

A recession? it's up to David Cameron

As Project Fear goes into overdrive, there are plenty of good grounds for scepticism.

Lord Stoddart, for one, is distinctly unconvinced. *"On the same day that former Labour Chancellor Alistair Darling stood on a platform with current Chancellor George Osborne to support the imposition of additional swingeing taxes on the British people, if they dare to vote for Brexit on 23rd June, the Labour Leader Jeremy Corbyn emphatically states in the House of Commons that the Labour opposition will oppose any such measures, whether or not Britain leaves the EU,"* he said.

"Since 59 Tory MPs have also said they will not support Mr Osborne's measures, it is clear that his threat is a completely empty one and yet another scare story bites the dust! It is equally clear that the Remain campaign is in chaos. They are so busy inventing irresponsible scare stories aimed at bullying the voters, that they are forgetting to take the elementary step of consulting with each other. How can we trust anything they say?"

Of course, a vote to leave the EU sounds the death knell for George Osborne's hopes of succeeding David Cameron, so it is unsurprising that he has been pressing the "fear" button even harder than usual as the polls swing round towards a leave vote.

Recent headlines talk of the pound "plummeting". Check out the Sterling/US Dollar exchange rates and although the pound has fallen slightly since the polls started to show a lead for "leave", £1 is currently (as at 10.30 on 17th June) worth over \$1.42. **HIGHER THAN THE LOW POINT FOLLOWING MR CAMERON FIRST ANNOUNCING THE REFERENDUM DATE NEARLY FOUR MONTHS AGO.**

Those who heard Helle Hagenau from Norway's *Nei til EU* speak at our rally last month will remember that she described how the Norwegians were threatened with thousands of job losses the day they voted not to join the EU. This did not come to pass – in fact, Norway became more prosperous after the 1992 vote to stay out.

We pointed out here how 364 economists predicted that Sir Geoffrey Howe's 1981 budget would cause an economic calamity and were proved badly wrong. It was this budget, not our entry to the EU eight years earlier, which was the point when our moribund economy finally turned round

Of course, there has been a distinct lack of detail regarding how we are going to leave. We know that Flexcit has been downloaded by a number of senior civil servants and whatever the proposals of some of the most prominent campaigners, it is highly likely that this is going to be the route which the Government will take as it is far and away the safest route to guide our economy through the Brexit door. It would ensure that any drop in the pound or the FTSE-100 would prove short-lived.

The lack of agreement of a consistent exit strategy has been the Achilles heel of the Leave campaign, which is a pity. If we had been able to silence the scaremongers regarding the route through the Brexit door, the vote would have been in the bag a long time ago. It has been frustrating that we have not been able to re-focus the issue on the political nature of the EU, which is a pity given the quality of such offerings as this speech by Lord Owen which highlights the federalist nature of the EU project and is well worth listening to.

Therefore, the economic issues will still rumble on right up to referendum day. The bottom line is that if we vote out, the buck stops with David Cameron. The markets will be looking for a detailed response from the Prime Minister regarding the timescale for invoking Article 50 and what exit route he is

going to take. His civil servants know there is a proven risk-free route to economic stability which will quickly calm market nerves. If he chooses to ignore their advice and pussyfoot around, he and he alone must carry the can for any forthcoming economic downturn.