisbon Treaty, but once it was ratified, we withdrew that cast-iron guarantee. This has led to the expectation among the British public, which has seen the relationship with our European partners change very dramatically over the last decade or so, feel that they've been let down and they want a referendum . . .

Mr Jenkin then made a point that the move was supported by an e-petition signed by 100,000 and added that all the main parties were against public sentiment on the issue. John Humphrys interrupted:

8.13am. John Humphrys asked why David Cameron was seemingly intent on committing hari-kari on the referendum vote by imposing a whip when he did not have to. Nick Robinson replied:

> Well, I think because David Cameron is not just a child of the Thatcher era, which makes him and William Hague profound Eurosceptics, but they both served their political apprenticeships not under Margaret Thatcher, but under John Major, and the former Conservative prime minister is the man that they all want to avoid copying. He tried to woo Eurosceptic doubters to start with, he ended up warring with those people that he dubbed 'bastards', John. And that is because David Cameron believes that he sent out totally confusing signals about his intent. So I think the prime minister is desperate to say, 'don't misunderstand me, this is the wrong time to do the wrong thing, we should not be having this debate now about a referendum, and we should not have a referendum that looks at coming out as well as the possibility merely of renegotiating Britain's relationship.
>
> Mr Ah, but that's a separate matter isn't it. Look, let's be clear, you said democracy and growth, those are the two . . .
>
> BJ: The other one is growth.
>
> JH: Yeah, exactly. Let me, but let me add in a third, puzzlement. Are you saying – puzzlement on my part, that is – are you saying that if you got this vote through, you would want a referendum now?
>
> BJ: Well, now is not . . .
>
> JH: (*speaking over*) I mean, like as in the next few months?
>
> BJ: Well, actually we're . . .
>
> JH: Or . . .
>
> BJ: . . . saying that the bill should be introduced in the next session.
>
> JH: Right.
>
> BJ: And the motion doesn't specify when the referendum should actually be held. So this is about an issue of principle, it's about asking on the issue of principle about whether we should have a referendum, or . . .
>
> JH: (*speaking over*) So what you seem . . .
>
> BJ: . . . or whether we have to wait until after the coalition, or when there's a new treaty, which is what the government's saying.
>
> JH: Wait till after the coalition? You're assuming there will be . . .
>
> BJ: Well . . .
>
> JH:. . . a Tory government next time?
>
> BJ: Well the government keeps saying that repatriation of powers is something we'll promise on our next manifesto. I mean, it's always jam tomorrow for Eurosceptics, it's never jam today. And the British people are fed up with that.

JH: (*speaking over*) Right, but, but, but when you get your referendum, if you get your referendum, and there is a huge difference there, what you want are three questions on it – it makes it look a bit more like an opinion poll, because if you've got say . . .

BJ: (speaking over) To some extent it is. It is a consultative referendum . . .

JH: Ah.

BJ: In advance of a renegotiation. It's defined . . .

JH: (*speaking over*) So you'd have a referendum before another referendum?

BJ: It might be necessary to have a referendum afterwards to ratify the new relationship agreed after the renegotiation.

JH: Because if, for instance, you got 32% saying 'we want to stay in', 33% saying we want to come out . . .

BJ: That would be a majority for changing the relationship with the European Union.

JH: Right, so even if the majority, 35%, said, you know . . . you would go for that?

BJ: Well, if a majority of people . . .

JH: (*speaking over*) I mean, you would say, 'that proves our point'?

BJ:. . . say they're not happy with the status quo, clearly, the government should change the status quo. But can I just talk about growth?

JH:(*speaking over*) Well, it would be braver and more sensible then . . . just put this one question to you: it'd be braver and more sensible would it not, just to say 'in-out', let's have an 'in-out' referendum?

BJ: Well, except that polarises the situation. One of the options facing . . .

JH: (*interrupting*) But you've just polarised it.

BJ: No, the . . . one of the options facing this country is whether to renegotiate. Now, I think the British people are perfectly intelligent on answering every question referendum, after all, that's what Alex Salmond is offering in Scotland.

JH: It's not whether they are intelligent enough to answer it, of course they are, it's what you make of the result. You then have to interpret that result.

BJ: I've said . . . I've explained that already. If the majority of people want a change in the relationship with the European Union, be it renegotiation or 'out', there clearly has to be a change in the relationship.

JH: Hmm.

BJ: But can I just talk about growth? Because the urgency of this issue is reflected by the fact that there is now over £60 billion of European regulation burden on business and public services. We've slid right down the competitiveness league over the last decade or so, one of the big issues is European regulation. A majority of businessmen now see more disadvantages from the single market than advantages. This is restraining our economic growth. We can't afford to cut taxes in a big way, we can't afford to boost the economy with spending. We can afford to deregulate, but new regulations are still coming through from the European Union,

> the City is being clobbered by the financial services regulations, and there's no reason why we can't regulate the City ourselves. The Agency Workers Directive is adding another £1.8 billion to the cost of employing agency workers, that will put more young people out of work. We used to have below-average youth unemployment in this country, we're now on the European average, and it's time we did something about it

Humphrys then asked William Hague if Nick Robinson was right that there would be a caucus against which Britain would have no power. Mr Hague responded that the UK wanted the EU to make decisions on the basis of all 27 members, "not 17". Mr Humphrys asked whether he wanted to repatriate certain powers "and hand them back to Britain". Mr Hague said that this was agreed by the Conservative Party but not by the Coalition. Mr Humphrys suggested that treaty change could come more quickly than expected. Mr Hague said there could be small treaty changes or large ones. An example of that was that Britain would no longer by liable for bailouts in the eurozone, despite promises from the last government that it would. John Humphrys asked how far they would have to go before there was a referendum. Mr Hague said that this was laid out in the recent EU legislation. He said:

> I think one of the essential points to remember here is that these things can happen incrementally, or they could, at some future date, happen in a big bang treaty change, and that would be the moment, in my view, to seek the . . . er, to seek quite a wide repatriation of powers to the United Kingdom.

Mr Humphrys said:

> Right, so if, for instance - and this is a very strong possibility, isn't it, some would say probability - if the eurozone becomes a fiscal zone as well as a monetary zone, and then a few other bits and pieces are tagged onto that, but not very much, that would be the centrepiece of it, would we say, 'right, that requires a new treaty, clearly it does require a new treaty, we are going to have a referendum on . . . to test how British people think about that'?
>
> WH: Well, in response to that we would have an order of priorities, depending on the scale of that change. And as you indicate in your question one can only be quite vague about what that might involve. Our first priority is what we were talking about at the beginning, to protect the right of 27 member nations, not just the eurozone nations to make the key decisions . . .
>
> JH: (*speaking over*) But you can't, because the big things, the qualified majority voting thing, because QMV will apply to so many of these things, you can't, because you're already outvoted by the . . .
>
> WH: (*speaking over*) Well you can . . .
>
> JH: (*words unclear due to speaking over*) 17 of them.
>
> WH: You can find ways of doing that if you succeed in winning your own concessions or succeeding in getting your own treaty changes in response. This is our order of priorities. The second is to make sure that our own financial services industry, very important to our economy, cannot be further disadvantaged or damaged by decisions made by the eurozone. And the third priority would be the return, this is a Conservative Party view, not coalition

view, the return of other powers to the United Kingdom, particularly in the field of social and employment laws, The Working Time Directive, things of that kind.

JH: But it's entirely possible that on some of these, what are to Britain you believe crucially important things, you would find the 17 members of the eurozone, a much expanded eurozone in the sense of the powers that it has, voting against others?

WH: Well, while that is possible, it's also important to remember they are not themselves a homogenous block, as one can see from all the disagreements now within the eurozone. So yes, we would want to safeguard ourselves and future British governments from that, but it would be equally wrong to think that they are just always, all going to caucus against the United Kingdom. They have very differing interests, very different views on what economic governance within the eurozone might mean themselves.

JH: As do so many of your MPs have very different views about the way you should progress from here on. Now why, I put this question to Nick and he gave a very interesting answer to it as you'll have heard, why on earth did David Cameron, and you for that matter, decide to go down this incredibly dangerous road, foolhardy some might say - and many are saying - of saying to your backbench MPs, 'you've got to vote against it', not, 'we'd rather like you to if you don't mind, old boy', but you've got to – three-line whip, Armageddon if you don't. I mean, you were cruising for a bruising, weren't you?

WH: Well, it's completely against the policy of the government, and it's not unusual for governments to say, when emotions are moved in the House of Commons which are completely (*laughter in voice*) against their policy, to say that (words unclear due to *speaking over*)

JH: (speaking under) It's not unusual for governments to say, 'this is a hugely important matter, we'll let you decide for yourselves.'

WH: No, this isn't . . . clearly, our whole relationship with the European Union is a matter that concerns the government as a whole, it is not just something, it is not just something for the House of Commons to put up some graffiti about a Thursday afternoon, to pass a motion which they then say doesn't matter.

JH: Yes, but . . .

WH: Motions on these things . . . and by way, the people in favour of the motion can't simultaneously say, 'This is a really serious issue and we want to pass this motion, and at the same time, you can ignore it if we pass it'

.JH: Yeah, but look, come on . . .

WH: This is a serious issue.

JH: You're a seasoned Eurosceptic yourself, I mean, you must've dreamed of this half your life, or half your – if not all your political life. And you find yourself (laughs) in a completely different corner of the ring.

WH: Oh it's not I have argued, as you're hinting, for more referendums than almost anybody else . . . JH: Exactly.

WH: I have argued against the euro . . .

JH: Exactly.

WH: . . . for . . more comprehensively than almost anybody else. But this proposition is the wrong question at the wrong time.

JH: Well, what's the right one then?

WH: It is not, but no, let me explain to you why it's wrong, just to finish that answer. It was not in the manifesto of either of the governing parties, it cuts right across the rules for holding referendums that we have just agreed by large majorities, it would create additional economic uncertainty in this country, at a . . .

JH: (*speaking over*) Alright, what's the right way?

WH:. . . difficult economic time, Europe is undergoing a process of change and an 'in-out' referendum, people would want to know what the . . . where the change was going to finish up before they voted.

JH: Alright, well . . .

WH: Clearly an 'in-out' referendum is not the right idea.

JH: Alright, what's the right one then, you've got ten seconds to . . .

WH: The right one . . .

JH: . . . tell us what the right one is.

WH: The right one is to do what we are doing now, to protect the British national interests.

JH: Oh, I thought you were going to tell me what the right referendum question was.

WH: The right referendum is whenever anybody, any government suggests handing more power from Britain to the EU, that the British people are consulted in a referendum, that is the right policy.

8.54am. Evan Davis said:

A lovely Matt cartoon in yesterday's Telegraph: a couple sitting down in front of the TV, one of them saying, 'Downton Abbey, Tory splits on Europe, I love these period dramas.' (*laughter in the studio*) Now, in the vote in the Commons today on whether we should have a referendum on terms of membership of the EU, we're told there could be 70, 80, 100 Conservative rebels, Labour might have some too. What makes a rebel? We have Stephen Pound, Labour MP for Ealing North with us and Sam Gyimah, Conservative MP for East Surrey, good morning to you both.

Mr Gyimah said he was going to vote against the motion, so was not rebelling and Mr Pound said the same. Mr Davis asked Mr Gyimah if there was a growth in the number willing to rebel. He did not answer directly but seemed to suggest that although he had 50 letters from those wanting him to rebel, he was not going to ignore the silent majority who had not written. He said even if there was not a three-line whip, he would not vote for the motion. Evan Davis said:

Right, so basically you're not even tempted to rebel, because you don't even agree with . . . They haven't had to discipline you to get you through the . . .

SG: No, I mean . . .

> ED: . . . their door?
>
> SG: My position on this is relatively simple, which is we've got to do what maximises our national interest. And if we're talking about getting out of the EU, and we cannot really credibly be negotiating to bring powers back.
>
> ED: You're very tame. I mean, I wonder whether we shouldn't have got a rebellious person in here for this, you know.
>
> SP: Well no, what you've got here, Evan, is a thinking Tory (*laughter in studio*) Just give thanks to God, don't mock the poor chap.

Stephen Pound said there was a lot to be said for ignoring letters from constituents. He added:

> I think that the one thing that you can say with confidence is that most of the DUP will vote for it, most of the Liberals will vote against it, there will not be a huge split amongst the Labour Party, simply because we're enjoying ourselves so much, and I'd rather doubt there'll be as many Tories as they think.

Mr Gyimah said he had text messages from people saying he would make a lot of friends if he rebelled. Mr Davis said the conventional wisdom was that there was a need for MPs who were not sheep. Mr Pound said that independents simply weren't elected. Mr Gyimah said people did not like divided parties, they wanted strong government.. Mr Davis said this was true and asked what subject he would rebel over. Mr Gyimah said there was not one on the table at the moment.

October 25

Bulletins said that David Cameron had suffered his biggest parliamentary rebellion over the EU referendum vote, with 79 of his party – including two ministers – voting against the government, two acting as tellers and two abstaining. (The total vote against, 111, was given, but not which party they were from). It was noted that in 1993, 41 MPs had voted against the government line over Maastricht. Robin Brant said the rebellion was a "sizeable chunk" of the party. He noted that 19 Labour MPs had also rebelled. In a later edition, Nick Robinson noted that David Cameron had suffered a rebellion twice the size of John Major on this "most toxic of issues", but unlike Mr Major – despite the rebellion – he had a large majority. He said the vote for some Tories was "a cry of pain" based on a dislike of the coalition, boundary changes and the tight squeeze on expenses. At 8am, Conservative MP Mark Pritchard said:

> We need some definition, we need some clarity, and hopefully that'll be forthcoming over the coming days. If we don't have that clarity, I think the government's position on Europe is politically unsustainable, given the crisis in the eurozone, and possibly a game-changer just coming months down the line in Europe.

6.45am Yesterday in Parliament: Susan Hulme said that David Cameron had faced a challenge to his authority "that disinterred those memories of Conservative splits over Europe". There was actuality from five Conservative rebels, David Nuttall, Andrew Bridgen, John Redwood, Adam Holloway and

Jacob Rees-Mogg. William Hague as also quoted saying that it was wrong to rock the European boat "especially as half our trade is with Europe" and Malcolm Rifkind, the former foreign secretary said it was the wrong time to hold such a vote. There was also criticism from Douglas Alexander, the shadow foreign secretary, that Mr Hague was "pandering to Eurosceptics".

> DAVID NUTTALL: At a time when people pick up their phones and spend their own money voting week in and week out to keep their favourite contestants in programmes such as Strictly Come Dancing and The X Factor, many will be baffled as to why it is that the Government and all those who oppose this motion seem keen to prevent them from having their chance to vote on Britain's future relationship with the European Union.
>
> ANDREW BRIDGEN: Over the last week I've had dozens and dozens and dozens of e-mails, telephone calls and letters from constituents urging me to support this motion, and the only communication I've had urging me to vote against it was a telephone call from the Whips Office.
>
> JOHN REDWOOD: If Britain seeks a better deal, Germany is not going to turn around and say they won't sell us any more cars and France is not going to say that it won't sell us any more wine. It's an absurd scare.
>
> ADAM HOLLOWAY: I am not now prepared to go back on my word to my constituents. And I'm really staggered, no, I'm really staggered that loyal people like me have actually been put in this position. If Britain's future as an independent country is not a proper matter for a referendum, Madam Deputy Speaker, I have absolutely no idea what is.
>
> JACOB REES-MOGG: It is for us backbenchers to say to Her Majesty's Government: 'Stiffen your sinews, summon up the blood and imitate the action of a tiger, for that is how you should behave towards our European partners, not like Bagpuss.' (*cheers from House*)

6.33am. Ben Wright said the referendum vote had shown "an extraordinary amount of defiance". He noted that half the rebels were from the new intake of MPs and said it showed the potential for rebellion "later in Parliament". John Humphrys asked if he meant specifically about the EU and which Mr Cameron in other circumstances would have been happy to hear. Mr Wright said it was a mixture of that and whether Mr Cameron would deliver his promises on the EU. This was a shot across his bows. He said:

> I think there are some Conservatives who now feel that that's simply paying lip service, it's rhetorical. And they wanted to show Number 10 yesterday that they're serious themselves about European issues, and that's the warning shot they were firing across the government's bows yesterday. Europe was undoubtedly a big part of what yesterday's vote was about, but it was also, there were also concerns around boundary changes, there was also concerns on the backbenches about how David Cameron and Number 10 treat, treat them, I think they feel rather unloved, they feel taken for granted, many are still uncomfortable with the coalition, there are not the spoils of office in terms of ministerial jobs around that they would have been if the Conservatives had a majority. All that was playing into yesterday.

Mr Humphrys asked if they were simply letting off steam. Mr Wright agreed that they might be, but they were also facing complaints from their constituents, the "voices, in the end that they listened to". He added that Mr Cameron in the end had "invited" this confrontation because he could have held a free vote. He said:

David Cameron did not want that to happen, he thought it was far too serious an issue for the House of Commons to express a view in favour of holding an 'in-out' referendum, he wanted this confrontation, but in the process he has revealed quite what a rebellious parliamentary party he's got on his hands

7.09am, there was actuality from Peter Bone, a Conservative MP who had rebelled. He said:

> I am going to take the advice of my prime minister, when he encouraged every member to be independent-minded, to put his constituents first, to put his country first, and to put narrow party interests last. I say 'well done, prime minister,' and I will be voting my conscience tonight.

