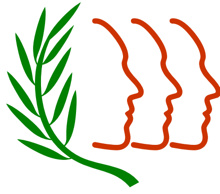

PEOPLE'S NEWS

News Digest of the People's Movement

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No. 109 **31 August 2014**

Canada and EU agree TTIP-type deal

Canada and the European Union have completed the text of a proposed Comprehensive Economic and Trade Agreement, after months of wrangling, in a deal that is expected to serve as a blueprint for the similar Transatlantic Trade and Investment Partnership between the EU and the United States, which would encompass a third of world trade and almost half the global economy.

The two sides initialled an agreement in principle last October, but the talks then ran into trouble over issues ranging from financial services and protection for investors to how beef and cheese quotas are shared out.

Germany said it has not yet decided whether to agree to the draft, because it objected to clauses outlining the legal protection offered to firms investing in the EU. Critics said they could allow investors to stop or reverse laws, particularly those relating to the protection of the environment. But the provisions for resolving investor-state disputes were settled several months ago, the Canadian official claimed.

According to the state secretary at the Ministry for Economic Affairs, Stefan Kapferer, "the German government does not view as necessary stipulations on investor protection with states that guarantee a resilient legal system and sufficient legal protection from independent national courts."

The draft text of the treaty will now undergo a legal review and translation before it is sent to Canada's ten provinces and the EU's twenty-eight members for their comments and final ratification. That process looks as if it will finish in about mid-2016, the Canadian official said.

So, it would appear that we have a window within which we might bring some pressure to bear on the Government. This will involve a huge effort in raising public consciousness in the face of promised jobs arising from the deal and the "disproportionate advantages for Ireland."

The leaked text of the EU-Canadian agreement includes an Investor-state dispute settlement (ISDS) mechanism, despite the fact that—as many of the 150,000 comments submitted in response to the ISDS consultation made clear—this cannot be "fixed" and must therefore be stopped. It includes an expansion of ISDS and still empowers foreign firms to circumvent national courts and to challenge public-interest policies before extrajudicial tribunals, pointing the way for TTIP.

Even the argument that creating an appeals mechanism would rein in the discretion of tribunals fell on deaf ears. The text merely gives a committee the task of creating a "forum" for the EU and Canada within which to "consult" on "whether, and if so under what conditions, an appeal mechanism could be created." We can guess the outcome of that exercise!

“Fair and equitable treatment”

The CETA definition of “fair and equitable treatment” would explicitly empower tribunals to consider whether a challenged domestic policy frustrated the investor’s “legitimate expectation” of profits, or adversely affected the value of an investment, when deciding whether to order compensation by the taxpayer. This is the widely used “investor right” that has served as the basis for many of the foreign investor victories against public-interest policies.

Under the provisions of the CETA, states could be obliged to compensate foreign investors for regulatory actions that would not be subject to compensation for expropriation claims under domestic law.

CETA includes a broad definition of “investment” that would extend the agreement’s protection to activities and instruments that would not be provided the same protection in domestic law. The CETA definition of an investment includes such vague concepts as “assumption of risk” and “expectation of gain or profit,” which would grant tribunals wide discretion in determining whether an actionable investment exists, and therefore whether an investor-state challenge to domestic policies could proceed.

A provision requiring unrestricted transfers would act as a ban on capital controls, which the IMF and many economists have endorsed as legitimate policy tools for mitigating or preventing financial crises. The CETA language also conflicts with financial transaction taxes, which eleven EU member-states plan to implement.

CETA poses a threat just as insidious as TTIP, in that American or European subsidiaries in Canada would be able to engage in ISDS-style litigation even if that element of TTIP were to be scrapped.

So opposition to CETA will have to be just as strong as that to TTIP if we are to prevent its implementation.

Is there any evidence that TTIP will create jobs?

There is scant information available to the public regarding the Transatlantic Trade and Investment Partnership now being negotiated in secret between the EU Commission and the office of the US trade representative.

In July the Oireachtas Joint Committee on European Union Affairs submitted a political contribution on TTIP to Richard Bruton that, while broadly supporting TTIP, warned that it might pose significant challenges for recession-weakened EU economies and that it might lead to job displacement and loss of employment, as well as new trade and employment opportunities.

