

Sneak peek at Brexit book 'The Case for Brexit'

The second book in our Bite-Size book series 'The Case for Brexit' has now been published and is available for you to enjoy! We're celebrating the book's release by giving you a sneak peek at a selection of writing from many of the book's contributors.

['The Case for Brexit'](#) gives a platform to the academic Brexiteers – those behind the likes of Boris Johnson and David Davis. The book is packed full of chapters from economists, historians and those who 'jumped ship'. The book has been edited by John Mair, Neil Fowler and Professor Alex de Ruyter, with a foreword by Sir John Redwood MP.

Your sneak peek...

Sir Andrew Wood, former UK Ambassador to Russia

IS THE UK STUCK TO THE EU TAR BABY?

THREE EU WEAKNESSES

First, the Euro has not been the success it was imagined that it would be on its creation in stimulating growth and spreading prosperity among its members. It has, on the contrary, harmed some member states while benefitting others. It is not clear that those states under the obligation to adopt the Euro in due course will in practice do so. The measures forced upon Eurozone states in difficulty following the global economic crisis that began in 2008 were questionable in their wisdom. The Eurozone has yet to establish effective central supranational mechanisms that would enable it to deal with a future global crisis, despite fears that one may be in prospect. But the Euro is an essential tool for the pursuit of ever closer unity and dismantling it would be difficult.

Second, migration. There are ironies in the UK being accused of prejudice against free movement of labour despite the fact that it opened its doors before nearly all its partners to people from those countries that had just joined the EU, but the ideological case for free movement in the EU is nonetheless a strong one. The practical

difficulties in dealing with immigration into the Union and their consequences for free movement within the EU are nonetheless both difficult and contentious – as well as unsolved so far.

Third, the relationship between the member states of the EU and its directing organs is unbalanced, and disputed. The question of where sovereignty lies was crucial to the British vote in 2016. Other member states, the latest being Italy, contest the right of Brussels based organs to issue directives overriding the decisions of democratically ruled EU states. Those organs encompass a set of ideas that carry force, along with its logic of promoting unified action across a wide range of fields. But they lack the legitimacy needed to secure their execution. Despite some of the aspirational rhetoric, there is no appetite within the EU to address this fundamental problem.

John Mills, Chair, Labour Leave

A SECOND REFERENDUM?

RE-RUN – THE PRACTICAL ARGUMENTS

Then there are all the practical arguments and factors which persuaded many Leave people to vote the way they did in June 2016. These include the size of our net annual payment to the EU, which has regularly been in excess of £10bn a year; the widespread desire for the UK to have control of our borders and who is allowed to live and work here; and a determination to have the laws by which we live in the hands of our own parliament rather than by unaccountable people abroad.

We wanted then – and want now – to see the UK out of both the Common Agricultural and the Common Fisheries Policies, neither of which have been remotely in the interest of the British people. We also wish to be able to enter into free trade deals with the parts of the world which are growing much more rapidly than the EU, instead of being blocked from doing so by our membership of the EU Customs Union.

To achieve these objectives, we would have to leave both the Single Market and the EU Customs Union as well as the EU itself. This would steer the UK clear of the integrationist proposals widely shared among

the EU elite but never supported by all but a very small minority in the UK.

If the Eurozone is to survive, it is clear that it can only do so by establishing a banking and then a political union on a scale which polls show that the vast majority of the people in the UK have never supported. With the example of Greece in mind, in particular, there would be substantial advantages to the UK of being outside the EU if the Eurozone fractures and fragments, as may well happen.

Robert Tombs, Emeritus Professor, French History, Cambridge University

BREXIT: ONCE DESIRABLE, NOW INDISPENSABLE

MY 'JOURNEY'

For my part, I was hesitant about the vote in 2016; and I previously believed that a compromise that gave Britain some sort of associate membership of the EU would prove acceptable. But given the developments since the Referendum, I believe far more strongly that a clear and unambiguous Brexit has become necessary to resolve the issue with minimum political damage now and in the future. An ambiguous or duplicitous outcome would certainly perpetuate our present discontents. If a clear and legal popular vote were actually to be overridden or reversed, unknown dangers for our national cohesion and democratic legitimacy would be created.

Moreover, there would be serious implications for the rest of the EU. It is notorious that in other countries (including Denmark, Ireland, Holland and even France) where referenda produced an outcome unacceptable to the European political elite, it was either re-run or circumvented. Few people, I think, would have believed such an outcome possible in Britain, given its deeply rooted tradition of government by consent, and no less, its established scepticism about the European Union and its aims. But if despite everything Brexit were to be blocked, it would show that, whatever law and treaty might say, leaving the EU by mutual consent is not possible for any nation.

Historians, of whom I am one, rightly hesitate to predict the future. Given the present disquieting state of Europe, however, it seems safe to predict that a defeat of Brexit would not lead to the permanent

triumph of a 'European super-state' or to the disappearance of Euroscepticism. Rather, it would mean that rejection of the EU no longer had a legal and peaceful outlet. That would be a dangerous prospect.

David Paton, Professor, Industrial Economics Nottingham University

WHY ECONOMISTS CAN AND SHOULD DISAGREE ABOUT EVERYTHING...INCLUDING BREXIT

WHAT'S THE ARGUMENT?