In the studio, Evan Davis asked Mark Pritchard, of the 1922 Committee what proportion of the Conservatives had rebelled. He said it was 81, a significant number, and a majority of backbenchers. Mr Davis asked what happened next, if the argument carried on "like in the 1990s".

Mr Pritchard said:

> I think the Conservative Party will move on from the vote last night, but I don't think Europe as an issue's going to move on from this parliament, and as I mentioned yesterday, I think it's going to be more rather than less of an issue. Not because the Conservative parliamentary party want to supposedly bang on about Europe, but because European leaders are making Europe an issue more and more. So I think it is absolutely right that parliament as a whole, and let's remember there were members from the Labour benches that supported the motion as well, erm, discuss this issue as we see Europe more and more become part of our daily political lives. And I think that is going to be the case whether we like it or not.

Mr Davis asked whether he stood with the Coalition agreement on Europe, "a fraught compromise". Mr Pritchard said:

> Well there are things in the Coalition Agreement that may or not come forward in legislation over the coming months, and there's an on-going debate about what was in, you know, the Liberal Democrat manifesto or our own, or . . .
>
> ED: That's all history. That's all history, isn't it? The Coalition Agreement is the thing that governs the parliament . . .
>
> MP: Well I . . .
>
> ED: . . . and the policy, isn't it? The manifestoes became history when the Coalition Agreement was signed?
>
> MP: Well, I think the important thing from last night is there needs to be, clearly, definition of what the coalition policy on Europe is. Europe is not going to go away, it's going to be more of an issue, as I've mentioned, and I think that, you know, we need to have some beef on the policy, we need to have clarity. Is it the case now, for example, that fiscal union will not trigger a referendum under the European Union Act 2011, despite the fact that it will be a significant and fundamental change in our relationship with the European Union and with the eurozone.

ED: Can I ask, what did you think of the prime minister's conduct yesterday? He didn't listen to the debate, did he? Not to all of it. I think he left as David Nuttall made the speech proposing what the motion . . .

MP: (*speaking over*) Be fair, no, come on, let's be fair, he had to go to . . . he's got other commitments in Europe over the next few days, and then on to Australia. I mean, the prime minister is very accessible, I put that on record, and he's in constant contact with the backbenchers and no, I think that's a slightly unfair criticism, and he does have other responsibilities of course.

ED: Because, I mean I'm asking whether there's actually a bit of a Cameron backlash here. Benedict Brogan, writing in the Telegraph says it's actually a rebellion not about Europe, it's about Cameron himself. Now is that, is there anything in that?

MP: Well, you know, you'd have to ask individual members about that. I think, you know, we don't want to get into the mistakes of the 90s of personalising things. I think the . . . one of the . . .

ED: I'll take what you've just said as a bit of a 'yes' actually, Mr Pritchard . . .

MP: Well no, no, no, well, Evan . . .

ED: (*laughs*)

MP: Let me try and answer your question and I mean, you'll probably answer it better than I would, to be fair, but I'll try my best, and it's this: that I think the Conservative Party has learnt its lessons from the past and it's noteworthy that the debate yesterday and most of the debate in private has been done in a calm and reasonable and measured tone, and I hope that will continue over the coming weeks and months. Because Europe certainly is going to be on the political agenda. But I think one of the most fascinating things that has come out over the last few days is the issue of what type of treaty change would trigger a referendum. It appears now that the policy may be that only a big bang change would trigger a referendum, an incremental treaty change would not trigger a referendum. My view is that a treaty change is a treaty change so . . .

ED: Any change.

MP: . . . that's what, yes, indeed. So we need some, we need some definition, we need some clarity, and hopefully that will be forthcoming over the coming, over the coming days. If we don't have that clarity, I think that the government's position on Europe is politically unsustainable, given the crisis in the eurozone, and, indeed, possibly, a game changer just coming months down the line in Europe.

7.23am. Evan Davis said that many of the current tensions in the EU were based on Germany not liking picking up the bills for other countries despite its growing economy. Steve Evans reported from Germany about the growing economy, and included comment from Germans that Britain was dismissive of manufacturing. He noted that German wages had not gone up much, and also that Germans had not benefitted from the euro because it meant higher prices for imports.

At 8.10am, John Humphrys interviewed education secretary Michael Gove about the referendum vote. Nick Robinson first said:

Well, let's put it this way, John, the prime minister used personal appeals, he changed his own travel plans to stay in the country, he got his whips and his advisors and his ministerial friends to plead and to arm-twist over the weekend. And yet he failed to convince more than half of his own backbenchers. Because you add abstainers to that 81, you get another 15, that takes you to more than half of Tory backbenchers, John. And the reason I think is twofold. On the one hand, on Europe, the backbenchers simply don't trust him. They don't trust him, they certainly don't trust the coalition, and they don't trust Whitehall to deliver the change on Europe that they've long craved for, and they now believe is absolutely necessary because of the crisis in Europe. But there is another, more difficult, reason for David Cameron to deal with in some ways: backbenchers are now fighting for their political lives, because of the cuts he made to the number of MPs, which are producing boundary changes, which means that MPs are desperately going to their constituency parties and saying, 'Please don't get rid of us, keep us, get rid of the other guy'. Add to that, John, the impact of the coalition, which means that if you are a male, middle-aged Tory backbencher, the chances of you becoming a minister are about as great as the chances of me or you becoming one, John, because before you, in the queue comes a Liberal Democrat, and above all, a woman. They have cottoned on to this. And you may say, well, who cares about this great melange of reasons for people rebelling on a vote that makes no difference. The reason is this John – because there is now effectively a party within a party who like each other's company more than they like the company of government ministers, who like each other's views more than they like the views of government ministers. They may discover they like operating as a bloc instead of operating as a parliamentary party supporting their leader.

JH: Right now, what about the effect – that's, that's Mr Cameron himself, what about the effect on policy? Where does it go from here?

NR: Well, it seems to me that the prime minister in his objective of wooing back those Eurosceptic backbenchers, gave something of a hostage to fortune. He said in the House of Commons yesterday, 'Like you I want to see fundamental reform, like you I want to refashion our membership of the EU so it better serves our country's interests.' The questions that those rebels will now be asking – as well as some of his own cabinet colleagues – is what way do you want to see the EU refashioned, when do you want to see it, and how on earth could you deliver this given you're in coalition with a pro-European party, the Liberal Democrats, who will not countenance any such thing.

John Humphrys asked Michael Gove if this was damaging for Mr Cameron; why, if the difference between Mr Cameron and the rebels was not great, he had forced this "humiliation" on himself; how it could not be a humiliation, if half your backbenchers voted against you; that it was different from the Liberal Democrat split on tuition fees because the rebels had said they did not agree, despite strong whipping ; that because the vote was "friendly" as Michel Gove contended, the vote was all the more dangerous; that the rebels had voted calmly and not hot-headedly – it was not a quick bloody nose; whether the MPs were disaffected over other issues (as Nick Robinson had contended – Mr Gove said they were not); that ministers resigning of an issue of principal was "even more dangerous for you"; if it was that serious "we're back to the old days" – this was not just personality politics, it was to do with serious principle, leading to a problem down the road; what Mr Cameron meant by bringing back more powers from Brussels because that was rhetoric; what exactly would trigger a referendum, for example treaty change; when exactly powers (such as employment cited by Mr Gove) would be taken back, and whether the Coalition would agree – would it be this Parliament; that it was not possible for the UK to be involved fully in the eurozone negotiations; that the UK could not veto fiscal union among the 17 that nothing would be done about repatriation of powers in this Parliament; whether Mr Gove had a timetable for the repatriation; that he was ducking the real question; whether (again and twice more) it would be in this parliament.

8.54am. John Humphrys said:

> Germany's is the biggest economy in Europe, and one of the reasons it's done so well is that it has profited from the euro. Therefore, it's perfectly reasonable that Germany should pick up the bills when it comes to bailing out those countries that have done badly out of the euro. Fair enough? Well, not if you're a German taxpayer it's not. I'm joined by Hans-Werner Sinn who is the president of a leading German think tank, the IFO, and by the former Conservative cabinet minister, John Redwood. Mr Redwood, you think that is a reasonable proposition?

Mr Redwood said that if you live in a single currency, you needed a single country to go with it, and also to accept that the richer countries should send money to poorer areas. Poorer countries, for their part, had to accept budgetary discipline. Mr Humphrys asked what happened if they did not and if countries like Greece broke the rules. Mr Redwood replied again that there should be proper budget discipline. He added that if he were a German, he would not want to pick up bills for Greece, Italy and Spain, and so would want to come out of the currency. Mr Sinn said that in America there was no bailout and in a currency union, could not see why one state should pay for another. It should not be the German taxpayer. Mr Redwood said the US analogy was not fair because the US government accepted high transfers of capital between richer and poorer areas. He added:

> If the European Union decides to go ahead with taking down the value of bonds, if individual states are allowed to renege on their promises to pay back the savers, the pension funds, the investors of Europe, it's going to be a pretty poor show for the banking system and for people trying to make their living and to save and to work hard. It will undermine credibility in the whole thing. So I don't think it's a good route to go down to say that we need bankrupt states telling savers they can't get their money back.

Mr Humphrys asked why Mr Sinn did not accept the euro was not working and set up instead a Hanseatic Union with like-minded economies. Mr Sinn said the euro was "useful" but needed discipline. He added that German had joined the euro on the basis that there would be no bailouts. He added that it was not true that Germany had benefitted from the euro, and had suffered capital flight to other countries, including two thirds of savings. Mr Redwood concluded that it would be better if the deutschemark was reintroduced and then other countries would be able to compete properly because it would go up in value.

October 26

At 6.42am, in Yesterday in Parliament, John Humphrys said it might be thought that MPs would have had enough of talking about the relationship with the EU, but they were again 'raring to go'. Sean

Curran said that Europe minister David Lidington had tried to reassure MPs that the government was thinking seriously about wresting powers back from the EU. He was quoted:

> The work has started, Mr Speaker, it's at its early stages at the moment, because, because we gave priority in our first year in office to implementing the referendum lock to try to repair the damage caused by the Right Honourable Gentleman's Government to public trust in the EU, by denying the people the referendum on the Lisbon Treaty which they had been promised.

Mr Curran then noted that Douglas Alexander, shadow foreign secretary, had said that the return of powers was not going to happen; Mr Lidington was simply trying to placate backbenchers. Mr Curran added that Mr Lidington had again tried to reassure anxious Tories, and was helped by Nick Morgan, who riposted by asking why the leader of the opposition thought that standing up to the French prime minister was a mistake. Mr Lidington added that the country would be glad for what the prime minister had done. The Labour MP Ben Bradshaw then suggested that the idea of repatriation of powers was loose talk and asked for a definition of the government policy on the matter. Mr Curran said that Mr Lidington avoided the question and instead began to outline what would happen if the eurozone countries took steps towards closer union. He said the government would ensure that if that happened, the interests of the 27 were protected, especially with regard to the single market and financial services. Mr Curran said that Mr Lidington did not sound too worried about the closer union of the eurozone, and this had prompted an intervention by Bill Cash, who was worried:

> It would have profound economic, political and constitutional consequences for UK vital interests, fundamentally changing the UK's relationship with the whole of the European Union, not only with our relationship with the eurozone.

Mr Curran noted that Mr Cash's bill was given a first reading, but was likely to be rejected by the government.

7.30am. James Naughtie said that if the 'summit' failed "we're all in big trouble". Robert Peston said that two issues were on the agenda, how to increase the bailout fund (EFSF) and how much private lenders in Greece should be forced to reduce the amount of money they were owed by the government. He said it was nearly agreed that this should be 60%, but the bigger issue was the bailout fund. He noted that Germany had vetoed the use of the ECB to provide credit alongside bailout money, and what was now under consideration was complicated financial engineering to turn £250bn into €1tr. He noted that lots of Germans were against this. He added that this would only give a year or so of breathing space, despite the size of the sums involved, and investors both knew this and were not happy.

John Humphrys then put it to Lord Lamont that he did not believe the euro was "repairable". Lord Lamont replied that he wanted a solution that would avoid a disorderly, unplanned break up now.

> JH: And that, you think, is the likely outcome of a failure today to do the sorts of things that Robert has just been talking about?

LL: Well, I think the immediate consequence of a failure to satisfy the market's expectations which seem to be . . .

JH: Can I just before one second, if I may, satisfy the market's expectations, what is this beast the market, whom we must all satisfy, bow down before?

LL: Well, the market consists of hundreds of thousands of analysts and investors making very detailed calculations and sometimes they catch the authorities out. They have views on whether Greece can afford to pay its debts. And if you're a holder of Greek bonds, you will be very interested in the penalty that is going to be imposed on Greece.

JH: (*speaking over*) And if we don't satisfy . . .

LL: (*words unclear due to speaking over*) This is the democracy of the markets.

JH: Ah well, that's an interesting word, democracy, because it sounds profoundly undemocratic, itsounds like a handful of people who want to make vast amounts of money for themselves . . .

LL: Well it's . . .

JH:. . . holding us all to ransom.

LL: . . . hundreds of thousands of professional investors, acting on behalf of you and me and our pension funds.

JH: Is that what is it? So it's, it's, it's . . .

LL: (*speaking under*) That's what it is.

JH: So it's that individual guy out there who says, 'Where am I going to put Norman Lamont's pension money? I know, I'll buy Greek bonds with it . . . no I won't actually, because I'm going to do something else', and then that has a knock-on effect and so on and so on?

LL: Yes. That is right. There is a very important aspect of this, and that is something called credit default swaps, the insurance policies taken out to safeguard people, to insure people against a default by sovereign authorities like Greece. One of the dangers of the haircut that has been proposed, the 40 to 60 . . .

JH: Haircut meaning you would cut the amount you get back . . .

LL: Yeah.

JH:. . . when you sell . . .

LL: Yeah.

JH: Instead of getting $100 on your bond, you only get 50 or 60 or 40.

LL: (*words unclear, speaking under*) One of the dangers is that a severe, a severe haircut will cause a credit event, and will trigger the credit default swaps and will therefore affects banks who hold those credit default swaps. That is one of the great dangers.

JH: Right, so go back to what you were saying before I interrupted you, if it doesn't work out today, they cannot come up with figures today, and it has to be figures rather than a general aspiration, then in the immediate, the immediate short-term future, what?

LL: Well, I think the market has got very definite expectations about the haircut, the amount of money required to recapitalise the banks, and, as Robert said, they are very focused on the amount of money for the bailout fund. It may be that they will come up with an additional bailout fund, there's been some speculation in the papers they will create another vehicle to which countries like China and possibly Brazil will also contribute money. But the basic problem here, and you know, once got to understand why, is that German parliamentarians and German public opinion don't want to go on forever just signing cheques. And they don't want, as I saw some German MP put it, Italy on drip feed forever. And that is why they do, all the time, the minimum possible to keep the euro afloat. Now, the minimum possible, of course, runs a great risk of not satisfying those markets.

October 27

At 6.47am in Yesterday in Parliament, David Carnock said that Ed Miliband had sensed an open goal at Prime Minister's Question Time because of the backbench revolt and Coalition tension over Europe. Mr Cameron said:

> He was asked this question – Jon Sopel: 'Let me ask this single question. Yes or no answer. Has Brussels got too much power?' Miliband: 'I don't think it has too much power.' So what we have, Mr Speaker, is very plain: there is a group of people on this side of the House who want some rebalancing, a group of people who want a lot of rebalancing, and a complete mug who wants no rebalancing at all.

Mr Cornock said that Mr Milband pressed on, asking who spoke for the Government, and whether he wanted to get out of the social chapter. Mr Cameron replied:

> It is this coalition that has worked together to get us out of the bailout fund, to get us out of the Greek bailout, to deliver this year a freeze in the European budget. That's what this coalition has achieved. The split that we have is between the Right Honourable Gentleman and reality, that is the split that we have.

Mr Cornock said that Mr Cameron then referred to a television interview in which Mr Miliband had not ruled out joining the euro and that was the split – the Labour party and reality. Mr Cameron added:

> I might have had a problem on Monday, I think he's got a problem on Wednesday. The truth is, Mr Speaker, if he went to that meeting tonight, his message to Berlusconi would be, 'Ignore the markets, just carry on spending'. His message to the rest of Europe would be that they think, Labour think you spend another £100 billion adding to our deficit, after they'd finished laughing there would be no time for the rest of the meeting.