Bruton, who secured formal agreement among the EU’s twenty-eight member-states to enter talks with the United States last year as part of Ireland’s presidency of the EU Council, maintained that Ireland “stood to benefit disproportionately” from the deal.

Elsewhere the *Irish Times* has cited a study by Copenhagen Economics that found that TTIP could lead to a 2.7 per cent increase in Irish exports, a 1.4 per cent increase in wages, and a 1.6 per cent increase in investment—though it didn’t specify over what time.

So what are others saying, particularly at the Commission level? The Centre for Economic Policy Research carried out a study, paid for by the EU Commission, that suggests that the EU’s economic output could rise by 0.5 per cent by 2027 as a result of an EU-US deal. This forecast

relied on deregulation in all branches of the member-states' economies. But this has already been ruled out as unrealistic by EU negotiators. The chemicals industry was the second most important contributor of gains in the CEPR's calculations, but the Commission has admitted that there is no prospect of regulatory harmonisation in that industry, given the huge differences between the legislative frameworks in the EU and the United States.

The CEPR claims that the projected benefits from TTIP could translate into an extra €545 a year for the average family (just about enough to pay water charges); but it is very unlikely that corporate gains would be passed on to the population at large.

The centre was commissioned by the British government to conduct a similar study on the possible effects of TTIP on its economy. This resulted in a figure of £10 billion for the possible annual gains to Britain by 2027; but that would require the elimination of three-quarters of all actionable non-tariff barriers in the chemicals, automotive and IT sectors—well beyond anything planned in the current TTIP negotiations. Even the British minister responsible for TTIP, Ken Clarke, confirmed to trade unions and NGOs that he does not consider the figure of £10 billion used by the government to be credible.

The CEPR's report for the EU Commission was unable to predict any net effect on employment levels from TTIP but did recognise that at least 1.3 million workers in the EU would lose their jobs as a result of the labour displacement arising from TTIP under the Commission's preferred outcome.

Whatever about the new employment opportunities foreseen by the Oireachtas committee, the CEPR calculates that TTIP would cause at least a million people to lose their jobs in the EU and the United States combined.

Based on these findings, the Commission's own internal impact assessment acknowledged that there would be "prolonged and substantial" adjustment costs as a result of the displacement of labour caused by TTIP. At a time when unemployment in Europe is already at a record level, the Commission further recognised that there are "legitimate concerns" that those workers who lose their jobs as a result of TTIP would not be able to find other employment. To assist the large number of additional unemployed expected from TTIP, the Commission has advised member-states to draw on structural support funds, such as the European Globalisation Fund and the European Social Fund, which has been assigned €70 billion to distribute over the seven years 2014–2020.

The only other study to have predicted a net increase in jobs from TTIP comes from the IFO Institut at the University of Munich. Politicians—including Richard Bruton—have regularly misquoted the findings of this report to the effect that TTIP could bring 400,000 new jobs to the EU over time. But this figure was presented not as a possible result of TTIP but as a hypothetical estimate of what might happen if the United States was to be fully integrated in the EU's internal market. The report's principal author has publicly criticised the Commission for misrepresenting its findings.

It should be noted that the North American Free Trade Agreement between the United States, Canada and Mexico, which came into force in January 1994, promised hundreds of thousands of extra jobs for the United States but in fact, according to the Economic Policy Institute's 2006 analysis, has caused the net loss of more than a million American jobs and a significant decline in the value of wages for millions more workers.

The benefits of TTIP are illusory, while the threats are all too real. As with other trade agreements in the past, working people stand to lose out significantly as yet more powers are handed over to transnational corporations—continuing the redistribution of wealth from labour to capital that has been a defining characteristic of both the European and

American economies over the last four decades.

For these reasons, and all the other reasons outlined in the People's Movement pamphlet, the TTIP negotiations should be terminated.

■ The People's Movement pamphlet on TTIP is available for downloading here.

■ Don't forget to sign our petition here.

