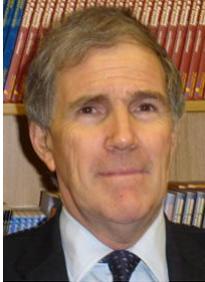


We have seen the future and it doesn't work

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It was a favourite dictum of the late Robin Leigh Pemberton, former Governor of the Bank of England, that it was easy to predict the future but impossible to know when it would happen. Events since 23rd June have more than borne out his contention. Many who feared and campaigned against a “leave” vote last week fully expected that the reckless undertakings and contradictory aspirations of the “leave” camp would create difficulties for any government charged with implementing BREXIT. Few can have expected so rapid an unravelling of the political and economic prospectus offered to the electorate by those wishing Britain to leave the European Union.

First to recognize that many voters had been sold a pup was the combative MEP Daniel Hannan, who on 24th June nonchalantly admitted that there would be disappointment among those who voted to leave the European Union on the basis that it would put an end to European migration. A similar retrospective demolition job was done by Iain Duncan Smith on the statistically always inaccurate claim of the “leave” campaign that £350 million would be available outside the European Union to spend every week on the National Health Service. No precise figure, he now said, could be put on the supposed extra spending contemplated. Nigel Farage helpfully chipped in to claim that he had always regarded the claim of £350 million of extra weekly spending on the NHS as a mistake. Boris Johnson claimed in his regular Daily Telegraph column that the rights of British citizens to work, study and travel in continental Europe would be unaffected by BREXIT. He offered no description of how this would be brought about without similar rights being available, as they are now, to EU citizens wishing to work, study and travel in the United Kingdom.

The intellectual and political confusion underlying the case for BREXIT has been further highlighted by the continuing uncertainty surrounding the invocation of Article 50 of the Lisbon Treaty. The rest of the European Union has refused any negotiation with the United Kingdom until this invocation has taken place. The implausible hope of some campaigners for BREXIT (including perhaps Boris Johnson himself) that our partners would be shocked into rapid renegotiations and further concessions to the British by a vote for the UK to leave the EU has therefore lasted less than a week. Angela Merkel has insisted, with the unanimous support of other EU governments, that when these negotiations on the basis of Article 50 do take place there will be no “cherry-picking” by the United Kingdom; and that the outcome of the negotiations must reflect a definite difference between the more favourable status accorded those within the European Union and the less favourable status accorded those outside. Any future British government triggering Article 50 will need to be clear in its mind precisely what relationship it wishes to achieve with the rest of the European Union after BREXIT; and what concessions it is prepared to make to bring this about. The deeply unpalatable nature of these decisions is manifest in the desire of Conservative politicians such as Jeremy Hunt to postpone the fateful day when Article 50 is finally and irrevocably invoked. Whatever the next Conservative government seeks and obtains in the way of a future relationship with the EU will be deeply resented by a substantial portion of those who voted for “leave” on 23rd June.

This dilemma ought to come as no surprise. It was inherent in the nature of the referendum process. The plebiscite itself was simply the result of the long-standing internal feuds within the Conservative Party. It was an ugly, abusive campaign in which the “leave” side was particularly unconstrained by considerations of fact, rationality or consistency. The referendum did not lead and could not lead to any coherent expression of the “popular will.” On the contrary, it led to the expression of a number of different “popular wills,” many of which were materially unrealisable and most of which logically inconsistent with each other. It was always a fantasy to believe that Britain would be able to continue to enjoy all the perceived benefits and none of the perceived obligations of membership of the European Union. There will be a definite economic price to be paid for leaving the Union and the supposed resulting “liberation” of the British economy from the shackles of the European Union is a lazy slogan lacking any intellectual credibility. Perhaps more importantly, there were many, perhaps even a majority of those voting to “leave” who were doing so on the conscious basis that it would result in a dramatic fall in migration, particularly European migration into the United Kingdom. It is almost inconceivable that any likely Conservative government will seek, let alone achieve any such outcome. Already Nigel Farage is warning against such “betrayal” by a “backsliding” Conservative government. He and UKIP will benefit greatly in electoral support as it becomes clearer that if it wishes to minimise the

economic damage inflicted by BREXIT the British government will be forced to accept the free movement of EU citizens into the United Kingdom on a basis scarcely different to the present arrangements.

Many commentators anticipated that a vote to leave the European Union might lead to some political and economic instability within the United Kingdom. But few can have foreseen how rapid and widespread this instability would be. Scotland, Ireland, the Labour Party and even London now find themselves collateral casualties of the Conservative civil war that David Cameron temporarily staunches but in the long term exacerbates by his promise of a European referendum in 2013. It is difficult to believe that the current British political structure can survive this crisis unscathed. UKIP in particular seem poised to do to Labour in the north of England what the SNP did to Labour in Scotland when it becomes clear that European migration, far from being reversed, will probably not even be significantly reduced after any plausible form of BREXIT. Many traditional Conservative voters for their part have been revolted by the internecine warfare within their party, and are coming to regret their acquiescence in the Prime Minister's counter-productive manoeuvring on the European issue.

A favourite theme of Eurosceptic rhetoric after the European Council of last February was to accuse David Cameron of being the Neville Chamberlain of the twenty first century. A more apt comparison is that with Stanley Baldwin, who admitted in 1936 that he had avoided talking in earlier years about the need for rearmament because he could not "think of anything that would have made the loss of the election from my point of view more certain." Without his pledge to hold a European referendum in the Bloomberg speech of January 2013, David Cameron's party could not have won the General Election of 2015. The consequences of that pledge have only just begun to manifest themselves, and these consequences (to quote the Emperor Hirohito after the dropping of the atom bomb) "will not necessarily be to the advantage" of Mr. Cameron's historical reputation. The Prime Minister and his party have for many years gone for a ride on the tiger of radical Euroscepticism. His attempt to step off the beast at the last minute has not prevented him from suffering the familiar fate of all such reckless riders.