At 8.10am, George Osborne was interviewed by Evan Davis. He said good progress had been made in recapitalising banks, reinforcing the firewall and resolving Greece. It now needed making workable. He added that it remained to be seen whether China would become involved and how the firewall would be leveraged. He said the situation overall, however, was now much better and long term, the workability of the eurozone now needed addressing. Evan Davis said the chronic problem was imbalances in Greece, with no prospect of it getting out through devaluation. Mr Osborne said it had been tackled in the steps to strengthen the single market and make Europe more competitive. He added that countries like Spain and Greece were facing up to making their economies more competitive by introducing market reforms, pension age increases and the like. Mr Davis asked whether this would really happen. M r Osborne said he could not guarantee that, but the signs were positive in the introduction of a whole raft of 'mutual surveillance techniques' which countries could impose on each other. He added that everybody wanted growth and like Britain countries had been forced to face some hard choices. Mr Davis asked if the new policing mechanisms would work. Mr Osborne said this was the big challenge and repeated that it was in Britain's national interest that they did because the instability of the euro was having a "chilling effect' on the British economy. Mr Davis asked what the implications for Britain of the speed the 'euro train' was moving towards integration. Mr Osborn replied that they point was for Britain to maintain its voice at the level of the 27 over issues like the single market, competition policy and the way financial services were regulated. Mr Davis said they would have their own president, so there would be a parallel structure. Mr Osborne said he accepted the need for more fiscal union because that is how the euro could be made to work. The task was to prevent the lessening of Britain's voice at the level of the 27. He added that Britain had played an important role in the past week in maintaining that distinction. Mr Osborne was asked if Britain would put more funds into the EU bailout via the IMF. He said this would not be the case.

October 28

In Yesterday in Parliament (6.46am), Sean Curran said that George Osborne had given parliament the bald details of the latest deal about the euro bailout, and had said there had been good progress. Bill Cash asked:

> In what respects does the Chancellor believe, and can he demonstrate, that the proposals for a two-tier Europe and a fiscal union do not represent a constitutional, economic and political fundamental change in our relationship between the European Union and ourselves?
>
> SC: George Osborne said it was logical that monetary union should lead to greater integration, with countries giving up powers over their budgets. He thought the UK should let that happen, because it would make the euro work better.

At 7.12am, James Naughtie spoke to Jim Rogers, former partner of George Soros, about whether China would invest in the EU. He said that if they did it would be because it was cheap foreign aid and would 'buy goodwill'. He said it was not a financial decision and claimed that it was a scam. Mr Rogers, asked about whether the latest deal would work said:

> I know it cannot work. I mean all they've, all they're doing is pushing the problem further into the future again. I'm delighted to hear that they're facing reality in Greece, but what about Belgium, what about Italy, Spain and Portugal, you know, several other places that have serious problems? And then of course, there's the whole United States, which is in worse shape still, even than Europe.

> JN:	Was there anything that the EU leaders in your view, the eurozone leaders could have done that was different in kind from the deal that they reached? It's hard to see – I mean, you can't invent a full fiscal union overnight, you've got a historic problem of let's just call it a north-south problem in Europe, about the strengths of various economies in the eurozone, I mean what else could they have done?
>
> JR:	Well, what they could have and what they should have done, is they should have brought everybody in, including all the ones with problems, from Belgium down through Italy and said, 'Okay guys, we've all got this problem, now we're going to have to take big haircuts and big losses, let's do so, let's ring-fence the banks so that people's cheques continue to clear, et cetera, but then we've got to stop all this crazy spending, because it's driving us all into bankruptcy.

At 8.45am, Evan Davis spoke to Michael Lewis, author of the book 'Boomerang'. Referring to the Greeks, he said:

> They had a state that was already dysfunctional before they were allowed to borrow on the same terms as Germans, and the state was essentially an elaborate patronage operation, that the political parties would get elected by promising their supporters government jobs that really weren't jobs, or jobs that paid much more than they should have. And once the Greek government was allowed to borrow, basically, as much as it wanted to on cheap terms, what they did is just increase the scope of this operation.

October 29

At 8.32am, Evan Davis said that the euro issue was not going away and treaty change was now likely. Eurosceptic Conservative MPs were talking about repatriating powers. He asked Mark Littlewood, director of the 'free market' Institute of Economic Affairs if this was the right time to do so. He replied:

> Yes, I do. I've always actually been quite sympathetic to the European project, at least the concept of it. But we are seeing centralisation in Brussels of powers which can and should easily be left the member states, I think particularly in the areas of social policy and employment law. I think the Prime Minister, David Cameron's been tearing his hair out at the new EU directive about agency and part-time workers who will now be given a whole plethora of rights which at the moment only accrue to full-time and permanent workers. The idea that those sorts of policies should be made in Brussels rather than having a diverse range of policies across the single market is to me quite mad.

He added that employment law should be the priority. Dionyssis Dimitra-Kopoulos, a politics lecturer at Birkbeck, who argued that Britain was a member of the EU and should accept its rules. Mr Littlewood responded:

> You don't need that sort of level of harmonisation. I mean, I'm a big fan of the single market, I think it is good to trade, I think it's been a very liberating feature. But whether lorry drivers are tired on English motorways compared to French motorways is part of competition within that market. Look, we might all happen across exactly the same rules, if we have this shared culture which has just been asserted, perhaps, just by some miracle, the Italians, the French, the Germans, the Brits and the Austrians will all decide to draw up

> exactly the same policies. But we can compete with different policies and different approaches.

Mr Davis then spoke to Menzies Campbell, former leader of the Liberal Democrats, who was against repatriation of powers. He said that nothing would be got out of throwing grenades during a dawn raid. Mr Davis said the 'sceptical agenda' had a had a huge boost from the Greek crisis, because,

> . . . effectively, people like you were wrong, weren't you, eight or ten years ago? I mean, you said we should be going into the euro, and it looks like that would have been a terrible mistake. And we know the answer to that now, don't we?

Mr Davis added that Mr Campbell had drafted a pamphlet advocating membership and asked whether he should show humility because joining would have been a terrible mistake. Mr Campbell repeated that they had never intended to join unless conditions were right.

November 1

At 8.10am, John Humphrys asked Anni Podimata, a Greek MEP with the prime minister's party and a member of the European Union's Economic and Monetary Affairs Committee, what the thinking was behind the call for a referendum in Greece to discuss austerity measures. She replied:

> Well, I think that the referendum and intends to provoke what we call in the ancient Greek catharsis, that means that the moment has arrived for the Greek political system and for Greek society as a whole to make a conscious and mature choice in the midst of this very difficult crisis that we're within. We have to realise that no matter what we decide through this referendum there are benefits and there are costs, there are difficulties, and difficult solutions, but we have to assume the responsibility of whatever we decide. Why? Because so far this government, and this parliamentary group of PASOK has assumed the cost of very difficult decisions, very difficult choices and is facing for 18 months now the criticism, the severe criticism of all the . . .
>
> JH: Alright . . .
>
> AP: . . . other political parties, the opposition parties and of a big part of the Greek society which lessens the arguments of the opposition parties that are not founded, that they are making the Greek citizens believe that there are alternatives without assuming responsibility of defying those alternatives.

Mr Humphrys later asked whether this was a way of buying time because the people had lost trust in the government. Ms Podimata denied that the government had lost the trust of the people. Mr Humphrys said Greece was becoming ungovernable. Ms Podimata said she did not object to that idea, but the referendum would enable people to make a choice. There was a crisis and a need to make decisions.

Europe correspondent Matthew Price was then invited to comment. He said:

Two thoughts after that, John. The first, in the short-term, is whatever happens in a referendum, if a referendum is held, this is added turbulence, at a time when Europe wanted added stability. Markets, we've already heard are reacting badly to this, we believe the European Union, the eurozone deal last week was meant to contain this crisis - this decision by the Greek Prime Minister has opened it up again. If they were to hold a referendum, if that goes ahead, and if the Greek people as polls suggest the moment were to reject the measures that Greece is expected to undertake in order to get its second bailout, then I think that would be a disaster for the plan agreed last week, the plan to contain the crisis. It would be very hard to see how Greece could then continue without defaulting, it would be very hard to see how any sort of default then would be carried out in an orderly way. And this is yet another illustration, if one was needed, of how the politics of this is all getting incredibly complicated, not just in Greece, also in Italy, which has its own debt problems. And I think it is another illustration, if one was needed, that heading into the G20 at the end of this week, Europe doesn't yet have an answer to its problem.

November 2

In Yesterday in Parliament (6.43am), the debate covered was about the Greek decision to call a referendum. There were four contributions from Conservatives.

DR JULIAN LEWIS: If the Greeks can have a referendum on Europe, why can't we? If the Liberal Democrats had had their way, we'd now have joined the euro with disastrous consequences….Now, the liberal Conservatives are advising us to support fiscal union in the eurozone, which will lead to economic union and a single government. How does my right honourable friend really feel about a policy undermining the system of democratic states in Europe which gave the continent peace for more than half a century?

ANDREW TYRIE: It's wholly unacceptable that the rest of Europe should be held to ransom by Greece. What would be the consequences for the UK and the eurozone of a no vote in a Greek referendum?

GEORGE OSBORNE: Well, there is no doubt that the decision of the Greek Prime Minister has added to the instability and the uncertainty in the eurozone. You can see that today. And what we're trying to do is create stability and certainty in the eurozone. Now, ultimately, it's up to the Greek people and the Greek political system to decide how they make their decisions, but I would say it is extremely important for the eurozone to implement the package that they agreed last week. That is what I said was crucial at the time, that's what they all said was crucial at the time. And I think we need to get on with it, sooner rather than later.

…Well, what I'd say to my right honourable friend is this: those who were against Britain joining the euro, including himself and myself, were against partly because thought it would lead to greater fiscal integration. That was one of the arguments we made for keeping Britain out. So I think there is a remorseless logic that drives the monetary union towards greater fiscal integration.

BILL CASH: Pass on the message to the Deputy Prime Minister, with his accusations that Conservatives who advocate repatriation and renegotiation, that they are committing economic suicide, that we are facing not only a disastrous two-tier Europe, but now also a two-tier Government?

November 3

In business news, Matthew Price sought out opinion in France about the Greek decision to hold a referendum. Sebastien, a worker in a Dijon mustard factory, said it would have been better to have a Europe where there was free trade but not a common currency. Another worker said that what had happened in Greece could happen to any country and it would not have much impact on France.

Raoul Ruperal, of Open Europe, said that the Greek referendum would likely – depending on the question – give the government a mandate to move forward with the bailout packages on offer. He added that without it, the chances of a disorderly default would increase and that would be very painful for the global economy. He said holding the referendum was a big risk. Evan Davis asked if he was assuming the question would be about leaving the EU or that leaving the eurozone would also entail leaving the EU. Mr Ruperal said it was difficult to split the two apart. He said:

> So, one of the issues here is that because this referendum is a possibility, the EU really need to start planning for a situation where there could be a eurozone exit, and what that would mean for the EU membership as a whole. I mean, over the past year, European leaders have consistently denied considering the possibility of someone leaving the eurozone, and how that would interact legally and technically for the rest of the EU members. So, you know, they really have to now consider that option and come up with some concrete plans for how to deal with this situation, and stops consistently denying that it could happen. And I think comments from Merkel and Sarkozy, yesterday and today, have suggested that that might be the case.

November 4

In the 8am bulletin, George Osborne said:

> I don't think anyone should underestimate that a Greek exit from the euro would be a pretty traumatic event with all sorts of consequences and, indeed, some of those consequences, frankly, are unpredictable at this point. So, I don't think anyone should think of that as the easy option. The better option at the moment is for Greece to implement what it agreed to implement most recently in the deal struck by European leaders last week.

In Yesterday in Parliament, the focus was on treasury minister Mark Hoban, who was answering questions in the absence of George Osborne in Cannes. He was asked by Peter Bone whether the government had contingency plans for if the euro collapsed. He replied that every any good government had a range of plans in place. Dennis Skinner suggested that the last time such a crisis had happened, the prime minister had resigned. Mr Hoban was asked whether the UK had any plans to join the euro. He replied:

I don't think that there's any intention for us to join the euro at a time when it's breaking up.

LORD BILIMORIA: How can the Chancellor, George Osborne, possibly suggest that increased fiscal integration amongst European Union, the eurozone countries? I can't see how increased fiscal integration can work. Because increased fiscal integration is dependent on political integration and emotional integration, and a buy-in by all the citizens of each of the countries. And the last person to achieve integration in Europe was the Emperor Charlemagne in the eighth century.

LORD MARLESFORD: My Lords, I believe that Greece should be required to leave the euro area, but certainly be allowed to remain inside the EU. Greece will then have the opportunity of deciding whether to invent a Mickey Mouse currency, which it might decide to call the drachma, or to continue to use the euro.

LORD PEARSON: It remains to be seen whether the people, of first Greece and then elsewhere, will go along with the austerity required by the grand plan, the grand euro plan which has been imposed on them without their informed consent. In the meantime, I hope that I can be forgiven for saying: some cement, this euro.

John Humphrys said at 7.09am that Greece had the power to wreck the euro. He asked economist Roger Bootle what would happen if Greece was kicked out. He replied:

Well, I think from Greece's point of view, that would be a good thing. You're the speaker was talking about some sort of solution for Greece within 6 or 12 months. Quite frankly, you can forget that, it's more like 12 years or even longer if Greece stays in the euro. I think the worry though for the euro authorities is that if Greece were forced out, that she might actually make a success of it. If that happens, then the pressure on Italy and Spain will be irresistible.

He added that France and Germany were now thinking that it was a mistake to have let Greece in. He then questioned whether propping up the current euro set-up was the best thing to do in the British interest. He added that in the long run a bust up of the euro was needed, and the best solution was for Germany to leave and set up a North European version of the euro.

At 7.51am, George Osborne, speaking from Cannes, was asked how likely it now was that Greece would leave the EU, as had been suggested by Jose Manuel Barroso. He said it was unlikely, but it had been warned that if it did not live up to its responsibilities, such might happen. He said it was exceptionally important for the UK to have a more stable financial environment. Mr Osborne was then asked if the UK had contingency plans and if he was involved in the discussions about Greece leaving. He said there were contingency plans for all sort of eventualities and said the UK was at the heart of the discussions. Sarah Montague asked if financial stability would happen more quickly if Greece was not part of the euro. Mr Osborne said that such an exit would be traumatic and the better option was for Greece to implement the deal offered the previous week. He repeated that Greece had to face its responsibilities. Ms Montague asked what the UK's responsibility was. Mr Osborne said it was to tell the eurozone to deal with the situation and to make sure that international institutions such as the IMF were ready to withstand global shocks.

Ms Montague asked if this meant the UK increasing its contributions to the IMF. Mr Osborne said it affected all countries. Ms Montague asked if the UK's contribution of £4.9bn would increase. Ms Montague tried to pin him down, but he refused to respond, repeating that Britain was not unique in supporting the IMF.

November 5

At 8.33am, Sir Malcolm Rifkind was interviewed with Lord Hannay, the former UK ambassador to the UN. He was asked whether the Cannes G20 meeting had been a failure. He said it had been in that it should have agreed – but did not – the level of extra funding from the IMF, a factor which would lead to further uncertainty in the markets. Lord Hannay agreed. Justin Webb then asked Sir Malcolm what he said to the Eurosceptic wing of the party ('and indeed Labour as well') who claimed that the IMF was not the correct body to bail Europe out . He said:

> What do you say, Sir Malcolm, to those of your colleagues on the Eurosceptic wing of the party, and indeed, Labour as well, who say that the IMF is not the right body to be bailing Europe out, before Europe does it itself, through the European Central Bank, that it is right to withhold money, or at least withhold definite amounts of money at this stage, because it simply wouldn't be right for the international community to stand behind Europe when Europe doesn't stand behind itself?
>
> MR: Well, some of the criticism is justified, for example, you have to be certain that the country that's getting the help is actually going to not just give promises, but deliver these promises in an effective way, and that's not yet absolutely clear. It's also, I think, perfectly fair to say that because a significant factor that led to these crises in the eurozone has been the defects in the system itself. It's remarkable, the three countries so far that either have or are about to get bailouts, Portugal, Ireland and now Greece, are all eurozone currencies, that's not just a coincidence. So, the primary responsibility should be on the members of the eurozone, that means, effectively, Germany and France, but there are wider implications. We know, that because we have almost half our trade with the eurozone, it would be a disaster for the United Kingdom if this whole situation was to collapse. So I don't think you can simply say that the IMF's got nothing to do with this, we can't make some indirect contributions, some way of helping resolve the difficulty.

Sir Malcolm added later that he thought it would be 'quite wrong' for the IMF to be given extra resources and that money then given to the European Stabilisation Fund. Lord Hannay said that this possibility had been specifically rejected. Sir Malcolm added:

> Yes, you asked me earlier about Eurosceptic opinion in the United Kingdom, I'm not a hard-line Eurosceptic, but it quite clear what they were concerned about, and I think it was legitimate, was the original thought was that the IMF would fund the European fund, which would then help Greece. I think if the IMF is to be used, it must be an IMF programme with Greece directly, which can then be enforced.
>
> JW: Of course, it's not just the Eurosceptics, this is Labour as well, it's Ed Balls as well.
>
> MR: Well, he comes under the same sort of category on these sorts of issues.

John Humphrys, reporting from Athens at 8.10am, explored the protests occurring in Greece. He conducted a series of vox pops, the first of which was:

VOX POP FEMALE: I live in France, and I come here very often.

JH: Because you're Greek?

VPF: Yes, because I'm Greek. And I don't know, we are trying to just to understand what people think.

JH: What do you think they think?

VPF: They think it's a desperate moment, an awful moment for Greece, an awful moment of Greek humiliation. They are singing that the Turkish were upon us, after that was the Nazis, the dictatorship and now Europe.