Illegal EU fishing agreement with Morocco ratified

Last year the European Union negotiated a fisheries agreement with the Kingdom of Morocco for waters that are not Moroccan. The deal passed its last formal hurdle when the King of Morocco personally signed the agreement.

The agreement allows EU vessels to fish in Western Sahara waters under Moroccan occupation. Morocco illegally and brutally occupied the former Spanish colony of Western Sahara in 1975. Its claim to the territory is rejected by the International Court of Justice, while the United Nations is assisting the two parties—Morocco and the Sahrawi people—to find a solution. Yet the EU is going to pay Morocco €30 million each year for issuing fishing rights in those waters.

In addition, the trawler owners will pay the Moroccan government €10 million annually. In total, this exceeds the entire multinational humanitarian aid that the rightful owners of the fish receive. The Sahrawi owners—deeply affected by long-term malnutrition—have been living in refugee camps ever since Morocco invaded the territory.

A communiqué issued by the EU Commission on 15 July labels the fishing grounds as "Moroccan waters," but these waters in fact have never been Moroccan. No state in the world (not even any EU member-state) recognises the Moroccan claim to the territory.

The communiqué from the EU Commission also states that the agreement will benefit "Moroccan fishermen"—who have evidently moved into the territory in violation of the Geneva Conventions. No mention whatever is made of Western Sahara or the Sahrawi people. And at no point during the negotiation for the fisheries agreement did the EU institutions seek the consent of the people.

According to the United Nations, such an agreement needs to be in line with the wishes of the people for it to be legal. The EU-Morocco fisheries agreement is not.

This agreement is a deep provocation to the entire Sahrawi people. The EU sends a message to them that it does not give priority to international law and that it is willing to abandon its talks of peace and solidarity if it is to its own short-term benefit.

"Robust policing" with "military means"

The European External Action Service (EEAS) is seeking "strengthened co-operation" with the European Gendarmerie Force (EGF, also known as Eurogendfor), a paramilitary policing organisation made up of forces from seven EU countries, in the hope that it can play a bigger role in the EU's "crisis management" missions abroad and plug the gap left by a lack of commitment from individual member-states.

So far this year the EU has launched two "crisis management" missions in Africa: the first a military mission in the Central African Republic, the second a civilian mission in Mali. The EGF, made up of gendarmerie units from

France, Italy, Portugal, the Netherlands, Romania, and Spain, is involved in both.

In the Central African Republic the EU is providing "a gendarmerie-type Integrated Police Unit, in order to reinforce the rule of law, to maintain public order, and to fight against unpleasant consequences."

Less is known about its role in Mali. The Mali mission is intended to "support the internal security forces" and ensure "the full restoration of state authority throughout the country." According to Statewatch, an EGF presentation says that it assisted the EEAS with "strategic and operational planning" for the Mali mission. Its support "demonstrated that the police expertise held by the EGF can be mobilised quickly in favour of the European Union."

The EEAS has attempted to obtain more information from member-states on national police units that are available for "robust" missions abroad. A more recent "explanatory brief" produced by the EEAS Crisis Management and Planning Directorate, contained in the EEAS document, notes that a "potential strengthening of EU links with EGF has long been considered." It outlines a plan for "strengthened co-operation between the EEAS and EGF, and to secure faster participation of EGF in CSDP [Common Security and Defence Policy]-related activities."

Calls for closer links go back at least as far as June 2008, when the so-called Future Group said: *"Future reflections should also include the integration of the 'European Gendarmerie Force' and civilian police units from Member States into the legal framework of the European Union. Common education and training of those forces would be appropriate."*

The legal basis for co-operation between the EU and EGF is found at article 42 (3) of the Lisbon Treaty: "Those Member States which together establish multinational forces may also make them available to the common security and defence policy." More practical arrangements are laid down in a "Framework paper for EGF's participation in CSDP Crisis Management Operations," which at present is secret.

