

News

# Cameron must defend City from EU threats, urges Johnson aide

**Joe Murphy** Political Editor

BORIS JOHNSON will urge David Cameron to fight harder to defend the City this week, in a speech on Britain's relationship with the EU.

The Mayor will publish a report on Wednesday by his economics adviser Gerard Lyons, which will warn of the

danger of the eurozone countries gang-ing up against London.

In an interview with the Evening Standard today, Mr Lyons warned of an "unsympathetic attitude" in Europe to London's financial services sector, and the peril of being "frozen out".

"If we just take the last 12 months for instance, the financial transactions tax

and the EU bankers' bonus approach, they basically are indicative of what you could say is an unsympathetic attitude towards the City and towards the financial sector," said Mr Lyons.

"I think there is a real need to speak up a bit more for the financial sector, as well as London more generally, in terms of this debate and the EU reform

process." The banker urged ministers to champion the City as fiercely as the French defend their agriculture industry. He added: "The City cannot be complacent about what could unwind if we stay in the EU."

The Mayor's charged intervention on European policy is widely seen as a milestone towards a return to Westminster politics at the general election. Today Mr Johnson confirmed he believes Britain could be better off quitting the EU unless it reforms.

"When you look at the cost of EU social policy, the stagnation of the EU economies, the continuing absurdities of some Brussels regulation, we are plainly getting to the stage where it might well be better to quit an unreformed EU than to stay in," he wrote in *The Daily Telegraph*.

Mr Cameron has promised to hold an in/out referendum by 2017, after renegotiating Britain's terms of membership.

He has said he intends to win reforms and campaign for an "in" vote, but the Mayor's intervention will increase pressure on him to make a more explicit threat to recommend an "out" vote if negotiations fail.

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