JH: So they regard Europe in the way that they regard previous occupying forces?

VPF: That's because Greece has lost its sovereignty.

And the second:

VOX POP MALE:You know, there is like a dictatorship of the market, so to say.

JH: The financial markets.

VPM: Of course, of course, of course. And you know, they don't allow any, even slight things in the policies that are imposed upon the people of Europe. They say, you know, the markets say, 'we want this', if they don't want it, there will be chaos, and you know, that's what we are listening, for two years now. A strong majority of the people in Greece believe that there is another, you know, way open for us. We have to look, you know, from another point of view.

JH: But what is the other point of view? Do you want to leave the eurozone, is that, is that what this is partly about, do you want to get out of the eurozone?

VPM: Of course I would not want any more to be under the dictatorship of the banks and the IMF. Everybody here in Greece hates, hates them. And we want to get out of the European Union as well.

JH: But look, you're an educated young man, Greeks, you've, you've, this is your country, what future do you see for your country outside the European Union? Don't you think of yourself as Europeans?

VPM: Yes, of course, I'm a European, as people from Switzerland are also European, and as people from Norway are also European. This is not the dilemma for us. Here in Greece, chaos is already here.

November 7

At 8.10am, in an item about the consequences of the Greek decision to form a coalition government, John Humphrys spoke to Stella, part of an Athens family who had suffered badly because of the economic changes. She said her income had fallen sharply and claimed that the problem was that the country did not belong to the Greek people. She asserted:

> It belongs to the system we belong to - European Community, it is sold my (*word unclear*) country, I think that it is sold. But not only the property, people are sold also. But in a very low price.

Correspondent Mark Lowen commented that there was 'immense exasperation' at the turmoil, and it was an 'exhausted, angry country'…

> … that still at the epicentre of the eurozone debt crisis, but one which urgently needs stability, which urgently needs to ratify the latest bailout package by mid-December in order to qualify for the next instalment of its international loan.

He noted that the main opposition party had also said it would vote for the latest austerity package.

At 7.43am, John Humphrys interviewed Manolis Glezos, who in 1941 had torn the Nazi flag from the Acropolis. He said he still wanted to recoup the debt he claimed was owed by Germany to Greece because of the wartime damage. He spoke 190 words mostly against the current EU intervention in Greece. It was noted that he was now strongly against the "injustices" being piled on Greece by the EU, the IMF and the ECB. He repeated he wanted the billions from the Germans that were promised in wartime reparations but never given. He argued that the debt on all loans given to Greece should be cancelled. It was noted that he was still "angry".

November 9

In business news, Simon Jack explained that borrowing rates for bonds in Italy had reached 6.77%. Bill Blain, a senior director of the special operations group at Newedge Group said stock markets had rallied after Mr Berlusconi's resignation, but bond markets had not. He added that the only things keeping prices up was intervention by the ECB, together with "clever banks" who in the last quarter had reduced sovereign debt. He said the problem longer term was that austerity in Italy was likely to make growth weaker. He added:

> I think everything has changed within Europe, it used to be the idea was that a single currency would create wealth throughout the whole Europe, unfortunately, what we've got now is that it's led to austerity right across southern Europe, and that's creating economic misery. The only way out for these countries is to get control of their own monetary and fiscal policy again. In the case of countries like Greece, they have to deflate and start getting the tourists back in at the cheap prices. What Italy has to do is maybe a slightly different question - how does Italy create growth? They have to get rid of their massive reliance on the public sector, transfer these resources into the private sector and start competing again. That's long-term.

At 8.55am, Evan Davis stated:

> It's too soon to call it a 'Eurozone Spring', even if you wanted to, but there is something of a clean out of European leaders going on. Not just Mr Papandreou in Greece and Mr Berlusconi in Italy, but there's been a changing of the guard in Ireland and Portugal too. Is that democracy at work, or is a eurozone elite imposing tame governments over the heads of their voters on the nations of Europe? Let's debate this with John Stevens, former

Conservative MEP, who would set up a pro-euro Conservative Party some years ago. John Redwood, also, Conservative MP, not, I think it's fair to say, of the pro-euro wing.

John Redwood asserted that the changes in governments showed there was "no hope and no choice",

> . . . and we now see that they . . . we should have a government of national unity under technocrats, often former European officials, which adds to the feeling that this is not democracy as we know it.
>
> ED: But just one point though: does a country not in a way absolve, lose some of its sovereignty if it is actually relying on other countries paying its bills? I mean, you know, if you're relying on the Germans paying your bills, and beggars can't be choosers, the Germans are allowed to dictate conditions. If you don't like those conditions then you can reject them.
>
> JR: Well, of course you lose massive sovereignty if you go into the euro, which is why some others recommended very strongly that countries wishing to be democracies shouldn't do it. Until they've created a democracy at European level, you have this huge democratic gap. There is no democratic way of people getting change of policy at the euro level.
>
> ED:(*speaking over*) But you're, sorry, you're blaming it on . . . . Sorry, there is a lot of democracy at the euro level, if they integrate further, of course, but this is a different problem, which is the problem of, if you're relying on foreigners paying your bills . . .
>
> JR: Yes, but you're only . . .
>
> ED:. . . then you will lose sovereignty in a different way from just coming into the euro. I mean . . .
>
> JR: But you're only relying on foreigners to pay your bills, because you don't have your own currency, euro interest rates and your own capacity to devalue.
>
> ED: (*speaking under*) Okay, so you could print the money.
>
> JR: That's the problem.
>
> ED: So you could print the money yourself.
>
> JR: You could do it yourself, as Britain and America has. Britain and America are living well beyond their means, but they don't get into this kind of pickle.

John Stevens said he agreed that there should be more democracy, but added:

> And that is the real threat to democracy. If politics remains anchored in the nation state, it will be powerless in the face of global financial forces. And until we rebalance that, democracy itself is in danger.

Mr Redwood said the problems were caused by the single currency because countries were forced to act in relationship to it.

John Stevens said:

> The sovereignty that Britain has at the moment is simply to sit around waiting to be told what is going to happen in the eurozone. I mean, our economy is very, very dependent indeed on the outcome of this crisis, and yet we have effectively no influence over crucial decisions which are going to affect the shape of entire European economy.

JR: Well, I don't agree with that.

JS: And that doesn't strike me as being a very sovereign position.

JR: I don't agree with that. Sovereignty and power are different things. We are sovereign to do as we see fit, we are free to make mistakes we're free to get it right. If we were in the eurozone, we wouldn't have that luxury.

November 10

In at item at 7.34am, Charles Dumas, an economist, claimed that the Italian economy had been 'completely crushed' by membership of the eurozone, because only 1% growth had been achieved in the past decade. He added that the country was 'hopelessly overvalued' and there was no conceivable way this could be put right. He agreed that if the euro was to survive, a fiscal union was necessary, and also to undo the damage caused by 12 years of divergence of costs. He added:

It is not possible to do it within the euro, because to get the Italian costs in line would require dropping wages by 25% and if you drop wages by 25%, you've got a depression, because there's no consumer demand, so they're actually out on a limb from which they cannot crawl back anymore.

JN: And it's very difficult to come up with a political strategy to deal with the problem you've just outlined that is credible, that is manageable?

CD: Well, it's difficult, because everyone is convinced that they have to do it within the euro, but that's because these people will not admit that they've made a fundamental blunder, in constructing a system which was, let's say, at best too extensive in the number of countries it included to start with.

JN: But your contention is that if they don't face up to it, it will face up to them in the sense it's going to come and bite them?

CD: Yeah, yeah, yeah, I mean, you know, the Japanese have more government debt than Italy and more total debt than Italy, and their government debt trades at a 1% yield at ten years, the Italian is at 7.25% or 7.5%, and that's because everyone can see that they're in trouble and they have no solution and that they have actually deliberately created a situation in which there can be no solution.

He added:

The point is that the whole principle of a common currency depends upon a political union, there never has been a political union, and the Germans expect everyone else to be like Germans, and the other guys aren't like Germans and aren't going to become like Germans, and that's why it doesn't work and that's why it can't work.

November 11

In an item in business news, at 6.14am, David Cameron said that Italy was currently a danger to the eurozone and action must be taken now to save the currency.

8.10am, John Humphrys, noting that Greece and Italy now had unelected governments, asked whether the eurozone was "falling under the influence of the new Politburo",

> … an elite group of European leaders and senior international officials who make up the so-called Frankfurt Group.

Chris Morris said that when EU leaders gathered at 'summits', there were so many that it was easy to see why they could not make decisions. He added:

> Little wonder that for years now France and Germany have got into the habit of hatching pre-summit meetings, to try to agree it all in advance. But, as the sovereign debt crisis has intensified a problem has emerged. Germany is strong, France relatively weak, and often they agree about almost nothing. So, in the last few weeks a kind of Politburo has emerged. Chancellor Merkel and President Sarkozy have been joined by one of the democratically elected leader: John Claude Juncker, Prime Minister of Luxembourg who also happens to chair meetings of eurozone finance ministers. Also at the table are five others, chosen by their peers - Jose Manuel Barroso and Olli Rehn from the European Commission, Herman Van Rompuy from the European Council, Mario Droghi new president of the European Central Bank, and all the way from Washington, but really from France, Christine Lagarde the head of the IMF. They've been christened the Frankfurt Group, after the venue of their first meeting where Mr Sarkozy and Mrs Merkel rather spoil the moment I having a stand-up row. But what's interesting about this inner core within the inner core is that it's begun to flex its muscles. Leadership, it's what we've all been crying out for. It's been pressure from the members of the Frankfurt Group, which has helped unseat recalcitrant prime ministers in Italy and Greece. That may raise questions about democratic legitimacy, but these extraordinary times. And when the Greeks raised the prospect of a referendum on their huge financial bailout, they crossed a psychological divide. For the first time, senior EU leaders talked in public about the prospect of a country leaving the eurozone if it wasn't prepared to live up to its commitments. The referendum idea was quickly shelved and so was the prime minister. So is the Frankfurt Group the new centre of power in Europe? Not necessarily, not least because there are many issues on which its members simply don't agree. When President Sarkozy spoke this week of a more clearly defined two-speed Europe, President Barroso from the Commission said a split Union simply wouldn't work. But the challenge of how to survive the sovereign debt crisis is concentrating the minds of the eurozone's most influential leaders, because it's not just about saving others, it's also about saving themselves.

John Humphrys noted that business leaders also wanted 'technocrats, unelected experts' to take over struggling European countries. He noted that two businessmen on the programme that morning had praised the technocratic takeover in Greece.

Mr Humphrys then asked Bill Cash MP if he was unhappy about what he saw as a German hegemony. He said:

> I'm saying they understood it at the time, and I think it's actually quite clear, for example, and I think Germany's done a fantastic job in its relationships on exports and things like that, but I mean, we have here Angela Merkel saying quite unequivocally that we need a new Europe,

and we need more Europe not less and so on and so forth. There is a strong indication that the ballgame has changed and that Germany is in fact, probably because of the fault of many other countries . . .

JH: Ah!

BC: But also because of their own agenda as it were, in export terms and so on.

JH: As you say, it's partly because of the fault of other countries, they have caused problems, but it's also because Germany is being asked to pick up the bill, and if you were being asked . . .

BC: Absolutely, yes.

JH: But if you were being asked to pick up the bill, you'd say, 'I want a say in how my money is going to be spent, and how the country is going to look after it'.

BC: Indeed, and I said that in the House of Commons only recently.

JH: So therefore why is this a sort of dark plot? It isn't really.

BC: It isn't and I didn't suggest it was. What I am saying is, if you're going to have a European Union with a level playing field with everybody effectively in a democratic system, if it were democratic, actually creating a stable Europe, and it's not healthy to have one country so dominant and that is the problem. I think the word 'predominant' is probably the better way you'd put it, and it therefore creates instability, and the fears of Monnet and Schuman I think are now increasingly evident, in the present time.

JH: Roland Rudd, well, first of all, do you accept that analysis, are clearly it is the case that Germany is predominant if not actually dominant, but do you think there is kind of ulterior motive?

ROLAND RUDD: No I don't. I think what we've seen is a failure of policy not democracy. And we're seeing the old order swept away.

JH: (*interrupting*) But we have two unelected prime ministers.

RR: Yeah, but hang on a minute, John.

JH: *About* to have two unelected prime ministers.

RR: But, but that's not actually quite right putting it like that. What you've got in . . .

JH: Well . . .

RR: No what you've got in . . .

JH: Greece.

RR: Greece, yeah but . . .

JH: Prime Minister was not elected.

RR: Yeah, but you've had 48 hours of serious debate amongst all the deputies who were elected by their own country, and they have decided from all parties of left and right to elect somebody who can deal with the financial crisis. That was not a plot from Berlin or anything hatched up in Brussels, it was actually put together Greece, and the same thing with Italy.

JH: (*speaking over*) Well, except that they torpedoed Papandreou, the Prime Minister.

RR: Well no, the deputies did, who were elected by the people. And it was the will of the people, they looked into the abyss and they stepped back because they didn't want to leave the euro. And the next tranche, as you rightly said, coming from Germany in terms of this massive bailout, the first tranche was around €80 billion, and quite honestly, it's a huge amount of money and they need it now, and they put in a Prime Minister who is going to actually be far more effective at implementing the reforms that are required to receive the money that saved Greece.

JH: But the point that Bill Cash is making, and many other people too now, an increasing number of people, is that this is essentially an undemocratic institution, it was bound to be, this was always the flaw and now it's that flaw that's bringing it down.

RR: But what's undemocratic about all the deputies from PASOK, the Socialists, and all the deputies from New Democracy on the right, deciding they want the Prime Minister that is going to implement the reforms to get the package (*word unclear due to speaking over*)

JH: (*speaking over*) Because they have no choice, because of the mess they're in, and the mess they're in they attribute to the essentially undemocratic nature of the European Union.

RR: Well, I think Bill would say they've got a choice and they can leave the euro.

JH: Ah . . .

RR: But it's not what they want.

JH: Well.

RR: And I think they're right not to do it, and it's the same in Italy. There's no plot hatched in Berlin or Brussels.

BC: (*speaking over*) I don't think they can, Roland, I don't think they can leave the euro, the Maastricht Treaty says it's irrevocable, you'd have to have a massive treaty change.

JH: (*speaking over*) Well, depends who you talk to doesn't it, there are views about that?

BC: Well I think I, I think I can say confidently that Maastricht Treaty says that it is irrevocable once it's been entered into. You can leave the European Union, under article 50 of the Lisbon Treaty, but the euro is a separate question.

RR: (*speaking over*) Yes, but Iceland once did, and we sort of forgot about that. But we wouldn't forget about Greece leaving. And I think they're right not to want leave.

JH: Are you, Bill Cash, are you worried about emergence of these so-called technocratic regimes?

BC: Yes I am. We had the Laeken Declaration a few years ago, which said Europe's going to be brought nearer to the citizen, and actually, it's worked exactly the way. All the things you've described, the concentration of power in certain countries, the creation of this euro summit which I think is almost certainly unlawful, because there is no basis in the treaties for the creation of the euro summit, which was agreed in this, the presidency arrangements or the conclusions that were put through about ten days ago. They're breaking rules as well. I mean, the Stability and Growth Pact was broken by France and by Germany.

JH: But that's (*word unclear*) you're talking about years ago, ten years ago.

BC: Yes, yes I know, but the trouble is that there is this tendency say, we know what we want and we're going to do it, irrespective of whether or not the rules are there or not. And that's very undemocratic.

RR: But you're not actually seriously saying that you'd rather have Berlusconi then Mario Monti?

JH: But that's not the issue really, is it?

BC: No, that's not the point.

JH: (*speaking over*) Not now, I mean, it's too late for that anyway.

RR: No, no, no, it's not. It is a point, because what you've got to realise is if the yields on . . . The ten-year bond yields in Italy on debts . . .

JH: (*speaking over*) In other words, the cost of Italian borrowing.

RR: Exactly. If it was at 5% you'd still have Berlusconi, and . . .

JH: Alright . .

RR: . . . the fact it went over 7% meant that he had to go. Those bond yields, you know, that wasn't, the bond markets aren't in Berlin or Brussels.

JH: Just broaden it out a little bit, Roland Rudd, it does now look inevitable, doesn't it, that we're going to end up sooner or later with a much smaller eurozone, that the weaker Mediterranean countries will leave it and we'll end up with some sort of Northern, I don't know, Hanseatic eurozone. How would business react to that?

RR: Well, I don't actually accept the premise. I think that . . .

JH: (*interrupting*) But if it happens, I mean, do you think in terms of the interest of business, broadly, that's good or bad?

RR: It's bad, I mean, we want to see a strong eurozone. I mean, 40% of our trade is with the eurozone.

JH: (*speaking over*) You could have one. You'd have a smaller one, but you'd have a stronger one.

RR: (*speaking over*) No, no, no, no, but we've got to, no, we want to see a strong eurozone which is, with the countries which are all members of it continue to be members of it, and I think others on the periphery is not a good idea, and I think . . .

JH: So you think we should join as well?

RR: No, I think we should join the euro-pact plus, because you got another six countries outside that, and you've got another three countries probably going to join it, and we'll end up being probably one of only one or two . . .