The EEAS document recounts a meeting held in March this year of the Council of the EU's Political and Security Committee, made up of member-states' representatives (including Alan Shatter) and responsible for "the definition of and follow-up to the EU's response to a crisis." Member-states' delegations stated that co-operation with the EGF "should continue on a case-by-case basis," though they did request that work continue on *"establishing a formal framework to govern such co-operation, covering financing, recruitment, the involvement of Member States, and co-operation with non-EU countries that are observers to EGF."*

The EGF presentation notes that the organisation's objectives are threefold:

• to provide Europe with a "police asset" capable of undertaking various police functions and tasks required in the context of international crisis management operations;

• to provide EU member-states that are intent on joining EU missions with a multinational operational platform to that effect; and

• to contribute to the various crisis management initiatives of international organisations.

The presentation notes the extra benefits of

having available a gendarmerie force: such a force is able "to provide more robust policing (including with military means) when the threat scale is approaching the grey area before a military response."

What the Garda Síochána might think of engaging in "robust policing" with "military means" is open to conjecture at the moment but would be revealed should the present or any future Government decide that Ireland should participate in one of these missions.

Presumably the personnel involved would have to undergo training in paramilitary activities; but the long-term implications might involve the establishment of a gendarmerie force on the "European" model to facilitate a more structured involvement in such missions. If this were to occur we would no longer have an unarmed police force.

As usual, the wheels of the EU move slowly, but inexorably!

Abandonment of independence hits farmers

The abandonment of Irish independence and an independent foreign policy to the EU is now hitting farmers and food-producers, and threatens Irish markets and Irish jobs.

Irrespective of one's attitude to the events in Ukraine, Ireland has no quarrel with Russia and has no business taking sides in what is essentially a civil war. Yet the EU is dragging us into this conflict—one that EU interference, spurred on by Germany, Britain and France and backed by the United States, brought about in the first place.

The EU connived at the coup against the elected Ukrainian government and at the installation of the anti-Russian junta that is now waging war on its own citizens in eastern Ukraine, egged on by NATO. The imposing of economic sanctions on Russia by Ireland is a complete abandonment of the progressive traditions of Irish foreign policy, non-alignment, and neutrality.

But support for the EU's stand is beginning to fray at the edges as national governments begin to count the costs. The Hungarian prime minister, Orbán Viktor, and his Slovak counterpart, Robert Fico, have publicly criticised the EU sanctions. Orbán remarked that the sanctions "cause more harm to us than the Russians," before adding in typically strident fashion that "in politics, this is called shooting oneself in the foot," while a number of governments are already working out how much compensation they will claim from Brussels for their farmers.

The EU Commission has announced that it will release €125 million in emergency funds from the Common Agricultural Policy to EU producers of twenty types of perishable fruit and vegetables that are being hit by the bans.

Research published by the Dutch bank ING forecasts that the ban on Russian imports could cost the EU €6.7 billion, wiping out 6 per cent of the bloc's production and 0.04 per cent of its GDP. German exports to Russia fell by 20 per cent in June compared with the previous year, with the automotive industry hit particularly hard.

ING remarked that its calculations were "a conservative estimate of the economic damage that can be caused by the crisis in Ukraine." It estimated that the ban could jeopardise 130,000 jobs, at a time when the EU is struggling to reduce high unemployment.

Simultaneously Eurostat, the EU's statistics agency, revealed that the euro-zone economy was already flat between April and June, before

the sanctions, leading to the region's growth forecast for 2014 being cut to 1 per cent.

It is no exaggeration to say that, with the euro-zone economy already flat, the ban could prove to be the difference between meagre growth and a triple-dip recession—something of high importance politically and psychologically to the bloc.

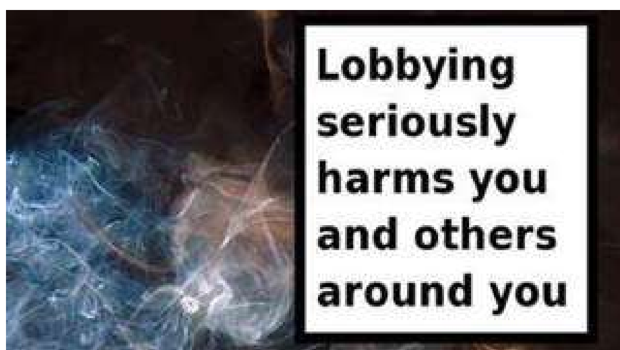
Scottish government paper on EU reform

The Scottish government has published a paper entitled *Scotland's Agenda for EU Reform,* which warns that "much more remains to be done" to alleviate concerns about EU "competence creep" and excessive "red tape" and to "restore a balance between the burden of EU legislation and the benefits expected to derive from its implementation."

