Leaving the EU will not only fail to secure what Eurosceptics desire but would likely make the UK's position worse

blogs.lse.ac.uk/politicsandpolicy/uk-eu-referendum/

5/21/2013

Seamus Nevin argues that the UK would still be strongly influenced by the EU even if it were to leave, contrary to what many Eurosceptics imagine. Moreover, it would find itself with much less power on the outside, which is important when considering that the EU is far from perfect and in need of reform. To ensure a bright future, the UK must be at the forefront of a dynamic and successful EU.



A leader who once warned his party to stop "banging on about Europe", last January UK Prime Minister David Cameron made a speech in which he committed to an in/out referendum on the UK's membership of the EU. Four months on, Cameron's attempt to seize the initiative on Europe in response to a restive backbench and growing support for UKIP has neither failed to quell Tory MPs' discontent or halted the rise of UKIP. Not just that, the Conservatives and UKIP are no longer the only ones pushing for a referendum.

Nigel Lawson's letter to The Times last week is perhaps indicative of the gains that Eurosceptics hope to make through a UK withdrawal from the European Union. In his letter, the former Chancellor of the Exchequer stated that "the EU has become a bureaucratic monstrosity" which imposes substantial economic costs on all member states and that "escaping" the EU would be a major economic plus for the UK.

Responding to those who claim that to leave the EU would damage the UK economy, Lord Lawson replied that "the heart of the matter is that the relevant economic context nowadays is not Europe but globalisation, including global free trade, with the World Trade Organisation as its monitor". While there is much misperception encouraging current British Euroscepticism, it is this element of the argument which is perhaps the most misguided.

Indeed, in a Policy Network paper published this week, the LSE academic Damian Chalmers, one of the UK's leading experts on EU law, considers the likely ramifications of the UK withdrawing from, or pursuing selective engagement with, the European Union. Chalmers concludes that, contrary to popular belief, the precedent of the US and other non-EU states demonstrates that much of the EU's roughly 10,700 legal measures are likely to continue to be applied regardless of whether the UK remains within or decides to leave the EU.

Indeed, Prof. Anu Bradfurd of Columbia Law School has catalogued the extent to which EU regulations have an affect far beyond the borders of the Union itself:

"Few Americans are aware that EU regulations dictate the make-up they apply in the morning [EU Cosmetics Directive], the cereal they eat for breakfast [EU rules on Genetically Modified Organisms, "GMOs"], the software they use on their computer [EU Antitrust Laws], and the privacy settings they adjust on their Facebook page [EU Privacy Directive]. And that's just before 8:30 in the morning. The EU also sets the rules governing the interoffice phone directory they use to call a co-worker [EU Privacy Laws, again]. EU regulations dictate what kind of air conditioners Americans use to cool their homes [EU electronic waste management and recycling rules] and are even the reason why their children no longer find soft-plastic toys in their McDonalds happy meals [EU Chemicals Directive]".

All this despite the fact that the US is not (currently) part of any trade agreement with the EU and is therefore not

directly subject to EU law.

The first reason the EU has such ubiquitous influence is primarily because the European single market is both the largest market in the world in GDP (nominal) terms and also one of the most protectively regulated. The result is that many commercial, administrative and governmental bodies in non-EU states have an incentive to unilaterally apply EU regulations to themselves owing to the efficiencies inherent in having a single set of standards that can be applied across all markets. This phenomenon would likely be even greater in the case of states that have exited the EU, in part owing to their proximity to, and legacy connections with, the European single market.

The second source of EU influence is that of EU law as an authoritative alternative. Opponents of extant regulatory regimes in a non-EU state regularly invoke EU law as an alternative in their efforts to reform the laws of that non-EU state. EU law is invoked in such cases simply because it is an alternative credibly applied in a significant part of the world. One finds, therefore, that EU laws or treaties apply in a large number of non-EU states.

The third reason is the need for bilateral cooperation in fields such as counterfeiting, anti-terrorism and extradition. The content of these types of agreement tends to lean towards the preferences of the dominant party in each field, which, in the case of UK-EU relations, is likely to be the EU.

As such, EU law has to be negotiated, regardless of whether a state is within or outside the European Union. Strategies which imagine the EU issue can simply be wished away by leaving the Union not only fail to secure their desired result but would, in fact, likely make the UK's position worse. Note that in exchange for access to the European single market, Norway, whom UKIP cite as a possible model for the UK, contributes to the EU budget and accepts almost all EU regulations yet has no say in forming those regulations.

All this is not to say that the EU is perfect or in no need of reform. For one, the polyarchic structure of EU governance has created a perceived legitimacy problem for European citizens and European political and economic leadership must therefore be clarified. However, if what aggravates British citizens is "the bossiness of Brussels" to quote Prime Minister Cameron, then simple talk of an in/out referendum fails to address this problem.

As Chalmers shows, market forces have become transnational and action at the state level is thus no longer sufficient, on its own, to achieve the UK's objectives. To ensure a bright future, the UK must be at the forefront of a dynamic and successful EU. The task is thus EU reform. This will be difficult. Gaining political agreement for reform is often painful and slow – and as we have seen with the Eurocrisis, electorates can grow impatient with gridlock and the elite status quo. Nevertheless, this is an issue which cannot be avoided. Ultimately, even for British Eurosceptics, negotiated reform within the EU remains the best option.

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