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THE RT HON LORD OWEN SPEAKING AT THE LAUNCH OF HIS HAUS BOOK, '*THE UK'S IN-OUT REFERENDUM. EU FOREIGN AND DEFENCE POLICY REFORM*', CENTRE FOR POLICY STUDIES, LONDON

“There has been a long tradition that US Presidential visits to this country do not take place close to General Election periods. The reasons for this are obvious and hitherto scrupulously observed by Washington D.C. They also govern Prime Ministers visiting the United States.

In the autumn of 1978 as Foreign Secretary I mused about possibly inviting President Carter to repeat his very successful 1977 visit to Britain before October 1979. In the event we had an election in May. But I was wisely reminded that there had been some criticism of the only precedent of a visit close to a likely election when President Eisenhower met with Harold Macmillan on a visit to Britain from 27 August - 2 September 1959 with an election being called for 8 October. President Carter played these sort of issues by the book and so I quickly shelved the idea. There were correctly no Presidential visits by President Ford surrounding the 1975 referendum on coming out of the Common Market.

Last week President Obama in an interview for *Atlantic* magazine made trenchant criticism of Prime Minister Cameron and former President Sarkozy over their failure to handle the aftermath of the bombing of Libya. I happen to agree with this criticism in its entirety, and also the President's self-justification over the choices he felt driven to make over not intervening militarily in Syria. I accept too that the UK along with others in Europe have become ‘free riders’ on America's defence budget. The US voter will not for much longer go on contributing 75% of NATO's budget.

Yesterday it was reported that President Obama will visit this country at the end of April in the midst of our referendum campaign to tell the British people to remain in the EU. No doubt this will be accompanied by excruciating and inevitably embarrassing praise for David Cameron to balance what the President said about having to persuade him to spend 2% of GDP on defence. As emotions mount in our referendum debate it would be better for the President to respect diplomatic courtesies and democratic conventions.

Since postponement is unlikely I will address my remarks directly to President Obama before his arrival.

“It is no secret Mr President that for the last few years your successive US Treasury Secretaries have been repeatedly making private but urgent representations to Germany to correct the fundamental flaws in the design and execution of the Eurozone. American views have been ignored. British views have been ignored.

Substantive reform of the Eurozone as evidenced from our Prime Minister's attempt at renegotiation has yet again been postponed by the EU to probably 2023 at the very earliest. Possibly even longer, unless the euro collapses before then.

Mr President, I respectfully request that if you come to the UK to tell us how to vote,

that you consider the real questions before the British people and not just US concerns about a collapse in the euro. The damage for us remaining in the EU is much greater if there is a collapse even though we are not in the euro. For the UK the questions are:

Do we take in Britain this once-in-a-lifetime opportunity offered by our Prime Minister to get out of the dysfunctional EU in an agreed transitional period now? Or do we give up this opportunity and wait, risking a forced exit from the EU at a point of maximum disruption when the Eurozone suddenly collapses?

As a firm supporter of your thoughtful Presidency and your determined policy on, above all, Iran supported by Britain, France and Russia as Permanent members of the UN, as well as Germany, I would ask before your visit that you examine the Eurozone's dismal history as viewed from London, not Wall St. After all for the first 150 years after your US 1788 Constitution called for monetary union, the US "was wracked by both regional disputes over monetary policies and institutions." You were also one country with one language.

Part of that examination, if you have not already done so, might be to read *The end of Alchemy* recently published by Mervyn King, the former Governor of the Bank of England. On page 237-8 he writes: "The crisis of European Monetary Union will drag on, and it cannot be resolved without confronting either the supranational ambitions of the European Union or the democratic nature of sovereign national governments. One or other will have to give way....There is a limit to the economic pain that can be imposed in the pursuit of a federal Europe without a political counter-reaction."

We are seeing a political counter-reaction to the dysfunctional nature of the EU in various forms in every country in the EU and it is deeply troubling. Most vividly today we see it reflected in the German Lander election results primarily due to the inability of the EU to handle the migration crisis. In April we will see a referendum in the Netherlands on the appallingly drafted EU Association Agreement with the Ukraine. Soon we will see the adverse effect of the Turkey deal on the negotiations over Cyprus.

In relation to the UK, Mr President, do not be misled by the 'canard' that the UK is going to break up if we vote to leave. The referendum on EU membership was announced by the Prime Minister in 2013, well before the Scottish referendum in 2014. Both referenda had been declared by all sides as a once-in-a-generation choice. No UK government will officially sanction another referendum for many years. No EU membership will be available for Scotland on the back of an unofficial, non legally binding referendum result. Nor will Scotland easily survive without substantial fiscal transfers from the rest of the UK on the basis of the most recent figures, which show a deeply financially constrained Scottish economy.

It is not just the dysfunctional nature of the Eurozone that worries many of us in the UK. Many of us are lifetime Europeans and we are choosing to vote to leave so as to take the opportunity to counter balance the dysfunctional nature of the EU defence and foreign policies adopted since the creation of the Eurozone.

In addition many of us are instinctive Atlanticists. We have listened to successive US

Secretaries of Defense warn us in Europe that the present situation is "unacceptable." Not least Robert Gates who served you as well as President G. W. Bush. In June 2011 he publicly said, "while every alliance member voted for the Libya mission, less than half have participated at all and fewer than a third have been willing to participate in the strike mission....The military capabilities simply aren't there....I've worried openly about NATO turning into a two-tiered alliance: between members who specialise in 'soft' humanitarian, development, peacekeeping and talking tasks, and those conducting the 'hard' combat missions....This is no longer a hypothetical worry. We are there today."

Mr President, before you tell us how to vote, please recognise that some of us are determined, if and when outside the EU, to further expand our trade from EU markets, as we are doing already, but much faster to the rest of the world, achieve greater economic growth and improve our productivity. We intend to restore cuts in our worldwide presence and return to blue water diplomacy. With savings from the pretence of EU 'common defence' we intend to focus the UK's defence effort on 'hard' defence within NATO. We are convinced we must learn from the mistakes our politicians and senior military figures made in the aftermath of the invasions of Iraq, Afghanistan and Libya.

We will always be ready to go on working with France on difficult UN and NATO missions as well as other European NATO countries but the pretension around EU defence must be ended. It has been deeply damaging ever since it was envisaged by Prime Minister Blair and President Chirac.

The choice to leave the EU is not an easy one for us in Britain but it is being taken not only on the balance of advantage for the UK but also for the wider Europe, and our partners Canada and the US in NATO."