
CITYUK CHIEF: WHITEHALL SHOULD STOP SHOUTING AT EU

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British politicians should stop shouting at their European Union partners from the sidelines and start building alliances to ensure proper reform of the world's richest region, a lobby group for powerful banks and money managers will say today (5 November).

Prime Minister David Cameron has promised to renegotiate the terms of Britain's European Union membership and hold an "in-out" referendum if re-elected in 2015.

Rows over Britain's EU bill and Cameron's plans to cap immigration from the rest of the countries in the bloc have deepened concerns that the world's sixth-largest economy could quit the club it joined in 1973. EU leaders have said free movement of labour is a non-negotiable principle.

"It is not good enough to shout from the sidelines and treat Europe as something that does unwelcome things to us," said Stephen Green, a former chairman of HSBC and now chairman of the CityUK's advisory board.

"It is not good enough to treat Brussels regulation as automatically undesirable, or to put forward demands just on the basis of British exceptionalism," said Green in remarks prepared for delivery at a speech in London.

The comments indicate increased nervousness in the City of London about the impact of a slide towards an EU exit on the part of bankers, traders, money managers and insurers who have made

London the only financial capital to rival New York.

Green, 65, said that the EU needed radical reform but that the single market - including the free movement of labour - was beneficial to both Britain's economy and that of London.

"This question of Britain's membership of the EU is surely the most strategically critical one facing us (and indeed the rest of Europe) over the next three years or so," Green said. "Britain belongs in a reformed Europe."

London dominates the \$5-trillion-a-day foreign exchange market, trading twice as many dollars as the United States and more than twice as many euros as the entire euro zone.

A growing number of banks, including Goldman Sachs, Citi and JPMorgan, have warned a "Brexit" could hurt London's position.

Opponents of the EU say Britain would do better to trade with the world from outside the bloc. Polls show voters are split.

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