

Here is my report following last week's plenary session in Strasbourg.

### **The big story remains - as it has for the past two years - Europe's financial crisis**

We need to remember that Britain has gigantic and still-growing debts. Our triple A credit rating is now under threat.

The financial crisis is due to the lax financial behaviour of national governments.

This week the Italian Prime Minister, Mario Monti, reported to the European Parliament that Italy is beginning to turn the corner. One reason is that his whole government are technocrats and the Italian parliament is fully supporting their decisions. This week Monti refused to allow Rome to apply for the Olympic Games in 2020.

But in Greece, the situation is different and still very difficult. The prime minister is a technocrat and doing his non-political best. But under him the two major parties continue to look after their own, "political clientalism". The basic difficulty is that Greek governments have promised the rest of Europe for the past two years to make the necessary financial changes in Greece - such as collecting more taxes and simplifying the system to reduce evasion, privatisation of state assets, and reducing the bloated public sector employment (since the crisis 600,000 private sector jobs have been lost but not one in the public sector) - but they have done nothing. Now, faced by the need for another huge loan in March (or else they become totally bankrupt as a nation without even money to buy fuel for their cars), they have been obliged by the EU and the International Monetary Fund to pass into Greek law the necessary cuts, but at this moment they have still not done enough to be guaranteed the loan. The final deadline for Greek acceptance is Monday. Opponents say this is the German boot stamping on Greece. But Germany is providing the money and Greece has made itself a pauper. Overall, we are all (including the UK) still years away from being out of the wood. It becomes more difficult for all governments to pay back their debts because their economies are shrinking.

Meanwhile 25 of the 27 national governments and the European Parliament are negotiating a treaty of tighter fiscal union between them. The UK has opted out following the Cameron walk-out last December, but is present at the negotiating table in Brussels.

### **Watch out for two elections in April**

A Greek general election which will show whether the Greek voters accept the austerity or they choose to become a broken third-world country. And the French Presidential Election. In the present opinion polls Sarkozy is far behind the Socialist candidate, Hollande. The growing danger is Marine Le Pen (daughter of the now 83 year old Jean-Marie Le Pen, founder of the French National Front. Both he and his daughter are French MEPs).

### **Development aid and India**

Next week, I am leading a four-MEP delegation to India for three days in order to assess the need for EU aid to continue to that emerging superpower and to assess India's own aid programme to developing countries.

### **Finally, chess and Russia**

A few MEPs including me had breakfast this morning with Gary Kasparov. He was in the parliament to promote the worldwide teaching of chess in elementary schools "because it helps kids to learn logic and also it helps them socially because all backgrounds play together." He starting learning chess himself at the age of 6.

Kasparov also talked about the Russian Presidential election on Sunday 4th March. The Russian opposition will try to have observers at every polling station and will issue its own forecast of the result in the evening. Putin, he said, has lost the support of the cities - a recent poll by the most free Moscow radio station gave Putin 11%. Russia is suffering an exodus of talented youngsters. But Putin will ensure his own victory in the presidential election and will only leave power after using force to try to remain which, Kasparov said, is why Putin is backing Assad in Syria. Recently Putin appealed to the Russian people "Don't rock the boat" and a blogger replied "Don't rock the boat, our rat is feeling sea-sick." Europe is regarded highly in Russia, and should therefore send a strong message to Putin that any kind of force will be totally unacceptable. Whereas America is viewed by Russians at best as a rival and competitor.

All the best, Bill

PS join the [bus trip to Brussels and the parliament](#) in early June. Julie Hirst in Grantham is organising a bus trip to Brussels and the parliament in early June. If you are interested in joining, please email her at [julie\\_hirst2000@yahoo.co.uk](mailto:julie_hirst2000@yahoo.co.uk)