Significantly, it doesn't call for the repatriation of powers to an independent Scotland but, while identifying some of the problems, is content to call for an "enhanced role" for national and sub-national parliaments in EU lawmaking.

Tobacco lobbyists and text analysis

Lobbyists for the tobacco industry succeeded in diluting an EU tobacco law between 2009 and 2014, according to a new study by scientists published in the *British Medical Journal.* The survey uses "quantitative text analysis"—a process that counts the evolution of vocabulary in legal texts—to show the effect of the industry's efforts.



Noting that "the tobacco industry has been known for emphasising the economic costs of increasing regulation, while playing down health benefits," it traced the frequency of pro-industry words, such as "economy," as against public-interest vocabulary, such as "health" or "warn."

The texts examined were the EU Commission's public consultation document of 2010, its draft bill of 2012, and the final law adopted by the EU Parliament and EU states in March this year.

"Over time the word root 'health' decreased from 1.5 per cent of total words per document in the initial commission proposal, to 1.21 per cent of total words in the final approved legislation," the report said. It observed a "similar pattern" with the word "warn," but "the opposite pattern occurred for finance language, such as the word root 'econom'.

"The EU legislation shifted significantly towards the tobacco industry's position and that of several other stakeholders, including retailers, who were associated with the industry's position," the researchers said, noting that the "significant textual shifts correspond to substantial policy changes.

"At the Commission stage, proposals for plain packaging and limitations on point of sale displays were removed. At the parliament and the council stage of the process, the size of pictorial health warnings was reduced from 75 per cent to 65 per cent of carton size and the ban on slim cigarettes was rejected. Additionally, the parliament delayed for five years the proposed ban on menthol-flavoured cigarettes, which would have been a major problem for the industry's recruitment of young smokers."

The researchers commented that the tobacco bill saw an "unprecedented" level of lobbying, with the Commission's public consultation exercise, for instance, receiving more than 85,000 submissions, "many of which were later found to be pro-industry duplicates."

They also noted that, in “a remarkable twist,” someone burgled and stole documents from pro-health NGOs in Brussels at the same time.

As reported here before, Corporate Europe Observatory found that Barroso’s officials held fourteen “undisclosed” meetings with industry lobbyists in 2011 and 2012, that the industry employs “at least” eighty people in Brussels, and that it spends “at least” €5 million a year on bending EU legislation.

It also noted that one tobacco firm, Philip Morris, met 233 individual members of the EU Parliament “at least once” in the period before the EU Parliament vote; one member was contacted by lobbyists more than forty times in six months.

This is the first attempt to quantify the effects of lobbying in Brussels. It would seem that all that money spent by corporations on the army of some twenty thousand lobbyists is not wasted.

Nice work!

Half a million euros for four months’ work: that’s the salary to be collected by each of the four interim members of the EU Commission—Martine Reicherts (Luxembourg), Jacek Dominik (Poland), Ferdinando Nelli Feroci (Italy), and Jyrki Katainen (Finland)—who replaced the four members elected in May’s EU Parliament election.

EU proposal would weaken the regulation of banks

A leaked document reveals that the EU Commission is spear-heading a campaign for the interests of the financial sector at the negotiations with the United States on the proposed Transatlantic Trade and Investment Partnership. The result could endanger reforms made since the financial crisis, and invoke another era of risky deregulation.

The EU is going for a trade deal that would weaken financial regulation on both sides of the Atlantic. This is the conclusion of Corporate Europe Observatory after it took a close look at a confidential EU proposal tabled at the negotiations by the EU Commission in March.

The document follows long discussions between the EU and the United States about whether the TTIP is to include a specific mechanism on financial regulation. So far the United States has declined, allegedly out of fear that such a mechanism would weaken existing financial regulation and prevent future reforms.

