

Beyond Brexit: How the OECD could replace the EU as a driver of UK public policy

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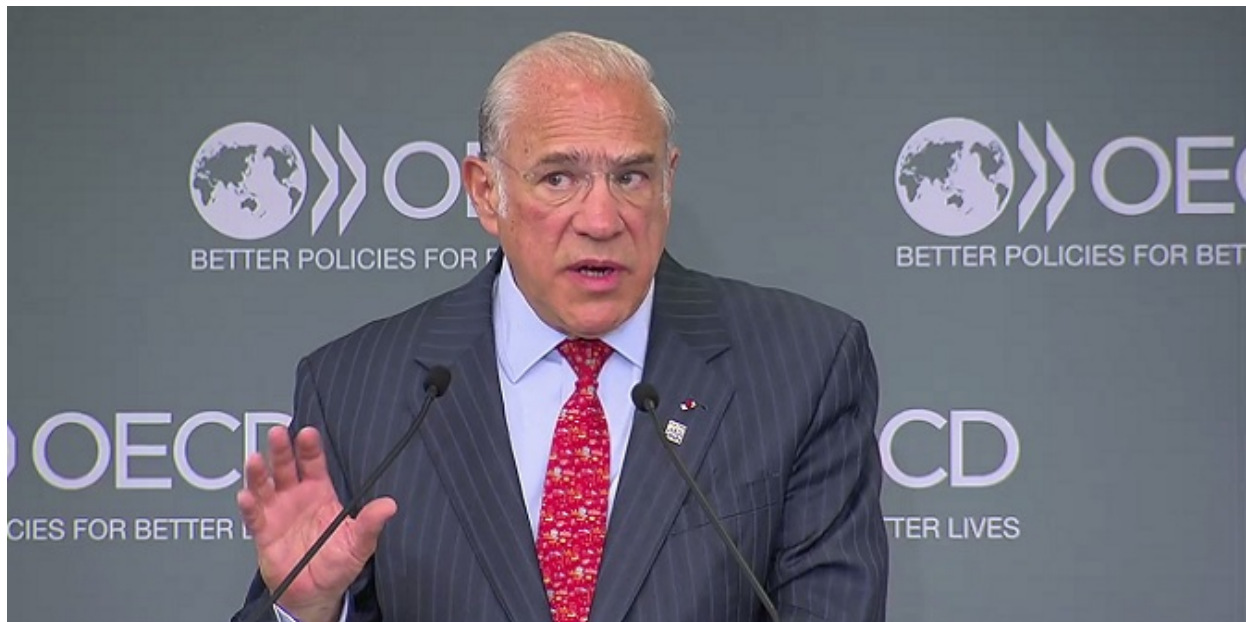
The EU has had a major role in shaping UK public policy since the country's accession in 1973.

Janice Morphet writes that with this influence set to end following Brexit, it is an open question as to how policy will be shaped in the UK in the years to come. She suggests that a different international organisation, the OECD, could help fill the vacuum created.



Since the UK joined the European Communities in 1973, increasing elements of UK public policy have been set by agreements made by all EU members, including the UK. These agreed policies have covered many areas including the implementation of external treaties such as competition and agriculture through the World Trade Organization, where the European Commission (EC) negotiates on behalf of member states and ensures treaty compliance through regulation and monitoring. The UK suggested that the EC take this role on behalf of all members of the EU: a fact that seems to have been lost in the mists of time.

Other policy areas have come directly from the implementation of the principles of the single market including employment, regulation and common standards. A third group of policies are derived from EU treaties such as the application of the principles of subsidiarity – devolution in practical terms – and cohesion – the policies that seek to bring all places to at least average levels of economic, environmental and social equity and take forward wider programmes of development.



Launch of OECD Economic Outlook with Secretary-General Angel Gurría, June 2017. Credits: [OECD](#).

Another policy driver has sought to integrate the geography of the EU's territory through John Major's invention of the Trans-European Networks, which are strategic corridors for multiple forms of transport and energy across the member states. This has largely been lost in the UK where there are few signs to remind people of the process, but in practical terms it has nevertheless meant improvements to the A14, the Cambridge busway – both in the same

corridor – and the West Coast mainline, among other projects.

As a consequence of this raft of EU agreed policy, which is cumulative rather than episodic in its operation, the UK has an underlying policy coherence to its approaches to regulations, transport investment and devolution, although the delivery varies in the four UK nations and is generally weaker in England than elsewhere. Also, delivery can be diverted by inept transposition such as the history of the EIA Directives and smart metering. While the focus of the negotiation of these policies and their agreement has been primarily in the centre of government – the Cabinet Office, Foreign and Commonwealth Office and the Treasury – delivery departments have primarily been concerned with the practical application of these agreements, including legislation and funding. The policy capacity and institutional memory of these outward facing departments is smaller than perhaps it was forty years ago, while in government departments, where civil service accountability is to the minister rather than the government, integration is elusive as silos still govern relations and policy delivery.

Could the OECD fill the policy vacuum post-Brexit?

Although the terms of the UK's future relationship with the EU are unknown, will this leave a policy vacuum? This seems unlikely and the UK government may turn to another organization, the OECD as a main source for policy and initiatives. The OECD was established in an earlier form in 1948 and has 35 member countries, while the EU participates alongside the member states. There are arguments against the potential influence of the OECD over UK policy making – it is a membership organization, using soft power and influence and cannot make member agreements for formal action. But this is to underestimate its role. As an organization established as part of the post 1945 settlement, it has widened to include members worldwide.

The OECD undertakes its work through comparative studies and benchmarking. While invited in by its members to undertake this work, the OECD frequently acts as a mechanism to provoke change in institutions, policy, government expenditure and regulatory environments that are more difficult to generate internally. Its regular assessment of educational attainment, across its membership, commonly known as PISA, has a major effect on education policy in the UK and elsewhere. Its current approaches to aligning administrative and economic boundaries, with strong local leaders, is influencing sub-state government institutions in over half its members. It has worked with the EC to support and develop policies using the mechanisms of case studies and comparisons to illustrate weaknesses and to support macroeconomic policy interventions. It is also rooted in welfarist principles that frame its research and policy recommendations.

So why might the OECD be a major shaper of UK policy when EU policy may not be available as the main driver? Firstly, the policies adopted by the EU also lie within the OECD's general approaches – all EU members are also members of the OECD so this would allow for less disruption and continued policy but within a different institutional setting. Secondly, the OECD is a global organisation and therefore will have more attraction and resonance to those who favour detachment from the EU. Thirdly, the OECD will provide mechanisms for comparisons of policy performance that could be absent in the future.

Finally, it is an organisation that was set up by the UK, unlike the EU, and with which it still has positive relationships. Civil servants engaging with the OECD are not regarded as threatening their longer-term careers. The OECD has been largely silent on the wider implications of Brexit, focusing rather on regulatory and taxation outcomes. This will enable it to be a neutral partner in the future. This tactical positioning may also be beneficial to all concerned. So, the UK may still be implementing the same policies as the EU, but using a different institutional setting to locate them. Watch this space...

Janice Morphet's latest book, ['Beyond Brexit? How to assess the UK's future'](#) is now available from Policy Press

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