

‘Get Ready for Brexit’ – Again!

By Dr. Steven McCabe, Associate Professor, Institute of Design and Economic Acceleration (IDEA) and Senior Fellow, Centre for Brexit Studies, Birmingham City University

This week we’ll finally break away from Europe. The question that may be asked, though it seems, not by that many, is what will life in this country be like once we leave the EU?

It’s reported by the National Audit Office (NAO) that a £100m campaign that was run by the government last October actually cost £46m. The reason for the underspend, it should be stated, is that the campaign was intended to run all the way through the month up to the deadline for leaving on 31st was pulled on 28th October. Besides, as the NAO have reported, the campaign was totally ineffective as traffic to the relevant websites didn’t particularly increase.

There’s been much hullabaloo in the press about the significance that this Friday marks the final day of the UK’s membership of the EU. Exactly 47 years and one month after having joined the EEC on 1st January 1973, having been rebuffed in 1963 and 1967 by France’s President Charles de Gaulle, this country will, at 11.00pm GMT, revert back to being an independent ‘island’ nation once again.

For those who’ve never been supportive of being part of Europe, Friday represents the end of what was seen as, at best, an error by various governments of the 1960s. ‘Hard’ Brexiters, especially amongst the right of the Conservative Party, reserve their greatest contempt for their former leader Ted Heath who, as was Prime Minister, signed the agreement allowing the UK’s entry to the EU in January 1973.

December’s election in which Boris Johnson achieved such a whopping majority, allowed him to sign off the Withdrawal Agreement Bill last week that he described as a “fantastic moment” for the country. This, many believe, effectively ends the debate about Brexit. Indeed, we’re informed, the word ‘Brexit’ is no longer *de rigueur* and its absence symbolic that the withdrawal process is over. We should

look forward to better times ahead as a nation no longer constrained by laws and regulations imposed by the EU.

Well, that was is the narrative that Johnson and Brexiters would like the public to believe. The decision to leave by voters has taken us to the current position where the only certainty is that we will wake up on Saturday no longer as citizens of a country no longer part of the EU.

Advocates of remaining part of the EU have always argued that the benefits of being part of a trading bloc consisting of over 512 million people (including the UK) would only really be understood when we have left. Being part of the rules and regulations that consistently govern trading between all countries that are part of the EU is the single greatest benefit that is conferred on every member.

Crucially, though Friday is hugely evocative for those who've long believed that the UK's economic future is better served outside of the EU, the proof will be in what emerges from the next stage in the process of withdrawal; the nature and content of the free trade agreement. For good measure there will also be negotiations on other aspects of the relationship that will exist between the EU and UK after the 'transition period' end on 31st December; what are known as "cross-cutting" activities including science, education and international development.

As Johnson has stridently claimed, almost as often as he stated during the general election that winning was crucial to allow his party to "get Brexit done", he will not countenance any extension to the transition period. Those who have had experience of negotiating trade deals at the 'sharp end' shake their heads in dismay. Eleven months to achieve a successful trade deal is, they contend, outrageously optimistic.

As to what will actually emerge from these negotiations remains guesswork. Brexit has, right from the decision by former Conservative PM David Cameron to hold a referendum on continued membership of the EU, been characterised by acute uncertainty. Those who voted in the referendum back in June 2016 did so on the basis of little definitive information. For many, their decision was based on their emotions and passions for or against the 'European project'.

In the immediate aftermath of December's election any hope that Johnson might be willing to go for a 'soft' a Brexit to protect the economy and jobs, seem to be dashed. The 'mood music' coming from Johnson's government appears to be that the strategy of playing 'hard ball'. Johnson and others within the cabinet appear to believe that with sufficient guile and some degree of hard-headedness, the EU will cave in to British demands.

What we can certainly expect there to be spats over contentious and much disputed issues such as fishing. Though it is practically insignificant in its contribution to the economy, a little over a tenth of a per cent of GDP (Gross Domestic Product), its potential to generate plenty of froth is considerable. The prospect of, for example, French fishing vessels still having access to British waters after the end of transition is a vista that would enrage not just those whose livelihood depends on this pursuit, but all who claim that membership of the EU was biased in favour of Europeans.

Johnson, ever the crowd pleaser, will recognise the perils of not being seen to defend British interests. The fact that in doing so he may be putting at jeopardy many thousands of jobs in other sectors, especially those that rely on seamless supply-chains that require alignment of regulations – the bedrock of the single market – is something that he will be acutely aware of. Let's not forget that failure to achieve a free trade deal will result in 'no-deal' which, though being precisely what Brexiters always wanted would be potentially destructive to the UK economy.

All we can do is wait to see what transpires and hope that sanity prevails. We can possibly expect more campaigns exhorting us to get ready for Brexit at the end of the year. Until then, and in the absence of information, it's perhaps salutary to reflect on economic data demonstrating the benefit of being part of Europe.

In terms of one key measure of prosperity, GDP per capita, there is proof that before joining the EEC the UK lagged behind Germany and France who were then and still are its most influential members. Joining the EEC ensured that the UK's economy received a boost.

David Smith in this week's [*Sunday Times*](#)'s Business and Money section demonstrated how critical membership of the EEC/EU has

been to the UK's prosperity, "Taking two points, the start of Britain's membership in 1973 and the launch of the single market in 1993, UK per capita GDP between then and the referendum in mid-2016 grew by 117% and 53% respectively."

These quotients outpaced those experienced for the same periods for France and Germany. Fascinatingly, the UK also outpaced the US over the same timespans.

As is well known to those who can be bothered to look, 49.3% of exported UK goods went to the EU in 2018 (a value of £297bn). Though it would be foolish to suggest that trade will not continue after the end of transition, it would be equally foolhardy to pretend that making it more difficult (and expensive) to conduct trade with the EU is in anyone's interest.

Johnson will surely know that satisfying the demands of hard Brexiters will be ultimately self-destructive. It is to be hoped that it is with this in mind that he and his team approach negotiators with the EU on the free trade deal.

It now seems that President De Gaulle was prescient in twice turning down the UK's application to join the EEC when he proclaimed that there were a "number of aspects of Britain's economy, from working practices to agriculture" that made it "incompatible with Europe" For good measure he made plain his belief that Britain harboured a "deep-seated hostility" to the notion of developing a truly pan-European group of countries.

As the lyrics from the brilliant 1980 single by The Jam, 'Going Underground' caution, "...the public gets what the public wants.... [and] You've made your bed, you better lie in it, You choose your leaders and place your trust..."

Let's hope that the price of separation from the EU does not result in unnecessary economic pain and suffering that has an extremely deleterious impact on this and future generations.

Dr. Steven McCabe is co-editor of [*Brexit and Northern Ireland, Bordering on Confusion*](#) (published by Bite-Sized Books, ISBN-13:978-1694447807)