BC: (*speaking under*) But that's also, Roland, if I may . . .

RR: . . . on the outside. I'll just finish. I think the thing that you can never underestimate about Germany is, you know, America lived with the great depression, Germany lived with the great inflation. They're not going to allow this to happen, and I think they're right not to allow it to happen.

BC: Under the arrangements as they are, in terms of majority voting, with the fiscal union in the eurozone were actually going to be outvoted by 230 votes to 130, that's going to be very bad for the City of London, and very bad, it's going to undermine the single market and it's a very, very serious problem. And it's being driven by France and Germany. That is the problem this is undemocratic. They refused all the referendums over a long period of time, when they've gone through they've then reversed them. This is an undemocratic system, this is the problem and the people are protesting all over Europe, youth unemployment at 47%, this is a failed project.

RR: But that's why the will of the people is being implemented in Greece and Italy now, with new democratic governments.

November 15

David Cameron's speech at the Lord Mayor's Banquet was reported in the bulletins. It was said that in a series of remarks, the prime minister had "sought to identify himself with Eurosceptics", but had said that leaving the EU was not in the national interest. Britain, he said, was the biggest supporter of open markets and free trade and needed to be in there, helping to write the rules.

DAVID CAMERON: We sceptics have a vital point: we should look sceptically at grand plans and Utopian visions. We have a right to ask what the European Union should and shouldn't do and change it accordingly. As I've said, change brings opportunities, and opportunity in Britain's case, for powers to ebb back instead of flow away, and for the European Union to focus on what really matters.

At 7am, correspondent Robin Brant said:

It was a speech heavy on criticism, but there was little in the way of concrete solutions to Europe's current woes. David Cameron said the European Union is an organisation in peril, it out of touch, and he blamed it for pointless interference. The comments will be welcomed by Eurosceptics in his own party. Just to make sure they got the message, he referred to 'we sceptics'. The UK will not be leaving, he said, Britain must stay in so it can retain its influence over the open and free markets that David Cameron said he wants to see more of. He wants the European Union to emerge from the eurozone crisis and embrace the moment. The reality is though, the UK is not in the euro so not in a position to have huge influence over its fate.

At 8am, Chris Morris said:

There are few in Europe who will quibble with David Cameron's argument that the EU must focus on getting its economy is growing again. But his vision of the future EU is very different than the one outlined yesterday by Europe's most powerful politician, Angela Merkel. The Prime Minister wants to take powers back from Brussels - the German Chancellor says the answer is more Europe not less. Mr Cameron says we should look sceptically at grand plans and Utopian visions, but the message from Germany is clear: Mrs Merkel says Europe is facing its toughest hours since World War II, the challenge of our generation, she concludes, is to finish what we started, to bring about step by step a political union in Europe.

In business news, Martin O'Donovan suggested that a European Commission proposal to ban credit ratings agencies making forecasts during a period when a government was going through reconstruction would 'create panic' because it was precisely at that point that investors needed such information.

In an item about border controls at 8.10am, the MP Mark Reckless was asked for his views.

JAMES NAUGHTIE: Where's the heart of the issue?

MARK RECKLESS: Well, I don't agree that there is a consensus on this issue. I mean, what we saw under the last government is they refuse to set a limit on immigration, and they opened our borders to Eastern Europe. That's a key difference with what we're now trying to . . .

JN: Well . . .

MR: . . . do in this government, with cutting, cutting immigration.

JN: People in Eastern Europe have a right to come and work here.

MR: Well, no, we could have had six-year transitional controls, the last government decided not to do that. But I think the reason this issue is toxic is my constituents didn't trust the last government with border controls, and they weren't convinced that they were even trying their best to secure our border, that's what makes this issue so toxic.

November 16

6.15am, in business news, former Tony Blair adviser Derek Scott, now said to be on the advisory board of Vestra Wealth, was asked by Simon Jack if he was any closer to finding a way for countries in financial difficulties to leave the eurozone. He said markets had realised that the problem was actually the euro and the whole system was in difficulty including supposedly successful countries. He added that he had always been opposed to the euro and Tony Blair had known this when he was taken on. He said the Wolfson Prize (of which he was a judge) was not Eurosceptic as such, but the prize was being offered to the entrant who could come up with the best way of countries leaving the euro. Richard Dunbar, from Scottish Widows, noted that the euro was beginning to slide against the dollar and this reflected the difficulties of reform. Derek Scott, asked about the financial transaction tax, said:

> It's not a matter of national interests. It's the idea that when things are not going well you put a bit of grit into the machine strikes me as completely bizarre. And I think one of the problems that I find with the present government here, the present government seems to take the view that a transaction tax would be a good idea if we could get international agreement. I mean, that's complete nonsense. The only two markets that would be mainly affected would be in New York and London, and it's not in our interests and it's not in anybody's interest to have this tax.

Mr Dunbar agreed that it was an "insidious tax" that in the end would be taken from the public.

At 6.51am, Jeremy Warner of the Daily Telegraph claimed that it looked increasingly likely that the eurozone countries planned to impose the financial transaction tax between them, and this would have a serious impact on the City of London. He asserted:

> Yes, that's almost as bad for The City as it being imposed, you know, right across the European Union, because all transactions in euro- denominated securities will be caught by it. And many of the institutions which make up The City are eurozone institutions, eurozone banks they will have to pay it and so on and so forth, it will drive business out of the city . . .

November 18

In Business News, James Bevan, of CCLA, commenting on market falls, said that there had been no action to sort out the euro since June and that was the reason for the mess that day. He warned that the longer "they left it" the worse the situation would become.

November 19

George Eustice was introduced as a 'Eurosceptic MP' and was asking if he was punching the air about claims by David Cameron and Angela Merkel that they had the same plan for economic recovery. Mr Eustice said this was a step forward showing that a Conservative prime minister had a plan for repatriation of powers after 20 years of the EU heading in the wrong direction. Fellow guest David Rennie MP said that Britain and Germany agreed on long term measures to promote growth and said that Britain would be dragged into an horrendous recession if the EU's plans were not achieved. John Humphrys then said:

> And isn't the point really, George Eustice, that a disorderly breakup would be disastrous for us and that instead of celebrating the fact that politics have changed, and seem now to be going in sort of direction you, the Eurosceptics, have always argued for, we should be saying 'ooh, let's help them get their act together'?
>
> GE: Well, I think we are. I mean, and that's why David Cameron and George Osborne have been absolutely right to apply pressure to Germany and France, and say look, you know, the ECB's got to stand behind its currency, and you need to recapitalise (*words unclear due to speaking over*)
>
> JH: (*speaking over*) In other words become a lender of last resort and all that.
>
> GE: Quite. And I think, you know, I think that's right, if they want to save the euro and they want to make it work they've got to, you know, put their money where their mouth is. I think those who say that the breakup of the euro or some countries leaving the euro would be a catastrophe are maybe overstating it, I don't think I know that. It may actually . . .
>
> JH: (*speaking over*) depends on the conditions, the expression that David used, 'a disorderly breakup'.

GE: Exactly. No one would want a disorderly breakup. But it may actually be that some of those countries, particularly like Greece, who are struggling inside the euro would be better coming out of it. And that actually might be part of the solution rather than the problem, I mean, there's no doubt that in the short term it would cause problems but longer term it might be part of the solution. So I think people can over exaggerate that.

Mr Rennie said it was madness that the world might "fall of a cliff" in the next couple of weeks and you might then still find a Conservative MP demanding the repatriation of powers. He asserted that this was "nuts" and said Conservative MPs were focusing on the wrong thing. Mr Eustice responded:

> …I really don't think that's right. This is not about hijacking a crisis or exploiting a crisis, it's actually about finding the right solution. And we are in this crisis because the euro was formed in the first place, we're in this crisis because over the last decade, despite having the euro they've continued to pile more burdens of regulation onto businesses in the eurozone and in the EU and we've got to reverse that, actually cutting regulation, cutting the burden of regulation . . .
>
> DR: But that's a long-term thing, where, in the point is making, we're in a crisis now.
>
> GE: Exactly and we are doing all you can do with that crisis, which is yes, to help, try and help them come up with the solution to it. I mean, of the problems is everyone can agree at the moment about what needs to happen, but there's an unwillingness to do it, you know, with the Germans actually not allowing the ECB to step in and do what it needs to do at this stage. But that's not something Britain can help, we're saying what we think they should do, but they have to actually deliver it.

Mr Rennie asserted that despite the crisis, many Conservative MPs wanted to talk about the Working Time Directive. Mr Eustice again disagreed and said there were stages in the process, including the long-term analysis of how the EU could be made to work.

Mr Rennie said in conclusion that the Germans seemed bent on making treaty changes which were not appropriate. Mr Humphrys asked Mr Eustice if he agreed with Mr Rennie's assertion that the economy could fall of a cliff. He said he did, but that people exaggerated and he was not sure that countries leaving the euro would be as bad as some claimed. Nevertheless, David Cameron was right to apply pressure for the euro problems to be resolved. At the same time, it was the right moment to consider the long term future of the EU.

November 26

Yesterday in Parliament focused on Lord Pearson's bill to set up an inquiry in to the cost benefits of membership of the EU. Mark D'Arcy said it had attracted the support of many peers who attacked the EU's spending and noted that Lord Pearson was in gleeful form when he rose to introduce the measure. Lord Pearson was quoted:

> For more than 30 years, our political class has done its best not to talk about our membership of the EU. But the wheel of history turns, my Lords, and the question as to whether we should leave the European Union is now firmly back on the national agenda. But,

> my Lords, this Bill does not deal with that question. It is an altogether milder and more innocent little creature. It merely requires the Chancellor of the Exchequer to set up an impartial inquiry into the economic costs and benefits arising from our membership of the EU.
>
> LORD STEVENS: Its budget is 20 times the cost of the UK's Foreign Office and includes amongst other items £33 million for 150 bomb-proof limousines for all EU ambassadors. The number of staff employed by their quangos and committees alone has tripled over the last five years, amounting to a total cost of £2 billion in 2011. They've just opened a new £25 million office in London, and our Foreign Secretary has claimed that the UK Government have brought the EU budget under control.

Mr D'Arcy included opinion against the measure from Lady Falkner, who said it was astonishing that the assessment would be conducted only by economists when the EU had an impact on welfare which would last for generations. The other contribution was from Labour peer Lord Gilbert who said that it was not clear which side Germany would be on in 50 years' time. Mr D'Arcy said the measure was rejected by Labour spokesman Lord Davies of Oldham and treasury minister Lord Sassoon. He said:

> Let me be absolutely clear, that the Government believes that leaving the EU is not remotely in our national interest. Standing on the outside, we would still be subject to the rules made in Brussels on the single market but powerless to influence them. And rest assured that rules written without us will not generally be in the UK's national interest. We have always been the driving force for open markets and free trade in the EU, and it's a role that we will continue to fulfil.

Nothing was included about the reasons for the opposition to the bill.

November 30

Paolo Guerrieri, Professor of International Economics at the University of Rome, said in business news said that the new agreement by the EU to increase the bailout fund was an "old bazooka" that was not sufficient to help Spain and Italy. He said that something more substantial, of up to 400bn euros and supported by the IMF, was required.

In Yesterday in Parliament, George Osborne, the Chancellor of the Exchequer, said that much of Europe appeared to be heading for a recession "caused by chronic lack of confidence". He said he would do whatever it took to protect the UK from this debt storm and build the foundations of growth.

December 5

At 7.52am, in a discussion between David Blunkett, the former homes secretary and Conservative MP Dominic Raab about extradition from the UK, Mr Raab contended that there were horror stories about the European Arrest Warrant. He added:

And I would say to David Blunkett he's talking very sensibly about amending both the European Arrest Warrant and the UK-US arrangements, and what we should do is get together, lock horns, join forces and come up with some sensible safeguards. No one wants to scrap extradition, what we want is a bit of common sense and some safeguards for our citizens. And particularly, and I think David's right about this, the real horror stories are under the European Arrest Warrant.

December 6

At 7.32am, there was an interview of Conservative MP Douglas Carswell, followed by Liberal Democrat Simon Hughes. Evan Davis said:

Members of the eurozone continue to struggle to resolve their crisis, but let's not talk about them, let's talk about us. If they try to amend the European treaties, we could try to renegotiate and vote on our relationship with them. David Cameron doesn't want to, a lot of his backbenchers do, including Douglas Carswell MP for Clacton…Let's just suppose they don't do it through a renegotiation of the main EU treaties, they just have a treaty among themselves, the 17.

DC: Hm-hmm.

ED: Then there's no issue, is there? Because there's nothing for us to vote on?

DC: Absolutely. I mean, I think in some ways that would be progress. We would be moving towards the variable geometry Europe that we seek.

ED: Right. Now, let's go back to another option, their slightly preferred option, which is actually to change the European treaties to instil that fiscal union among the 17, so it doesn't affect us, it's almost like a treaty among the 17, would you like a vote on that?

DC: Well, hang on a second, you know, Merkozy (*sic, portmanteau of Merkel and Sarkozy*) has talked about this treaty change re-founding the European Union. You know, this is an unprecedented opportunity for us to get the deal that we want. The issue is, can we trust ministers and mandarins to negotiate the deal on our behalf? I believe not . . .

ED: (*speaking over*) Right so how, what . . .

DC: I believe the only way, the only way we can get the deal that is in the national interest is if ministers and mandarins know that the result has to be put to the people in a referendum.

ED: No, but I just want to know what we're voting on, a change to the treaty, or the treaty as a whole, or whether we want to withdraw from the treaty? What are . . . because . . . or are you saying we should just veto any change to the treaty . . .

DC: (*speaking over*) Well, one . . .

ED: . . . unless we get a load of concessions.

DC: . . . one option would be to say that we would negotiate a new deal, and ministers and mandarins are so confident that we can get a deal that is so attractive to so many people in the country that in a referendum people would vote for the new deal. You could have the status quo as the alternative. But you know, I, I, I, think the key is that the people making the negotiations on our behalf have to accept that the outcome of their new deal must be put to the people, it's the only way we will, we will get a deal in the national interest.

ED: But can you not see for the other members, the members of the eurozone, they might think it's a bit of a distraction to be talking . . .

DC: Sure.

ED: . . . at this particular time about . . .

DC: (*speaking over*) Democracy can be very inconvenient to the European elite of course.

ED: (*speaking under*) Right . . . but wouldn't . . . I mean, they have rights as well, obviously don't they?

DC: Sure.

ED: They're allowed to negotiate arrangements . . .

DC: Sure.

ED: . . . among themselves without involving Britain.

DC: Sure.

ED: So wouldn't it just be easier for them, then to go back to option A – which is to have a treaty among the 17, and say, look, Britain's created a little, you know, ten minutes of destruction here, we'll just do it (*words unclear due to speaking over*)

DC: (*speaking over*) Ultimately if the 17 want to go ahead and negotiate something outside, you know I would see that as progress.

ED: (*speaking over*) But wouldn't that be your, wouldn't that be your advice to them? I mean, why get involved in a negotiation, a complete distraction from a really important issue . . .

DC: (*interrupting*) Well, well, hang on, if the 17 . . .

ED: . . . important to us, maybe . . .

DC: If the 17 go ahead and do something outside the European treaties on their own, in a sense I would see that as progress . . .

ED: Yeah . . .

DC:. . . because we're moving towards the sort of variable geometry Europe that we need.

ED: You and Sarkozy probably, probably agree on that. Let's bring Simon Hughes in, who of course is the Liberal Democrat Deputy Leader, good morning to you.

Simon Hughes said:

Secondly, we will ensure that there is no further transfer of sovereignty or powers from the UK to the European Union….And we just set out one thing, which is on the agenda of looking again at competences, which is to limit the application of the Working Time Directive. And then the crucial commitment that we would amend the '72 European Communities Act so that any proposed future treaty – and these are the key words – that

> transferred areas of power or competences, would be subject to a referendum on that treaty, a referendum lock. And we have done that. We have put through Parliament the legislation which means that if there was to be any transfer of power from us to the European Union, there would be a referendum. But in all the scenarios you have put to Douglas Carswell, there is not any proposal that there would be such a transfer and . . .

Mr Carswell said that all three main political parties had promised a referendum. Mr Hughes said that this was in in certain circumstances. Mr Carswell said he was excusing the political class for reneging on promises, despite strong public opinion in favour.

December 7

Nick Robinson said that David Cameron in the latest negotiations over treaty change in the EU would seek to protect the single market rules and the City of London from the financial transaction tax. Sarah Montague asked Stuart Fraser, chair of policy and resources for the City of London if he was fearful about what would come out of the EU. Mr Fraser said he was worried that the 17 eurozone countries would introduce the financial transaction tax and also might restrict access to the single market. He said he was fearful that the UK could not do much about it and had a weak negotiating stance. Ms Montague asked if the UK had offered to be part of the bailout fund that would have been better in terms of protecting the future. Mr Fraser agreed it would but the issue was whether governments could bring parliaments with them in that massive bailouts did not go down well.

December 8

In business news, Max King of Investec Asset Management argued that the unravelling of the eurozone was going to be good for European economies and markets because the ensuing devaluations would lead to growth in consumption. He asserted:

> So there'll be a boost to the European economy, a boost to the world economy, and importantly, a boost to the UK economy. So really, it's very much in Britain's interests to see the eurozone unravel, not to keep going.

