

CIB answers ten questions from Open Europe

Last week, the *Open Europe* think tank posed ten questions to both the “remain” and “leave” camps. Here is the Campaign for an Independent Britain’s response to the ten questions for the “leave” movement:-

1) What is our preferred relationship for the UK outside the EU post-Brexit?

- The only simple risk-free seamless route to independence is to retain EEA membership by re-joining EFTA – often known as the Norway Option. The Flexcit document, produced by Dr Richard North, Robert Oulds and others, offers fall-back shadow EEA options if the EU were to deny us access to the EEA. The EEA/EFTA route addresses the non-tariff barriers and other issues. It would preserve our trade intact, including the important services sector.
- However, EEA/EFTA is not an ideal medium- or long-term solution, but we have to have an off-the shelf seamless exit route to tide us over so we can work towards a looser trading arrangement and perhaps even a European continent-wide free trade deal. The EEA/EFTA option is proposed simply to get us through the period following independence.

2) Would leaving the EU actually boost UK trading opportunities?

- YES. Even Open Europe admits that the EU retains an outdated protectionist perspective which limits the UK’s access to global trading opportunities. One of our top priorities during the period when the independence arrangements are being negotiated is to ensure that, for the purposes of the free trade agreements and

preferential trading arrangements with other countries signed by the EU, the UK is regarded as still party to these deals – in a sense, **FOR THESE TRADE DEALS ONLY**, treated as still part of the EU. Given that we run a trading surplus with many non-EU countries, there ought to be the will on both sides to make such an arrangement.

- Looking further ahead, an independent UK is likely to be seeking free trade deals which include services well before the EU starts doing so. Furthermore, French protectionism is as much part and parcel of the EU as British Euroscepticism. We are therefore likely to strike better and quicker trade deals as an independent country than as part of a bloc where one of the most important members will always be dragging its feet.

3) What is our position about migration and EU free movement?

- Free Movement is a disaster in every way for standards of living in UK. It puts impossible strains on all infrastructure including the NHS, housing, police and terrorism prevention. However, we recognise that the EEA/EFTA escape route would only give us limited ability to restrict the free movement of EU nationals.
- The EEA/EFTA route does, however, allow us to apply an “emergency brake” on immigration. Liechtenstein has availed itself of this provision (under Articles 112(1), 113 and Protocol 15 of the EEA agreement) for many years, something which EU members are not able to do. In addition there are national limits that can be put into force by EEA members under Directive 2004/38 that does not apply to EU members post 2009 Lisbon.
- In the longer term, when the EEA will hopefully be replaced with a Europe-wide free trade agreement which is just that – i.e., a trade agreement and nothing more. Once we move on from the EEA, the UK can and should

implement a restrictive points system regime can be implemented without any external constraints. We can then escape totally from the EU principle of free movement, although the existing rights of people in the UK and UK citizens abroad would need to be honourably acknowledged in these negotiations.

4) The mechanism for leaving remains a liability and hands power to others

Invoking Article 50, in conjunction with the EEA/EFTA route is not an invitation to the EU to walk all over us for two years. It is the Europhiles who should be worried about Article 50, for it does make clear is that if a country leaves, it would be a long process if that country has second thoughts and decides it wants to re-join. However, which prisoner, being offered the chance of release after 44 years in jail, would be upset on being told "once we let you out, it will be very hard for you to come back in there again"? The Bruges Group's Robert Oulds, who is a member of the CIB Committee, wrote a concise rebuttal of Open Europe's arguments, which are reproduced below:-

- Article 50 does not preclude unilateral withdrawal. If after two years a withdrawing country does not want to conclude an agreement then it can just simply leave. But Article 50 is the only way the EU can be brought to the negotiating table, otherwise a post-EU withdrawal agreement will take time to achieve, from 5 to 10 years.
- Article 50 can be initiated by an Act of Parliament or by Royal Prerogative, HM Government simply making the decision to withdraw by giving notification. Such notification cannot be cancelled, only delayed but that can only be done by unanimous agreement of the European Council.
- Once the UK has submitted its notice to leave Britain will automatically withdraw unless those negotiations are extended. The European Council will have to

unanimously agree to the extension, perhaps one or more of the UK's less reliable 'allies' on the continent will wish for Britain to just go and will therefore not extend the discussions thus forcing the withdrawal to take place regardless of whether or not there had been a change of heart at home.

- The provisions in Article 50 are there because the European Union wants to perceive itself as a voluntary union but also to make sure that it can negotiate a future post-EU relationship based mainly on trade.

5) The "Leave" campaign has come up with incorrect EU budget savings claims

- Unlike some other groups, CIB would not wish to put a precise figure on the savings to the economy on withdrawal. In a sense, the scaremongering about job losses and economic collapse has made our task easier. We now only have to prove that withdrawal will not lead to Armageddon to address such worries – and we are confident that this would be the case under the EEA/EFTA scenario. Richard North has calculated that the initial period following independence would be "economically neutral" and his reasoning is set out in *Flexcit*.
- In the longer term, some savings are likely, especially given the prosperity of nations like Norway and Switzerland, but it would be inadvisable to offer a precise figure nor a timescale. We may or may not be required to honour our contributions of the EU's current seven-year budget; there will be thousands of items of EU legislation which will need review and some could be scrapped and some modified. Those that ultimately originated from international standards-setting bodies like UNECE, the ILO or ISO – with the European Commission merely acting as a conduit – obviously will remain. With so many variables to consider, we would not wish to go further than this.

