

## **Is the Brexit debate a catalyst for reforming the European Union(2016.02.19) Source: [ACFX Broker \(Review and Forex REBATES Up to 85%\)](#)**

This morning, the British Prime Minister, Mr David Cameron will hold intensive meetings with other European Union leaders. The discussions have been portrayed as a high-stakes meeting which will define not only Britain's relationship with the European Union but also the success or failure of the whole European project. Mr Cameron has to return from the meetings with an agreement that he can be presented to the right of the Conservative Party and also to a British public that is becoming increasingly dissatisfied with the European Union. The British Prime Minister has focussed on two main areas which he feels concessions can be extracted from the UK's European partners. These being the explosive subject of migrant welfare and the protection of the City of London's dominance as a global centre for finance. The whole European Union Migrant issues is a very popular story with the British tabloid press. However, in reality, the cost to the British taxpayer is negligible. Migration from countries like Poland, the Czech Republic and Slovakia have benefited the country as young and enthusiastic new citizens have integrated into the fabric of the country and have contributed to the economy. Mr Cameron, however, wants concessions which will appease Conservative voters who have been enticed the message that is being delivered from UKIP that anything and everything European is bad for Britain. A deal on migration will probably be fudged through but this will be much to

the annoyance of Eastern European leaders who will argue that a deal to limit welfare payments to their former citizens will go against the ethos of the European Union's project. On the question of over regulation of the City of London's financial institutions, there does need to be a review of the current legislation so as to ensure it is fit for purpose. However, it has only been eight years since we had a financial meltdown that was caused in part by a lack of regulation. Therefore, it is difficult to see the British Prime Minister getting his own way and to a degree, we should be thankful that the big financial institutions are not allowed to do as they please. London's role as a global financial centre will only grow over the coming years. Attempts by Paris and Frankfurt to rest the crown from the City have failed due to London's attractive cocktail of skilled labour and lifestyle choices. London will survive an exit from the European Union but Frankfurt and Paris will once more try to challenge the old lady's preeminent position. The European Union and Britain need each other. The UK and the Union are massive trading partners and their economies and financial systems are just too integrated for a Brexit to even be contemplated. The discussion about Brexit needs to be expanded as there is a need for an agenda to be put together which looks at reforming the European Union. It is hoped that today's discussions are just the beginning of a thorough and comprehensive EU-wide reform process.