Mr King was asked how David Cameron would feel about how he had dealt with the talks. He responded that while he wanted to appear to be on the side of the eurozone politicians, he must be relieved that Britain was part of it. Simon Jack asked if Mr King was worried if the City of London would be "punished" for not getting involved. He replied that the financial transaction tax was a war declared the UK and a punishment for not being in the eurozone.

In Yesterday in Parliament, there was a quote from David Cameron in which he insisted the UK needed to help resolve the crisis in the eurozone for the sake of UK jobs. He also said that if Britain had been in the euro, he would be going now for a bailout. Andrew Rossindell asked whether he would show the bulldog spirit. John Baron said that the track record of repatriating powers was not a happy one.

James Naughtie, in a feature at 7.09am about the latest moves by France and Germany to create more fiscal unity, suggested to Lord Howard – the former Conservative leader – that a referendum would be "beside the point" if, as David Cameron wanted, a deal was reached among the 17 eurozone members to stabilise the currency. Lord Howard agreed, and said talk about a referendum was beside the point anyway because there would automatically be a referendum if further powers were given to Brussels. He maintained that Mr Cameron did not want that and was not going to agree to anything that would lead to it. James Naughtie then said:

> Well we've got a conundrum here then – why are so many members of your party in the House of Commons talking about a referendum, including, indeed, the Northern Ireland Secretary, in an interview with The Spectator this morning?
>
> MH: Well, as I understand it, he's not talking about a referendum now, he's saying that at some point down the line there may need to be a referendum.
>
> JN: And we can only infer from what he says that he means and 'in or an out' referendum.
>
> MH: Well . . .
>
> JN: Do you think that that will become inevitable down the line?
>
> MH: No, no I don't. But, (*short laugh*) what is pressing at the moment, as we sit here today, is the need to help the eurozone overcome its crisis, because the world economy is in a very fragile state, and the disorderly breakup of the eurozone could bring about an economic catastrophe on a global scale. Why do you think the American Treasury Secretary has been visiting Europe so frequently over the last few months?

He added that the challenge for Mr Cameron was thus to safeguard British interests while helping the eurozone to overcome its crisis. James Naughtie responded:

> Well, I understand exactly what you are arguing there, and you make a very strong point about the United States' interest. If a deal were to be done inside the 17 members of the eurozone to stabilise the currency, we don't know what will happen over the next two days, but if it's one of the 17 eurozone members rather than the wider 27, the Prime Minister says, well look, that's great, this is going to help, the eurozone will be stable this is in Britain's interest, we then have no influence inside that group, or much less influence than even we have at the moment in talking about things that they might do which would have an effect on this country which is quite profound. Now, how does the Prime Minister answer those in his own party and elsewhere who say, 'well, what are you going to bring us back?', because he'll say, 'Well, I'm outside the room.'
>
> MH: No, I don't agree with your, with your premise. If the, if the outcome is an agreement between the 17 members of the eurozone, I frankly wouldn't have any problems with that. We are not members of the eurozone, we have benefited greatly from the fact that we are not members of the eurozone, and if they want to make arrangements which only affects the members of the eurozone, and that seems to me to be a perfectly reasonable

thing. What we have to make sure is that nothing is done, and I don't think there's problem about that, that adversely affects Britain's interests. And I think that is perfectly achievable.

JN: Just finally, on the broader question to which we alluded earlier, you know that every Conservative Prime Minister since Harold Macmillan has been committed to Britain being somewhere near the centre of Europe, however it's been organised, whether it was the Common Market, the EC, and then subsequently the EU, looking at the rhetoric from the backbenches now, do you think there is a serious question facing us in the next few years as to whether that is still true?

MH: Well, I'm not sure that the rhetoric about being at the centre of Europe was ever particularly valuable or relevant. We have a relationship with the European Union. Frankly, it's not the relationship that I would like it to be, I would like to see a rebalancing of powers between Britain and Brussels, and I hope that at some point we can return to that agenda. But what we have to do is to make sure that within the present framework, Britain's interests are safeguarded. That is our challenge and I'm sure it's a challenge that the Prime Minister will meet and overcome.

An extract from the interview was used in the 8am bulletin as follows:

Newsreader: Mr Cameron's predecessor as Conservative leader, Lord Howard, told us the Prime Minister would not agree to any more powers being transferred to Brussels, so Eurosceptic demands for a referendum wouldn't arise.

MICHAEL HOWARD: What is pressing at the moment, as we sit here today, is the need to help the eurozone overcome its crisis, because the world economy is in a very fragile state, and a disorderly breakup of the eurozone could bring about an economic catastrophe on a global scale.

At 8.16am, James Naughtie asked David Davies if, as the prime minister had suggested, stabilising the euro was overwhelmingly in Britain's national interest. Mr Davies responded that it was important but not the only issue. Mr Naughtie then asked if Mr Davies "believed or not" that a financial deal among the 17 eurozone members – without consulting the 27 – similar to the Schengen Agreement could be reached. Mr Davies said the Schengen Agreement was not reached in that way and had to have approval of all members. He added that the idea of reaching a deal solely among the 17 was very odd in that it would have to create a new structure, which was unfeasible. Mr Naughtie asked him what Mr Cameron should do because that was what was being proposed. Mr Davies said he should point out it was an illegal proposal. Mr Davies said:

He shouldn't accept it. I mean, let's separate the . . .

JN: (*interrupting*) Because that is a, you know, to use the old cliché, that then becomes a line in the sand for him?

DD: Yeah, let's separate this . . .

JN: (*interrupting*) You think he should draw one?

DD: I think of course he should draw the line. Let's just separate this into two pieces: there's all the market operation stuff, the technical stuff we've been hearing of, that's actually not got big implications for the structure of Europe.

JN: No, no.

DD: But there's the other side of it, the . . . 'We need to centralise, we need to create a fiscal union' and so on, that has huge implications for Britain. Whether or not we are actually directly involved, whether or not . . .

JN: (*speaking over*) Oh, it has implications, but the question is, can it be done, can it be introduced by the members of the eurozone themselves, or do we need to be involved in the mechanisms that set it up and approve it?

DD: I think every member of the 27 in the Union (*words unclear due to speaking over*)

JN: (*speaking over*) And the Prime Minister should not accept any other way forward?

DD: I don't think so no.

JN: And you see, this gets us to the whole question of referendums.

DD: Hmm.

JN: Michael Howard was on the programme an hour ago saying that, of course, if that came about the question of a referendum doesn't arise, because the legislation that the government passed says that unless there is a transfer of power to Brussels, no referendum is triggered. Now, do you believe that there are circumstances in which you would have to have, political, have to have a referendum whether or not powers were technically being ceded to Brussels or not?

DD: Oh yes, yes. I mean, there are, again, two levels to this answer. Number one is the government wrote that bill very narrowly, it was criticised for it, but it's not as narrow as they think. Secondly, the raw politics of this is if there was a significant change in the balance of power in Europe . . .

JN: That's the test, in your view?

DD: That's the test. If there's a significant change in the balance of power, it has big implications for our future, that's the point at which you have to have a referendum.

JN: In other words, pulling all that together, you believe a deal can't be done in the 17, if it is proposed that the Prime Minister should draw a line in the sand, it has to be done across all the 27 members of the EU, that would involve a change in the balance of power in Europe, which would necessitate a referendum, in your view, one way or another, this process won't end without a referendum?

DD: Pretty much. I think Boris Johnson, who commented on this yesterday, people forget, Boris used to be a Europe correspondent, and knows his way around this very well, was exactly right about this. Let me make one, one sort of upbeat point if you like: this is, of course it's a time of great risk, but it's also a time of great opportunity to rewrite the future of Europe, to be much more effective than it has been historically, and I think it's good, it's a very good thing. And the prime ministers should grasp that opportunity.

JN: Alright, now, you see, I've been reading the piece you wrote on the Conservative Home website, which came out about an hour ago, 'It's a defining moment in history, Britain may never again get a better opportunity to create a better relationship with the EU'. You don't say exactly what it is. You say, 'We must seize the chance with both hands'. Now, what are you talking about? Are you talking about the repatriation . . .

DD: (*speaking over*) I was trying to get it inside 1200 words (*laughs*).

JN: Well, that's no excuse, Mr Davies, come on.

DD: No, no, no, no, alright, I'm not limited here, so, so . . . so let's, let's, let's, let's deal with it. I mean, well, there's a whole slew of things we need to take, we need to take back control over.

JN: That's what you're talking about?

DD: That's part of it. The other part of it is, if we're going to have a two-tier Europe, which is pretty much on the table, if we're going to have a two-tier Europe, we should define what it looks like. We should define that we cannot be told in future . . .

JN: (*speaking over*) And the Prime Minister should talk about that now?

DD: Yes, I think so. He should talk about, as I said, separate it into two pieces: financial operations and so on, fine, let them get on with it, but when they start talking about centralising Europe, fiscal unions, more power to the Commission, more power to the Union, then we have to say, 'we want a different picture.'

Nick Robinson commented after the interview that David Cameron was desperate to avoid a referendum because he believed it would split the Coalition and claimed he would be grateful that Michael Howard had come out in his support.

At 8.10am, Peter Spiegel, Brussels correspondent of the Financial Times, was asked how he thought the EU bailout plans were going. He said:

> Well, I mean, this to me is the quintessential backpedalling that the European leaders have done, largely because Angela Merkel. Look, if I'm a Greek bondholder, I have now been told four to six things about what's happening to my bonds. That Barroso clip that you played, at that summit I was told, I will be made completely whole, default is not, is verboten, it's never going to happen. Six months later, we have a summit in Deauville, France, where Merkel convinces Sarkozy that actually we will have default, except they'll be in 2013, they will be immediately. Six months later, there's another summit where were told, actually, there'll be defaults today, and, but they'll be small defaults, 21% debt present value cut, don't worry about it. Then, at this last summit in October we're told big 50% haircut. Well, if I'm a bondholder in Europe, I don't believe anything these people say at this point.

Mr Spiegel added that there had been a further U-turn in the past 48 hours over Italian bonds which meant that the haircut concept would not be incorporated into treaties, despite what had been said earlier. He added that the EU should have acted quickly but had not done so and had progressively damaged bondholders. He claimed that a test of their resolve would be if during the latest meeting, they authorised the ECB to start buying bonds and made sure the bailout fund was big enough.

December 9

In the bulletins, David Cameron was quoted:

Of course, we want the eurozone countries to come together and to solve their problems. But we should only allow that to happen inside the European Union treaties if there are proper protections for the single market and for other key British interests. Without those safeguards, it is better not to have a treaty within a treaty but to have those countries make their arrangements separately.

Nick Robinson said:

For years people have talked about a British veto, for years it's existed as a threat, never used. Not anymore. The consequences could scarcely be greater, for Europe and for Britain's relationship with Europe. There will now be a series of angry rows and legal challenges about what this new euro club-within-a-club can and can't discuss, and whether it should be allowed to use EU resources and officials. The safeguards for the City of London that David Cameron fought for but didn't win, will also be the focus of a protracted fight. Since the vast majority of the EU's members and all its most powerful economies bar Britain will be in this new club, many Eurosceptics will now demand a wholesale renegotiation of our membership of the EU, and a referendum on it – something which would be a coalition-breaker. This veto then is not the end of something, it's the beginning – of a story whose end is quite unpredictable.

GAVIN HEWITT: There is now a two-speed Europe – after this long night, the French President accepted that. There is too considerable antagonism towards Britain: it used its veto in what is seen in Brussels as Europe's hour of need. The new tougher rules on spending and budgets will now be backed not by an EU treaty, but by a treaty between governments. It will be quicker to set up, but it may prove less rigorous. But Europe has taken a big step towards closer integration with binding rules over tax and spending and sanctions against countries which overspend. What is unclear is whether European institutions can be used to implement a treaty between governments. If EU officials are in the room, David Cameron has already put down a marker, that he expects the UK to be involved. It is all a recipe for further tussles. The big question is what effect all this will have on the eurozone crisis. The main impact will lie in the long term: the agreement has little to say about the debt mountains and the absence of growth in most of Europe.

At 6.32am, a quote from David Cameron was included before commentary from Chris Morris. It was:

I said before coming to Brussels that if I couldn't get adequate safeguards for Britain in a new European treaty, then I wouldn't agree to it. What is on offer isn't in Britain's interests, so I didn't agree to it. Of course, we want the eurozone countries to come together and to solve their problems. But we should only allow that to happen inside the European Union treaties if there are proper protections for the single market and for other key British interests. Without those safeguards, it is better not to have a treaty within a treaty, but to have those countries make their arrangements separately.

In Yesterday in Parliament, Sean Curran said that the chancellor, George Osborne fielded questions which included comparisons of David Cameron to Neville Chamberlain.

LORD FORSYTH: Why is it in our interests to encourage a project which now looks as if it's failed for the reasons that were set out so eloquently by you and so many others when we decided not to join - or argued against our own country joining the euro?

Mr Curran said that Mr Osborne said the collapse of the euro would be bad for the UK.

LORD LAWSON: Eventually, the whole eurozone project will collapse and Europe will be reunited. But in the time being, the last thing you'd want to be is be involved in these eurozone discussions. I know the Foreign Office hates being outside the room, that shouldn't affect your judgement as Chancellor of the Exchequer.

SC: Looking ahead to today's summit, George Osborne insisted UK would veto the idea of putting a tax on all financial transactions in Europe.

GO: I don't think it would be a question, actually, of money going from London to Brussels, I think it'd be a question of all these industries leaving London and heading off to New York and . . .

SC: The mood was a lot less an avuncular over in Westminster Hall, where MPs were debating the summit. Many of them weren't happy that they had been put in a so-called parallel debating chamber, before the government should have organised a full-scale debate in the Commons. But they didn't stop there - one Conservative, Edward Leigh, compared David Cameron to Neville Chamberlain, and not in a good way.

EDWARD LEIGH: We have had enough of British, reading of British prime ministers over the last 20 or 30 years, in the days preceding a summit that they will indeed stand up for British national interests, that they will ensure that our interest is protected…And then, then coming back, coming back from a summit with a kind of Chamberlain-esque piece of paper, saying I've negotiated very hard, I've got opt out from this and that, and I've succeeded in standing up for British interests, and that piece of paper is not worth the paper it's written on.

SC: And he wasn't the only one. Another Conservative, James Gray, used similar language.

JAMES GRAY: He can wave a positively Chamberlain piece of paper in the air, he can say, 'Haven't I done well? I've protected quite a number of things that were under threat in the City of London,' ignoring by that piece of paper the fact that he's ignored the historic opportunity that the summit allows us.

At 7.23am. Mark Reckless MP was interviewed about David Cameron's 'no' in Brussels. John Humphrys first said:

> There is now a strong possibility that Britain will end up as the only European Union country that will not join the new arrangement, in which tax and spending decisions have to be approved by Brussels – each individual country's tax and spending decisions that is. Well, will that satisfy his more sceptical backbenchers?

He asked Mr Reckless if he was 'happy now'; and then whether he would say to Mr Cameron he wanted more. Mr Reckless replied that Mr Cameron had been as good as his word and had acted because the EU would not safeguard the interests of the City. He said the latest development was a very significant change, and it would now be necessary to see how the institutions of Europe were going to move forward,

> Because you know, Nicolas Sarkozy was talking about a re-founding of the European Union and now we see that's happening amongst between 23 and 26 countries and we're remaining

outside that. And I think that now gives us the opportunity to negotiate a new relationship with the European Union . . .

John Humphrys said the UK was now already outside this "huge arrangement" and asked what more he wanted. Mr Reckless replied:

> I think that's right. I think this is a hugely significant change, and the motive force of European integration is now going to be this new structure of the 23, or the 26 as it may, be outside the European Union. And I think we in this country, we have to look at, you know, how is our relationship going to develop with that? And I think what we will need to do is to look to negotiate bilaterally in the same way that Switzerland does, to protect our interests, and obviously as we're, when we sell goods and services into the European Union (*speaking over*)
>
> JH: Alright . . . just, sorry to interrupt you . . .
>
> MR: . . . but we should make our own decisions.
>
> JH: Right, forgive me, very little time, just a very quick one if you would. Does that mean we're effectively outside the European Union now as far as you're concerned? We're a kind of fringe member a bit like Switzerland?
>
> MR: I think that is the way this appears to be developing.
>
> JH: Right.
>
> MR: And I think we need to do that to secure our own independence and make our own decisions in our own interests, and I think this gives us the opportunity to do that.

In the 8am bulletin, an extract from the interview was used:

> The prime minister's been as good as his word. He said he would not agree to a new treaty unless he was able to safeguard the interests of The City, the other EU countries would not agree to safeguard the interests of The City, and therefore David Cameron has said 'no'.