According to Corporate Europe Observatory, it would be difficult in the future to adopt and enforce ambitious rules for the financial sector if the EU proposal is accepted to include “regulatory co-operation”—a set of rules and procedures to be followed to ensure that regulation on one side does not negatively affect the “market operators of the other Party,” including banks. The plan is also for the sides to mutually recognise their rules on financial regulation and to allow, for example, European banks to operate in the United States on EU rules—giving a competitive edge to whichever side has the more lenient rules.

“Whether intended or not, this document displays a sorry attitude. The EU is acting merely to defend the interests of its financial sector, and through the proposed mechanisms it could deal a severe blow to attempts to regulate the financial sector effectively.”

According to a researcher at Corporate Europe Observatory, Kenneth Haar, “this proposal will not only make it more difficult for the US authorities to regulate European banks, it could block needed reforms on both sides of the Atlantic. It is no wonder that the EU position is popular with the banks on Wall Street. This proposal should be stopped. It merely confirms that trade agreements work against democratic control and effective

regulation of the financial sector."

The document follows a period of heated debate at the negotiations, with the EU piling pressure on the United States to agree to talks on financial regulatory co-operation. So far the American side has refused, but the EU does not seem prepared to back down.

■ The text of the leaked document is available here.

■ The analysis of the document is available here.

Unemployment in Iceland down to 3 per cent

The unemployment rate in Iceland fell to 3.3 per cent in July, data published by the National Statistical Institute of Iceland has shown. Iceland has recovered fast from the ashes of a banking collapse in 2008 and has one Europe's lowest unemployment rates, together with Switzerland's 3.2 per cent and Norway's 3.6 per cent. All these countries are outside the euro zone.

Monsanto and Ukraine

The Oakland Institute in California has issued a report revealing that the World Bank and the International Monetary Fund, under the terms of their $17 billion loan to Ukraine, would open the country up to genetically modified crops and genetically modified organisms (GMOs) in agriculture.

The report is entitled *Walking on the West Side: The World Bank and the IMF in the Ukraine Conflict.*

In late 2013 the president of Ukraine, Viktor Yanukovych, rejected an association agreement with the European Union tied to the $17 billion IMF loan, whose terms are only now being revealed. Instead he chose a Russian aid package worth $15 billion plus a discount on Russian natural gas.

This decision was a significant factor in the ensuing deadly protests that led to the president's ouster from office in February 2014 and the continuing crisis.

According to the Oakland Institute, "whereas Ukraine does not allow the use of genetically modified organisms (GMOs) in agriculture, Article 404 of the EU agreement, which relates to agriculture, includes a clause that has generally gone unnoticed: it indicates, among other things, that both parties will co-operate to extend the use of biotechnologies."

There is no doubt that this provision meets the expectations of the agribusiness industry. As observed by Michael Cox, research director at the investment bank Piper Jaffray, "Ukraine and, to a wider extent, Eastern Europe, are among the most promising growth markets for farm equipment giant Deere, as well as seed producers Monsanto and DuPont."

Ukrainian law bars farmers from growing GM crops. Long considered the "breadbasket of Europe," Ukraine possesses rich black soil that is ideal for growing grains, and in 2012 Ukrainian farmers harvested more than 20 million tonnes of corn.

In May 2013 Monsanto announced a plan to invest $140 million in a non-GMO corn seed plant in Ukraine, with the company's Ukrainian spokesperson, Vitally Fechuk, confirming that "we will be working with conventional seeds only," because "in Ukraine only conventional seeds are allowed for production and importing."

But by November 2013 six large Ukrainian agricultural associations had prepared draft amendments to the law, pushing for the

"creating, testing, transport and use of GMOs regarding the legalisation of GM seeds." The agricultural associations' draft amendments coincide with the terms of the EU association agreement and the IMF and World Bank loan.

The president of the Ukrainian Grain Association, Volodymyr Klymenko, told a press conference that "we could mull over this issue for a long time, but we, jointly with the [agricultural] associations, have signed two letters to change the law on bio-security, in which we proposed the legalisation of the use of GM seeds, which had been tested in the United States for a long time, for our producers."