6) The “leave” campaign has quoted incorrect figure on the UK’s share of votes at the Council of Ministers

- The figure of 8.2% is now out of date as it does not reflect the new population-weighted voting rules introduced in November 2014. The latest figure of 12.6% is still barely one eighth of the overall vote. The UK can easily be outvoted and, based on past experience, is likely to be in the future. Qualified Majority Voting is likely to be extended further as the project is driven by political integration upon which Germany and France and all other members are agreed.

7) How will UK influence be boosted outside the EU?

- We already sit on the UN security council. On leaving the EU, we would re-gain our seat on the real “top tables”. Open Europe dismisses the re-gaining of a seat at the WTO and international standard setting bodies as a fairly minor gain. However, it actually means that we will have a direct impact on the creation of rules for global trade instead of having the EU speak on our behalf. This is a far from inconsequential gain.
- The UK has no interest in the expansionist and federalist EU project. Because of our EU membership, we have been forced to impose sanctions on Russia and have been drawn into a conflict in which we have no strategic interest. Free from the EU, we can adopt an independent policy on the Ukraine and would not be joining France and Germany in providing financial support for pro-EU political parties in the country.
- The influence of the UK would as leader of EFTA would be much greater than as the most awkward of 28 member states in the EU. We would no longer be trying to pull in the opposite direction from our partners.

8) Dismissing the idea of reform means being stuck inside an unreformed EU

- The EU was, is and always will be a political project aiming to create a federal superstate as clearly set out in Lisbon and the aims of the Spinelli Group in its “Fundamental Laws of the EU”. These unalterable primary objectives are not going to be changed by Cameron’s “reforms”
- Even the most superficially attractive of Cameron’s likely reform deal – the “Red card” system – does not go far enough. It may allow a majority of national parliaments to block EU legislation but still does not give UK elected representatives an absolute veto over EU legislation. The core of our argument is that the UK through the Queen in Parliament MUST be its own master in the UK.
- Whatever Cameron’s reforms may profess to achieve, they will still leave the UK under the subjection of the European Court of Justice. In other words, both our democratically-elected Parliament and our Supreme Court will be overruled by a foreign body which, by its own admission, uses its power to promote political integration.

9) How does the idea of the primacy of UK law fit in with free trade?

- We acknowledge that trade agreements are subject to international law. However, while we would be subject to international law in trade disputes, we would be free from the European Court of Justice.
- Trade agreements comply with the rules and laws laid down by WTO organs. UK laws accept as part thereof the primacy of international law. Hence London is a much sought-after venue for international arbitrations.
- In linking UK law with trade, Open Europe is being disingenuous. There are plenty of other areas of our country’s life where the primacy of UK law would be a reality and a benefit. We could produce better, less

politically-correct legislation in areas as diverse as human rights and the operation of the services sector, For example, our insurance companies would not have the European Court of Justice telling them how to rate motor policies.

- Furthermore, independence would ensure the preservation of those historic freedoms we have enjoyed under Common Law which are unknown on the Continent – *Habeas Corpus*, the requirement for a charge to be backed by *prima facie* evidence as opposed to hearsay and so on. We may be a long way from a common EU-wide legal code, but there is no doubt of its future shape. Plans for a European Public Prosecutor (EPP) go back to the 1990s as part of a proposal to address budgetary fraud in the European Union. Under this proposal, the EPP would operate under a European legal framework applicable in all member states. This legal framework, *Corpus Juris*, is built on the top-down inquisitorial Napoleonic principles which are in sharp contrast to our historic adversarial Common Law legal system. As the legal expert Torquil Dick-Erikson pointed out, Magna Carta crossed the oceans, but it never crossed the channel.

10) Open Europe claims that changes in the EU provide opportunities as well as risks

- The UK has no opportunities in the EU, only the burdens of serfdom. The EU is heading for economic disaster until it reverses the failed single currency experiment or abandons its desire for fiscal union across the Eurozone.
- Furthermore, there will be no opportunities because there will be no real reform of the EU's agenda. Instead, countries outside the Eurozone will most likely be offered associate membership, most likely under some other name. This will include an acknowledgement that the UK may keep the pound. However, with the Eurozone

moving to ever-closer integration and more countries likely to join the Single Currency, it will be a formalisation of second-class status and relegation to the margins. A hopelessly bleak, unappealing and weak position for the UK

- Any alleged opportunities within the EU fall short of the opportunities outside. Instead of being a second-class member state, we can rejoin the rest of the world – gaining promotion to the premier league of first-class independent, sovereign countries.