At 7.32am, Lord Owen was interviewed by John Humphrys. he claimed that British interests were being driven by 80 or 90 Conservatives "who wanted to get us out of the European Union". Mr Humphrys asked if the outcome was what he himself would have wished for. Lord Owen said it was not, and that previous governments had managed to get Britain's way while staying within the EU's structures. He said this was the first time this had not happened, and claimed the UK was in danger of being on its own. He added:

> we, we hardly know what the negotiating position (*sic*) the negotiating position of the British government over the last week has changed quite dramatically. One moment we were told that we were going to use the significant clause that is part of the legislation on referendums, the next moment we're told that we were going to veto, now we discover we have vetoed. I think we have to look at the whole of this government, is this coalition credible, what is the position of the Liberal Democrats, do they agree with this? What is the position of the Labour Party? Is there a better form of government for this country? This government has been a disaster in the area which concerns me on the economy . . .
>
> JH: (*speaking over*) Yeah, well let's not go there, I want to . . .

LO:	(*word or words unclear*) These are important issues.

JH:	Indeed they are, but I want to stay specifically with what happened last night. I mean, there were, short of sell—in your terms, selling out Britain's interests, going into this arrangement, which we had steadfastly said we would not be a part of, this fiscal union, there was nothing we could do but employ that veto, was there.

LO:	Well, you enter into European negotiations over a long period of months, you don't judge a government by what you do last night, it was perfectly clear we had got disastrous relationships developing, when we didn't even have an overall summit in France, we just had the British prime minister meeting with the President, and the French were very offended by being compared to Greece, the Greek economy, by the Chancellor of the Exchequer.

JH:	Alright . . .

LO:	We've had a very clear breakdown in relations between Angela Merkel and the British government. Just don't rush on this issue, we need to analyse very carefully why we've got ourselves in this situation.

JH:	(*speaking over*) Alright, but we are where we are now – sorry, but we have very little time left – we are where we are now, where do we go next, as far as you're concerned. Surely this is now settled? We are outside this arrangement, therefore we are now on . . .

LO:	(*interrupting*) We have a coalition government, Mr Cameron had no authority to undertaken this policy . . .

JH:	(*speaking over*) Alright, but he's done it.

LO:	. . . at the last election, the question is, is a new government going to be formed that has a different view to the one that is governed by 100 Conservatives who never wanted to be in Europe anyhow.

JH:	(*speaking over*) Well, well, well, well . . .

LO:	I have always wanted to be in Europe, I have not wanted to be in the eurozone. We're in great danger of neither being in the eurozone nor in Europe on this position.

William Hague was interviewed at 8.10am about Britain's refusal to sign up to the new treaty. Mr Hague said that not enough effort had been made to meet British concerns about the single market and financial services. Mr Hague used the words "make and effort" after Justin Webb said that they had. Mr Webb added that if Britain was in a "tiny minority", that the UK ("your") position in Europe was going to change. Mr Hague said that was not entirely obvious. Mr Webb, speaking over, asked if the position was unchanged that morning. Mr Hague said that there were several qualifying factors, including that those in the euro and aspiring to join it were not monolithic. Mr Webb again spoke over, saying they were going to meet "as a …" Mr Hague, pressing hard to continue, said that they secondly had agreed to give up more control over their national budgets and it was sensible for the UK to stand apart from that. He added that the government had created confidence in the UK by managing its own budgetary affairs, and then pointed out that within the EU, there were different groupings, including Schengen. Mr Webb asked if he minded being "isolated". Mr Hague said he was not using that word because the UK would not want to give up more of its sovereignty and power over the budget. Mr Webb asked if this was the point, that "certainly, Eurosceptics" in your party had got what they wanted all along, "a degree of separation from what the others do". Mr Hague denied that the government was separating itself from the EU, and that this policy was that of the Coalition. Mr Webb asked if Nick Clegg had been consulted and whether he had agreed the final position. Mr Hague said that everybody signed up in advance to that either the UK would get the safeguards to make the treaty of the 27 members or not agree to the treaty at all. Mr Webb said that Owen Paterson (the Northern Ireland secretary) had said that, if, in effect, a new country was created and there was a change in relationship, there should be a referendum. He suggested that a change in relationship had happened. Mr Hague said there was not a new country and 23 countries might enter into the treaty. Further pressed, he said that not a single word of the treaties was being changed. Mr Webb said:

> Yes, but you're changing our relationship with them, because look at them and the things that they're intending to do, and we're outside that. And what some of your colleagues will say, including cabinet colleagues is, that is the moment that you should go to the British people and say, now, are there things that we should think about taking back as well. Because after all, some of these countries are now going to be carrying on with things, for instance tax harmonisation that they have wanted to do for some time – and what a lot of your colleagues will say is, well this is an opportunity now, we've done this reasonably amicably in a night, why don't we go a bit further and look at other things where we can alter the relationship?
>
> WH: Well, first of all I think those cabinet colleagues will be very approving of what we have done today. We have stuck to our agreed policy that is in the national interest of the United Kingdom. Secondly, the decisions of the European Union will now continue to be made in institutions that belong to the 27 members of the European Union. That is why we've insisted on this position. And as I say, no treaty made outside those institutions can undercut or override the treaties of the European Union.
>
> JW: (*speaking over*) Yes, but we have a changed relationship. What Mr Paterson says is that should lead to a referendum, you're saying no?
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> WH: Well, you're quoting something that someone's said before knowing what would happen this evening.
>
> JW: Yes, but, but, but what he was prophesising has happened.
>
> WH: (*speaking over*) Something, something that was not predicted actually has happened.
>
> JW: (*speaking over*) There is a changed relationship, there is a changed relationship isn't there?
>
> WH: Well . . .
>
> JW: I think you accept that.
>
> WH: I'm, I'm pointing out that there are many different overlapping groups of cooperation within the European Union, this is one of them, this may be a new one of them.
>
> JW: (*speaking over*) Has our relationship with the European Union not changed then, is that your case?

WH: Well, whether it changes in an important or fundamental way will depend now on what happens over time. It would be far too early to jump to that conclusion. The important thing at the moment is for the eurozone to be stabilised, for the European economies to get growing again, and for Britain to retain the ability to act in our own national interest. And those are the things we're concentrating on.

JW: On that point about the fundamental reason why everyone is here, the rescuing of the euro, one of the things announced last night, got a bit lost in all this other stuff, but one of the things that was announced was funding for the IMF by European governments, which would then find its way back to Europe. Now, is Britain going to be involved in that?

WH: Well, Britain, of course, is a major subscriber to the IMF, we're one of the countries that fund the IMF, and we do that in the interests of the whole world economy.

JW: And the extra funding, we'll be involved in that?

WH: We're not in favour, we wouldn't agree to the IMF having extra funding specifically designated for the, to help the eurozone . . .

JW: Because that's one of the things that's going to happen, isn't it, as a result of an agreement last night . . .

WH: Well . . .

JW: . . . there is going to be funding that comes from Europe to the IMF, in order, presumably that that money then backs up some sort of euro rescue (*words unclear due to speaking over*)

WH: (*speaking over*) Funding for the IMF is to help the world economy. There are, I think from memory, more than 50 countries that have an agreed IMF programme, a handful of those are in Europe. So the funding of the IMF does go to help countries in, across all the continents of the world.

JW: (*speaking over*) Yes, but the, the extra money that, as you know, was agreed yesterday, the extra money that is going to come from European governments, is any of that coming from us?

WH: Well funding for the . . . a proportion of the funding for the IMF of course comes from the United Kingdom.

JW: (*speaking over*) So it will, so . . .

WH: (*speaking over*) And we've already . . .

JW: . . . if more money comes from European governments, it will come from Britain as well?

WH: But, but this was, actually the increase in the resources of the IMF was agreed by the United Kingdom under the previous government. We . . .

JW: (*speaking over*) There was a further agreement last night, there was a further agreement last night.

WH: (*speaking under*) agree with that in the (*word unclear*) government.

JW: And what I'm just trying to winkle out is whether we are involved in that or not, and I think you're saying we are, potentially.

WH: We are always involved in the resources of increasing the resources of the IMF if necessary, but that, as I say, is direct to the . . . the IMF deals with the entire world economy, not just the problems of the eurozone.

JW: (*speaking over*) So how much more will come from us as a result of the agreement last night?

WH: I don't think we can say that at the moment. But we have already agreed an uplift in the resources we give to the IMF, and what was agreed last night is not in conflict with that.

JW: So more money is going to come from us, we don't know the exact sum at the moment?

WH: We've already agreed the uplift in resources for the IMF and we won't agree an uplift purely to help the eurozone. But Britain is not involved in eurozone bailouts.

JW: (*speaking over*) Yes, but (*words unclear speaking over*) funding the IMF (*words unclear*)

WH: (*speaking under*) Although we are involved, through the IMF in helping some of the countries, and that is a perfectly normal and natural thing to do

Nick Robinson – noting first that Mr Cameron led a Coalition – said that plenty of Conservatives would wake up with a spring in their step, and say at last "we have been talking about using this veto at last, it has been used". Mr Robinson added that they would now argue for a complete renegotiation. He said:

But it is clear to me that we are at the beginning potentially have something very, very profound, in which Britain's relationship with whatever this new Europe is, is quite, quite different.

JH: Hmm.

NR: No longer can any minister say there's no two-speed, there's no slower lane - of course there is. There is now a group of countries who are determined to integrate in a way that we've never previously seen and Britain, very firmly and clearly is standing outside it. And Nick Clegg, Nick Clegg is a Deputy Prime Minister of a government who's done that. He's about the most pro-European politician . . .

JH: Yes.

NR: . . . I've ever met.

JH: Quite, and here he is. Yeah, because we heard from Mark Reckless, one of the Conservative backbenchers, just an hour ago, saying that now we are closer to Switzerland that's our new position – Switzerland, of course, not in the European Union – this is where we are, effectively now.

NR: That is the argument that I think many Conservative backbenchers will make, and the government will have to say no to them, because it would be a coalition breaker. If, indeed, Nick Clegg not only was consulted but still approves of what happens, there is no chance on earth that he would agree to a renegotiation of Britain's relationship with the EU or indeed to a referendum on that, it's absolutely impossible. And therefore the difficulty for the government is this: yes, they can wait a few months to see what happens, and of course, if there is an economic crisis all this will seem like rather luxurious trivia compared with that, yes they can wait, but can they really wait till the next general election to resolve this huge question of Britain's relationship with the EU? Or is it just possible that some senior Conservatives will say, goodness sake, let's get on with it, let's try and win a majority on our own, and then we can do what we've always wanted to do with the EU.

Justin Webb spoke to Terry Smith, chief executive of Tullett Prebon, at 8.40am. Mr Smith likened the euro to the Titanic and said that it was not guaranteed that it would survive or that the ingredients were there to save it. He was not sure whether the UK was "isolated" and claimed that a fundamental problem was that countries ignored the rules that would make the euro work. He claimed that France would never become competitive while it was in the euro, then asserted:

> I think it is, because what will amount to is central control and more austerity for those countries. I don't think you can cure their position by more austerity. Greece cannot become competitive in terms of its major industries like tourism and agriculture whilst it's in a strong currency caused by the membership of Germany. Neither can Italy, certainly the south of Italy, Spain, Portugal, Ireland and France basically. The, er, it may be that the - and it probably is in my view - that a single currency union for those countries is misconceived.
>
> JW: And yet, final thought Terry Smith, I mean you will have heard what the Chancellor said yesterday, and a number of people, people who are in the know about these things, suggesting that the cataclysm that would result, economic cataclysm, possibly politically as well, but let's stick with the economic, as a result of the euro breaking up, would be so huge that really everything has to be done can be done to shore it up.
>
> TS: I don't think that's the case really. I mean, if you look at what's happening economically as a result of the existence of the euro, it's not exactly a bed of roses at the moment, and it may be if, if the only way for those countries to become competitive is for them to leave the euro, the sooner they do it the better. People have left currency unions before, we left the ERM, Italy left the ERM in 1992, we actually had some of our most prosperous years after that.

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At 8.54am, Allister Heath, editor of the City AM newspaper, appeared with Charles Grant of the Centre for European Reform. He claimed Britain was a "big loser" because a decision had been made to go outside the room where economic reform was discussed. Mr Heath said he disagreed and claimed that the EU "construct" was of the last century and out of date. There was a need to change the UK's foreign and economic policy.

Mr Grant said that Eurosceptics who wanted to leave the EU could now relax because Britain was now leaving the EU in many respects. Justin Webb suggested that the UK had left the negotiations without any guarantees that the City could remain as it is. Mr Heath replied:

> No, but I think that was never on the table. I mean, there's been a huge onslaught of regulations affecting the City from the EU in recent years, many of which the UK government supported, and there's honestly been a lot of regulations from the UK. But to me, that just shows that there is a big issue here and if really we want to, you know, if the

UK government wants to regain control over all these areas that have been ceded to the EU then there needs to be a change in the relationship.

> JW: Do you . . .
>
> AH: I mean, just simply saying 'a safeguard', that was never really going to work.
>
> JW: Do you believe that if they were to go ahead now with a financial transaction tax, the so-called Tobin Tax, and they were to do it among themselves, this group, either the 17 or the larger group, what impact would that have on the City, I mean would it . . . because you hear a lot of . . . You hear some who say the City is safe, because obviously it's not in that zone, but others who say taxi would have a real impact if they were to do it?
>
> AH: It would have an impact, there'd be pluses and minuses, there'd be plusses in the sense that all business will migrate to London, but I mean negatives because the overall market for financial services would be reduced, which would hit British exporters. And also it would depend how the tax is actually constructed, whether eurozone-based institutions would somehow have to pay regardless of whether they're operating from London or from the eurozone. And these institutions employ tens of thousands of people in London for example. So there is no clean cut answer. I mean I think it would be, probably on balance, a little bit bad for the UK if the eurozone was to do it on its own, but it would be far less bad than if the UK, it would also directly hit the UK.

Mr Grant said the European Commission would now be weaker and that was bad for Britain because it stood up for the single market. Mr Heath said:

> I want free trade, anything that stops free trade is a bad thing. But I'm afraid to say, I think the eurozone and the EU are both flawed constructs, and I think, you know, nothing that's been agreed by these eurozone and other countries today will actually save the euro. I mean, there's been probably a few positive moves here to reduce budget deficits and so on, but they don't go far enough, and they don't address the fundamental problems.

December 10

In an item at 8.10am examining whether the UK would now "inevitably" head towards leaving the EU, James Robbins suggested that the country was heading away from the EU. Lord Heseltine said it was in Britain's interest for the euro to survive, but David Cameron had not got a guarantee over protection of the City and so it had not been in the country's interests for him to sign. He added that there was a danger that the eurozone was perhaps on the edge of creating trading rules which would make it difficult for those outside to trade. He added that nevertheless, David Cameron could not protect Britain's interest by "floating off into the Atlantic". Lord Heseltine contended that there now had to be dialogue about the relationship between the City and the merging eurozone countries against a background of countries queuing up to join the euro. Sarah Montague then asked:

> So therefore we're left, as that . . . that's something we know Britain, the British people will not accept, I come back to that question: are we inevitably heading for the . . . for leaving the EU?

LH: No, you, you again made the assumption that today's attitudes are the future attitudes. It's perfectly true that . . . I don't say the British people wouldn't accept, we don't know, although with some of our newspapers, particularly foreign-owned newspapers, it would be very difficult to win a referendum. But the issue is not what the people accept today, it's what will they accept when they perceive the potential damage to hundreds of thousands of British jobs, and enormous tax revenues. And one of the things that has to happen, and I'm surprised we aren't hearing more of it, is that the voices of the City of London have got to become very much loader, and their dialogue with Members of Parliament much more acute.

SM: You've been at the centre of these things, heated occasions in the past - tell us, give us some sense of what it's like, because there's an awful lot being said over the last few days and to try to be clear headed at the centre of it and fix your, your idea, your vision on what it will be like when it all settles down, that must be quite, quite a difficult position?

LH: It . . . I go back to Churchill, at the end of the Second World War. 'We need to create a kind of United States of Europe' , that is what is happening. That has been going on, driven by the French and Germans, as an alternative to centuries of warfare. And this was never just an economic union, this was a reaction to the horrors of what had happened on the landmass of Europe, in which we were always involved. Now, it's taking a very long time and so it should, because those attitudes have to change, public opinion has to change, experiences have to develop. But what you saw the other night was 27 sovereign nations agreeing to a process, one of them disagreeing. But they were sovereign nations . . .

SM: And . . .

LH: And that's what people can't seem to understand. The idea that there's a Brussels conspiracy imposing their will on France and Germany is ludicrous.

SM: And just a brief, finally . . . that United States of Europe, where does Britain sit in relation to that?

LH: You can't float off into the Atlantic. We are involved. David Cameron has said, very articulately, very rightly, we're not going to leave the European Union.