At the heart of the economic arguments lies the effect of EU membership on trade and competitiveness. The EU Customs Union and Single Market are designed to make trade easier between EU countries, something standard economic theory suggests should benefit the economy. On the other hand, the Customs Union raises trade costs between EU and non-EU countries in a way which is likely to have a negative effect.

In most cases, EU tariffs are relatively low, but there are important exceptions in sectors such as food, cars, footwear and clothing. Tariffs (as well as quota restrictions) provide a high level of protection to EU producers, something which will tend to have deleterious long run effects on productivity.

A further issue is that the regulatory approach of the single market means that all companies have to comply with EU regulations whether not they export to the rest of the EU. As a result, any inefficiency in single market regulations is likely to raise costs of at least some UK firms.

Graham Gudgin and Ken Coutts, the Centre for Business Research, Cambridge University

HOW THE ECONOMICS PROFESSION GOT IT WRONG ON BREXIT

A wide range of reports estimating the impact of Brexit were published by official bodies and academic and consultancy groups during the Brexit referendum campaign of 2016. The Ashcroft poll undertaken immediately after the referendum indicated that among those who voted to remain the likely negative economic impact of Brexit was a

major factor in their vote. It thus seems likely that these economic impact reports influenced the referendum vote. They are also likely to remain influential in informing views on the potential long-term consequences of a range of Brexit trade arrangements.

Despite a lack of evidence that membership of the EU has improved living standards in the EU (Coutts et al, 2018), these reports all asserted that leaving the EU would damage the UK economy both in the run-up to departure and in the longer term. The most influential of these reports are from HM Treasury, the Bank of England and the OECD, all of which published predictions for both the short and long terms, and the LSE's Centre for Economic Performance which estimated long-term impacts alone.

Patrick Minford, Professor, Applied Economics Cardiff University

THE DEFAULT OPTION OF A WORLD TRADE DEAL IS THE BEST AVAILABLE.

But, you may rightly say, the Treasury is totally against a World Trade Deal, so why is that? Boris Johnson, when Foreign Secretary, discovered this and has since called the Treasury 'the heart of Remain'.

After discarding use of its widely criticised 'gravity-like' model used in the initial 'Project Fear' Referendum forecasts, the Treasury has now adopted use of a Computable General Equilibrium (CGE) model (GTAP from Purdue University) that is similar in approach to the World Trade Model at Cardiff University that we use – but it has inputted into this blameless model some ludicrous assumptions (let us ignore here their migration assumptions under which the flow of migrants is abruptly cut off, when it is generally agreed that skilled migrants will be flexibly treated and unskilled migrants will be allowed in temporarily and without access to state benefits).

Based on the latest Treasury Report and its Technical Annex, the assumptions are flawed in two fundamental ways:

1. a) They assume there will suddenly spring up at the EU-UK border large border costs and trade barriers which kill off our EU trade in a costly way. But as we have already seen, this is illegal nonsense, pure and simple.

2. b) They assume we will fail to do much in the way of free trade agreements with the non-EU world. But in this they contradict the government's very own policies. So this makes no sense either. For more details see Economists for Free Trade (2018).

Why the Treasury and other civil servants have chosen to believe this nonsense no-one can say. It might be because the CBI and large manufacturing companies like Nissan, that dislike the extra competition Brexit will bring, have lobbied hard and brutally against Brexit. It may be out of pure prejudice or fear of any changes in the status quo. Who can tell?

One thing is clear however. Leaving the EU cleanly allows us to move our policies to free trade, and good regulation, regaining our economic sovereignty. In all our history these policies have served us well. and they will do so again today. This is why in the Referendum, there was a majority for Brexit. The latest spurious Project Fear arguments from the establishment will not succeed in putting us off now any more than they did in the referendum itself.

GWYTHIAN PRINS, EMERITUS PROFESSOR, LONDON SCHOOL OF ECONOMICS

THE CASE FOR BREXIT IN DECEMBER 2018

Until June 2016 and for the preceding four decades, the case for Brexit was straightforwardly a game of two halves. But since then it has divided unexpectedly – and venomously – into three parts.

The long-standing two-part case was that, on the one hand, Brexit corrects geo-political and cultural errors that have constrained British power and influence in the world and that have disfigured British politics, breeding resentment and mistrust, for a generation. On the other, since committing the greatest geo-political error in modern European history by trying to force political union through the agency of a premature single currency, the 'project of European union' has been steadily advancing into the zone of risk of its own collapse.

So conscious uncoupling from this rapidly imploding elite project was an eminently wise decision by voters who are more clear-sighted and less emotionally and, in many cases, financially committed to the EU, than the echo-chamber of experts. Who wishes to be shackled to a structural failure?

'The Case for Brexit' is available NOW in paperback and digitally on Kindle. Find out more [here](#).

*Other books in the Bite-Sized series include [Do They Mean Us? The Foreign Correspondents' View of Brexit](#), *Keeping the Wheels on the Road – UK Auto Post Brexit* and *Will the Tory Party Ever Be the Same?*, and are set to be published in early 2019.*