Cameron is using Norway to make the Leave campaigns look risky

By Jonathan Lindsell of Civitas

During last week's Prime Minister's Questions and again at the Northern Future Forum in Reykjavik, David Cameron attacked the Brexit model known as the 'Norway option'. This involves leaving the EU but joining the European Economic Area, a trade grouping that currently hosts Iceland, Liechtenstein and Norway.

Cameron appears to be positioning himself firmly on the In side of the EU referendum without saying so explicitly. Not only this, but he is using his prominence as head of government to try to outmanoeuvre the main "Leave" players.

He argued that 'Norway actually pays as much per head to the EU as we do. They actually take twice as many per head migrants as we do in this country but of course they have no seat at the table, no ability to negotiate.' This is not wholly accurate: in a Norwegian situation Britain would pay about £1bn less each year, and a Civitas paper explores the ways Norway can affect EU legislation without having a formal vote.

Still, the Norwegian situation has its drawbacks, and Cameron declared he 'would guard very strongly against [promoting it].' Why has he done this?

The answer lies in the Leave side's response. Vote Leave's campaign director Dominic Cummings said: 'Vote Leave does not support the 'Norway option' for Britain. After we vote leave, we will negotiate a new UK-EU deal based on free trade and friendly cooperation. We will end the supremacy of EU law.'

The rival Leave campaign, *Leave.eu*, responded similarly, with co-chair Richard Tice remarking 'Of course we can negotiate our own UK EU trade agreement.' Ukip's only MP, Douglas Carswell, wrote in The *Express*, 'The PM's not wrong about Norway's relationship with the EU: she has got a duff deal from Brussels'.

At the moment it makes sense them to attack the Norway model, because Cameron is drawing attention to its flaws. But by ruling Norway out as their own preferred Brexit blueprint, these Leave leaders back themselves into a corner. The Norway option is the simplest way to leave the EU, retain access to the single market, gain control over our own trade policy, and evade some (not all) EU law.

The model is probably the safest Brexit option to push for, because it is closest to the current EU situation, and because it already exists, so all the kinks and questions are already worked out. By forcing the Leave campaign to deny they like Norway's situation, Cameron forces them towards more radical, less tangible Brexit promises. These he can attack as unrealistic fantasies later in the campaign.

The theoretical deals Cummings, Carswell and Tice prefer simply do not exist at the moment. They may be attainable, they may be much better than Norway, but you cannot point to them and prove it. As the referendum approaches, the Remain campaign will be able to say that Brexit supporters are fantasists who have ruled out the only path that preserves the single market. What's left? A Swiss model that currently includes unrestrained immigration, that has no free movement of services, and that took over a decade to negotiate. Beyond the Swiss model there are yet fuzzier allusions to comprehensive free trade deals. When all 27 remaining EU members will be able to veto a UK exit deal, it will be hard for Out campaigners to convince voters that hypothetical perfect deals could be delivered. After that you're left with the World Trade Organisation option, with Britain facing tariffs,

barriers and quotas on all its EU exports.

There are actually smaller groups that support permutations of the Norway option, including Futurus, the Bruges Group and 'Flexcit' supporters. They don't see the Norwegian situation as a final destination, but argue it would be better to take the exit step to the European Economic Area (EEA) first, then use it as a stepping stone to negotiate a more comprehensive settlement.

The EEA is useful for this because it preserves most EU law and the single market in goods, services, labour and capital. It already works, is already in operation, so would be simple to join. This is very important because after formally telling the EU that Britain had decided to leave, the government would have only two years to negotiate an exit arrangement. Disengagement from the EU would be complicated and would need to be comprehensive — less ambitious deals I've studied have taken much longer than two years to finalise. Moving to the EEA would be simpler, its supporters argue, and easier to sell to the public as a sensible option.

Cameron's tactic may then pay off. At the moment he looks foolish, having attacked an exit proposal that the prominent players do not actually want to defend. But further down the line, assuming Cameron fights for his renegotiated EU membership, he will be able to say that the "leavers" are gamblers, that they jettisoned the low-risk option in favour of big vague promises they cannot explain how they would deliver. And he's sure to bring up this week's denials if they try to U-turn.

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