In fact GM seeds and GMOs have never undergone independent, long-term testing in the United States. Critics believe that the IMF and World Bank loan, besides opening the country up to GM crops, will further lift the ban on the sale of Ukraine's rich agricultural lands to the private sector.

Morgan Williams, president and CEO of the US-Ukraine Business Council, told the *International Business Times* in March: "Ukraine's agriculture could be a real gold mine." But he added that there are "many aspects of the [Ukrainian] business climate that need to be changed. The major item would centre around getting the government out of business . . ."

According to the Oakland Institute, the terms of the World Bank and IMF loan to Ukraine have already led to "an increase in foreign investment, which is likely to result in further expansion of large-scale acquisitions of agricultural land by foreign companies and further corporatisation of agriculture in the country."

No room for dissent

"France is the euro zone's second-biggest economy, the world's fifth-greatest power, and it does not intend to align itself with the excessive obsessions of Germany's conservatives," according to the French minister of the economy, Arnaud Montebourg, speaking on Sunday 24 August.

But by Tuesday he was gone, sacked by President Hollande—no doubt nudged by Merkel. His replacement, Emmanuel Macron, is a merchant banker who has never stood for election.

Montebourg's declaration that the time had come for France to resist Germany's "obsession" with austerity, and to promote alternative policies throughout the euro zone that support household consumption, seems to have sealed his fate. He said that consensus was growing among economists and politicians around the world on the need for growth-oriented policies, and mentioned his German Social-Democratic counterpart, Sigmar Gabriel, and Italy's prime minister, Matteo Renzi, as potential allies. So they'd better keep their heads down!

Readers will recall that the former Greek prime minister Geórgios Papandréou called off a referendum on Greece's debt deal and agreed under pressure to resign, being replaced by a coalition government headed by the similarly unelected Loukás Papadímos, a former vice-president of the European Central Bank and a Goldman Sachs luminary, which had a mandate from the bankers and EU governments to impose even more drastic austerity on the people of Greece.

In November 2011, in what was widely seen as a coup, the unelected Mario Monti, a former member of the EU Commission and European chairman of the Trilateral Commission, replaced Silvio Berlusconi as prime minister of Italy. He was appointed head of a government of technocrats pledged to implement austerity measures after Berlusconi refused to play ball with the austerity hawks in the Commission.

It would seem there's a pattern emerging here; but we needn't worry: our own coalition

is safe!

Nordic neutrals move closer to NATO

Sweden and Finland have tightened their ties with NATO, saying that they intend to sign an agreement making it easier for troops from the alliance to operate on the territory of the two Nordic states.

The Swedish government said it would sign a "host-country support memorandum of understanding" with NATO, on the grounds that it would help the country to prepare for training exercises with NATO troops and ease the provision or receipt of military support in the event of a crisis or conflict.

Finland's government said a day earlier that it would sign the same type of agreement at a coming NATO summit in Britain. It said that "standardised operating models facilitate co-operation in an international operating environment."

Analysts and media commentators in Sweden are describing the Swedish move as a natural consequence of a government defence directive from 2009 that states that Sweden should be able to support other EU or Nordic states in the event of accident, crisis, or conflict. Sweden's armed forces should "have the capacity to give and receive military support," the directive says. At present Sweden has no rules governing that process, as the country has not been part of an alliance since the Napoleonic wars.

Leading politicians in both Finland and Sweden, including the Finnish prime minister, Alexander Stubb, and the Swedish foreign minister, Carl Bildt, have said that they would like to see their countries join NATO, but they accept that they lack the public support to pursue full membership.

The move to sign the host-country agreement has general support in the Swedish parliament but has received some criticism. The leader of Vänsterpartiet (the Left Party), Jonas Sjöstedt, said that the government was sneaking Sweden into NATO against the will of the people.

But at least they're honest about it, unlike our "neutral" Government, which provides a staging-post at Shannon Airport for the transshipment of American munitions to various theatres of conflict, and refuses to search the planes to verify their cargo. Since 2002 more than 2¼ million armed American soldiers have passed through Shannon Airport.