At 8.32am, an interview with George Osborne was prefaced by one with FT editor Lionel Barber, who argued that the 'no' to Europe had been triggered by the prime minister's desire to avoid a referendum which would have been forced if he had stayed with the 27 in approving treaty change. He added that he had chosen a course that led to isolation because he wanted to please 40 or 50 Eurosceptics. George Osborne first maintained that on the contrary, the decision had been taken for economic, not political, reasons. John Humphrys said that Mr Cameron had "wielded the veto" but had got nothing in return. Mr Osborne disagreed and said that integration was now happening outside the full panoply of the EU treaties but as an agreement between the eurozone. He maintained that the UK was constantly in the negotiating room about matters relating to the single market. Mr Humphrys said he was no outside. Mr Osborne said that the action had prevented that happening and the single market remained the concern of all 27 members. Mr Humphrys said the 26 would continue to discuss all manner of things, including the single market, without the UK. Mr Osborne repeated that this had not happened and would not happen. Mr Humphrys suggested that David

Cameron had taken his stand entirely for political reasons in order to protect the Coalition and had in effect tabled a "wrecking amendment". Mr Osborne said he disagreed and repeated that what was happening now was outside the main EU treaties. Mr Humphrys said the 26 could create their own treaties. Mr Osborne said they could, but his action had protected the main EU treaty. He then suggested that the government would be able to protect the banking and financial sector better, and would be at the table in future Ecofin discussions about further regulation. He repeated that he had prevented further integration of the eurozone within the main EU treaties, and that the action had served to protect the financial and manufacturing sectors. He asked how many times he needed to explain this. Mr Humphrys said the editor of the Financial Times did not believe this. Mr Osborne said many people in the City did. Mr Humphrys repeated that it was a political gambit. Mr Osborne again said it was not. Mr Humphrys suggested that there was no hope of repatriation of powers because the other countries would now laugh at us if that was suggested. Mr Osborne said the UK had already left the bailout mechanism. Mr Humphrys laughed and said the UK was now on the fringe. Mr Osborne said he completely rejected that and that the UK needed to cooperate over the single market. Mr Humphrys suggested he had given some red meat to Eurosceptics and they would now never be satisfied. He noted that Mark Reckless had suggested that the UK should become like Switzerland. Mr Osborne said he completely rejected his language because what had happened was for the sake of in Britain's interests. He maintained that the eurozone now had a better chance for survival, meaning that the EU countries would become more competitive.

At 8.53am, David Rennie of the Economist and Melissa Kite of the Spectator said British people were relieved by David Cameron's use of the veto because they did not want more power given to Brussels. David Rennie said that no transfer of powers was on the table and Mr Cameron had not stopped the EU from doing anything. Ms Kite said that George Osborne had just explained that the EU had been stopped from using fiscal rules for the support of eurozone countries. Mr Rennie disagreed and said there had been an attempt to get safeguards for the City of London but not to stop the application of the fiscal rules. Mr Rennie asserted that David Cameron had acted as he had done because he was frightened of his own party. Ms Kite maintained that if he had agreed further transfer of powers to Brussels, it would have been a huge betrayal that would have required a referendum. Mr Rennie re-iterated that Mr Cameron should have pressed for more safeguards. Sarah Montague said that Nicholas Sarkozy was strongly opposed. Mr Rennie said that other countries agreed with them. Ms Kite asked what he actually wanted the prime minister to have done. He replied that the safeguards being asked for were more or less what were needed. Ms Kite concluded that Mr Cameron had achieved something.

December 12

At 6.53am, an item examined how 'far right' parties were exploiting the eurozone crisis and were blaming the EU for economic problems. There were two vox pop contributions from people who wanted a return to the guilder. Anna Holligan then said:

> And there's only one party offering this option – Geert Wilders far right PVV Freedom Party is capitalising on the frustrations brought on by the eurozone crisis. It's calling for a referendum on whether the Netherlands should leave the euro. Here in Volendam, there's growing support for Mr Wilders.

Andre Krouwel, a political scientist, said that the party was saying the whole left-wing Europeanisation project was wrong. Ms Holligan said:

> Voters who were once uncomfortable with the PVV's anti-immigration rhetoric are now, in this time of economic doom, desperately searching for alternatives. And Mr Wilders is providing an increasingly popular option.
>
> GEERT TOMLOW: The feeling, the emotion is, 'this is not my country anymore. I have a foreign coin, I see foreign people,' and that's the emotion, and that's what Wilders is saying, 'Come to me, I'm daddy.'
>
> AH: Geert Tomlow was a PVV member until he was kicked out for questioning the party's power structure. I asked Geert why so many voters are turning to his far right Freedom Party.
>
> GT: Because people in Holland are fed up. If you are a normal, original Dutch person, every year you pay more tax, for the tax every year you get less and less and less. And all around you we have a hundred thousand, a hundred and fifty thousand people a year, who come here, who get housing, who get all kinds of favours. It costs us, we don't get anything for it. And people are fed up with it, they don't want it.
>
> AH: But inside Parliament, the Finance Minister Jan Kees de Jager rejects any suggestion of abandoning the euro. And as far as he's concerned the PVV has no say on the matter.
>
> JAN KEES DE JAGER: On eurozone matters Geert Wilders is an opposition party. So . . . and opposition parties can have dissenting opinions in a free country, they do not have any influence on the eurozone policy of this government, because as to the eurozone measures, Geert Wilders's party is an opposition party, not part of the coalition whatsoever.
>
> AH: But the PVV can't be so easily dismissed. It's now the second most popular party in the country, and the governing coalition relies on the PVV's support. Some say the Freedom Party's threat to boycott the next round of proposed cuts could result in the total collapse of the Dutch government. Ex-PVV member, Geert Tomlow again, thinks it's a distinct possibility and that Geert Wilders is the man who can make it happen.
>
> GT: Two telephone calls and the government is down. They are always on a very thin lifeline, always. And for him it's like, it's like a gamble, and finding the right moment to say, 'Okay, now I throw in little bomb, and the government splits.' He has the government in his hands at the moment

An item at 8.10am about the Liberal Democrat reaction to the 'veto' was prefaced by remarks from John Redwood. He said:

> Obviously, there are some Liberal Democrats who are very much in favour of going along with Merkel's German Europe. When you're in a coalition both sides get disappointments on a very regular basis, because neither side is going to get all that they put in their

manifesto. But I'd be very surprised if the Liberal Democrats really wanted a general election today based on the proposition that they think we ought to sign up to much more European government, higher European taxes, more European regulations. That would be a very easy election for us to defeat them on, and I'm sure that they don't really mean that they want to break the coalition on this issue.

At 8.53am, Bernard Jenkin was interviewed with fellow MP Martin Horwood about whether Britain was now more isolated in Europe. Mr Jenkin claimed that Mr Cameron had done the right thing in asking to safeguard the financial services sector, which employed 2m people. He added that all that had been done was to be excluded from monetary union, and Britain was never going to be in that room anyway. John Humphrys asked if Mr Jenkin was worried about relationships being damaged. He replied:

> Well, I rather suspect that this decision reflects the relationships that already exist. You know, this irrational anger that the French have, for example, about the City of London, and they are determined, there are 49 directives and regulations coming down the track aimed like an exocet at the City of London, this is extremely bad news. And the problem is the treaties are attacking our competitiveness and our prosperity. It is the existing treaties that are doing this, and as they forge ahead with political and monetary union, political union which we do not want to be part of, there has to be a recognition that the United Kingdom is going to have a different relationship with the European Union than the rest of our European partners.
>
> JH: So that . . .
>
> BJ: If they want to carry on with that direction, and incidentally, I think there are plenty of smaller countries who are just too scared of Germany to vote against them, vote against Germany, the Franco-German axis, they will, as long as there is one country like Britain exercising a veto, they'll be happy, but it remains to be seen whether all the other countries (*words unclear due to speaking over*)
>
> JH: Alright, but the logic of what you're saying is that we are now inevitably going to move further away from Europe . . .
>
> BJ: Well, we don't say move further away, you know, we're still going to be, the English Channel's not going to get any bigger, we're still going to trade with Europe and indeed, there are plenty of countries right outside the European Union that trade very happily with the European Union.
>
> JH: Ah, well exactly, but that's what I mean, you know what I mean when I say . . . Alright, move further away from the institution of the European Union, in other words . . .
>
> BJ: The answer is, we do need a different relationship . . .
>
> JH: Right.
>
> BJ: So we can protect our competitiveness.
>
> JH: Right.
>
> BJ: And so we can look globally at the growing market in the rest of the world. Bear in mind the euro area does look a bit like an accident blackspot at the moment, and has done . . .

JH: Alright.

BJ . . . for some time in terms of unemployment and growth.

JH: So what is that different relationship then? Just in 30 seconds, spell it out. Five years from now we're having this conversation, and you say, look, hasn't it gone well? What is it?

BJ: It's a relationship in which, this should be relatively un-contentious, in which the . . . based on the principle that the democratically elected parliament should actually make the laws of the country that's being governed, rather than imposed by institutions by majority vote who are looking after a hard-core, Federalist core, rather than our interests.

Mr Horwood argued that Mr Cameron's actions would lead to actions being taken against the UK's economic interests and would lose a voice in the key meetings. Mr Humphrys then asked:

Do you, do you want to be Lichtenstein, Bernard Jenkin?

BJ: (*laughs*) Well, this is absurd. We can all pick countries. The answer is, we will be forging a new template, I mean, interesting, look at Turkey, they're in the customs union but they're outside the European Union, look at Norway, they're in something called the European Economic Area . . .

JH: Right, well we've got four or five on the table at the moment

MH: Every other country in the European Union signed up to the process and we were isolated . . .

BJ: The answer is, the answer is . . . a form of associate membership is the sort of membership that would become attractive to Turkey, for example,

JH: Alright. 20 seconds.

BJ: But we've got to stop this religious talk that somehow we've lost the faith and we're going to be damned.

JH: (*speaking over*) 20 seconds, alright, no more religious talk, we've got . . . we've got 15 seconds left, Bernard Jenkin do you want a referendum, an in or out referendum? Yes or no?

BJ: I don't want an in or out referendum, I want a referendum on the future relationship of the European Union after it's been renegotiated

December 13

In Yesterday in Parliament, it was said that David Cameron had defended his use of the veto, against a background of the absence of Nick Clegg. Most of the sequence was taken up with attacks on Mr Cameron.

David Cameron said:

I wish those safeguards had been accepted, but frankly I have to tell the House the choice was a treaty without proper safeguards or no treaty. And the right answer was no treaty. It was not an easy thing to do, but it was the right thing to do.

SC: Conservatives cheered the Prime Minister when he arrived and one or two waved their papers in the air before he'd even said a word. But they didn't like everything he said.

DC: So we are in the European Union and we want to be. This week there will be meetings on councils, on transport, telecommunications, energy, agriculture, fisheries.

Nadine Dorries said:

The most cowardly and negative attacks over the weekend did not come from the party opposite who are actually incapable of opposition, but unfortunately came from the Liberal Democrats. Cowardice only to be surpassed by the absence of the Deputy Prime Minister in the chamber today.

SC: At the last session of Prime Ministers Questions, David Cameron came under pressure over Europe from his own backbenchers, now they were treating him like a returning hero but there was still the acid test: the Conservative MP Peter Bone announced he had an important message for Mr Cameron.

PETER BONE: 'The efforts of the Prime Minister from Thursday night gave me great pleasure', yours ever, Mrs Bone.

In the business update at 7.16am, government trade ambassador Brent Hoberman claimed that David Cameron's stance on the EU had not changed the perception that London was still a vital gateway into the EU and was not part of the eurozone.

December 15

In Yesterday in Parliament, David Cameron said:

I will answer. Look, no one in this House is going to be surprised that Conservatives and Liberal Democrats don't always agree about Europe, but let me, let me reassure him, he shouldn't believe everything he reads in the papers. It's not that bad, I mean, it's not like we're brothers or anything . . . What would the Right Honourable Gentleman have done? While, while he was here on Monday his aides were running around the Press Gallery briefing them that he wouldn't have signed up to the treaty. Well, here's another try: what's your answer?

December 16

In Business News, Simon Jack said:

Talking of PR, there's a few people probably in need of a bit of a makeover, I'm thinking of the financial community for a start, and Britain in relation to Europe. Do you think that's being handled well?

LORD CHADLINGTON: I think we all underestimate how highly Britain is viewed in Europe and particularly in America. They believe we have a prime minister who is being very decisive, who has addressed debt extremely firmly, very early on, and particularly over the last few weeks I think has demonstrated that he puts Britain above everything else, and I think that's very important.

Gary O'Donoghue analysed the Feltham by-election result. He included a comment from Nigel Farage, who said:

We were 88 votes behind the Liberal Democrats, of course I'm disappointed.

GO: UKIP's leader, Nigel Farage. He accepts that David Cameron's actions at the EU summit last week may have hurt his party.

NF: The Cameron veto, people are saying, 'Well, you know, maybe UKIP's not as important as it was a week ago, and so we don't need to go out and vote for them.'

December 17

In the bulletins there was mention of the latest setting of EU fishing quotas. Scottish fisheries minister Richard Lochhead said:

The European approach seems to be not to let a fleet go to see in the first place in case they catch cod. Of course, we argue that we should let our fleet go to see, if they can avoid cod but catch other stocks, and that on-going argument is still there, and it's causing huge problems for Scotland and the rest of the UK as well.

The bulletin added that the British fisheries minister Richard Benyon had said that some fishing quotas would increase.

Lord Lamont discussed with German MEP Elmar Broc the latest developments in the attempts to save the euro. Lord Lamont warned that a real crisis was imminent. The euro was no longer credible in markets. Italian bond rates remained at around 7%, putting financial institutions at risk. Mr Broc maintained that the EU had enough borrowing capacity to overcome the problems. Lord Lamont said he doubted that the German government would allow the buying of bonds on the scale envisaged. He added that the German solution – short term deflation – was savage and the problems could not be cured by printing money because that would be the subsidisation of the peripheral regions. He claimed on that basis the euro was a contradiction in terms. Evan Davis gave Elmar Broc what he termed a "right of reply".

At 8.32am, Evan Davis noted that France had suggested that Britain should be first to lose its triple 'A' credit rating. Bernard Jenkin said that the problem France had was that it was stuck in the euro, which meant it had an uncompetitive exchange rate. Mr Davis said:

The French finance minister has said, France is . . . 'it's true the economic situation in Britain is very worrying and that we prefer being French rather than British on the economic front at the moment', he said this on the radio.

BJ: Hmm.

ED: I mean, I . . . I don't know, in a way, you can see why people might think this is just childish name-calling at a time when there are more serious issues, surely? I mean, one of your colleagues Douglas Carswell tweeted something the other day about . . . I can't remember what it was, it was something like, 'We'll be crying into our triple-A rating' – this is just not the way to be conducting things at the moment is it? We should stand back from . . .

BJ: (*interrupting*) I personally don't think there's any guarantee that the United Kingdom will keep triple-A rating, and if the euro goes down and we . . .

ED: Right.

BJ: . . . suffer a decline in economic growth as a consequence, our rating may well be affected. But we do have the flexibility, we have our own central bank, we can set our own interest rates . . .

ED: (*speaking over*) Right, but, no, no, I understand . . .

BJ: . . . and our exchange rate floats.

ED: I understand the argument over the euro, but can I just get you to say that you think that this kind of name-calling is childish and is not the right way for adults to behave at a time of grave economic crisis?

BJ: (*speaking over*) Well I, I'm not sure it's name-calling. I think that there is a different political settlement round economic issues in France than there is from Britain, and that underlines why we need to be in separate currencies without separate policies and our separate national jurisdictions. The great error has been to assume that the different nations of Europe and all live as one happy family in one great European house, and it's not working, it's not working practically, it wouldn't work politically and if I may just point out one thing: in all the discussion about fiscal union, how much have we heard about democracy? And it's about the consent for these arrangements that they are setting up under the fiscal union should give us real concern.

At 8.54am, George Eustice and Lord Oakeshott discussed whether Britain would become more isolated in Europe. Lord Oakeshott claimed a row should never have happened and was rooted in the fact that David Cameron had linked up with EU "weirdos and wackos" in Eastern Europe. Justin Webb asked Mr Eustice if Britain could "do without" France and Germany. Mr Eustice replied that Mr Cameron had taken a stand and still had allies; it was nonsense to suggest the UK was not talking to France and Germany. Lord Oakeshott said Britain's position had been undermined. Mr Eustice said it had not and people now knew that David Cameron meant what he said. Lord Oakeshott said:

> He's achieved nothing. The Swedes haven't caved in. I mean, honestly, Mr Eustice, you were a UKIP candidate, you're using that same silly language. The fact is we are . . .

GE: (*speaking over*) I'm not using any silly language, I'm being clear that .

Lord Oakeshott claimed that Mr Camewron's "flouncing" was ridiculous and was done without the agreement of the Coalition. Justin Webb said:

Let me, let me put that point to George Eustice. George Eustice, do you believe that there is something really input serious that we can input into these discussions and need to be inputting into them, otherwise there could be awful mistakes committed?

GE: Well we are, but we're obviously not in the euro, and we took the right decision not to join the euro . . .

JW: Yes, but if they mess it up, it has a huge impact on us.

LO: (*speaking over*) Ten of them aren't in the euro either.

GE: I agree, but look, we've tried to help them, we've been advising them for months now to stand behind their currency, to get the ECB to issue Eurobonds and to actually put some proper money behind it, but what they're talking about is ways that in the future they could stop the budget going wrong, when actually what they really need to do is get some intensive care on the euro in the short term. And I think there's a real danger, actually, that the markets will overtake the political process, and all these discussions will be overtaken by events . . .

LO: (*speaking over*) Of course they will, but sniping from the sidelines instead of being in there . . .

GE: . . . and Greece may well be leaving the euro.

LO: . . . and working together to sort things out.

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