

Why legislating in the EU was a bad idea

I was used to an open democratic process when helping make laws in the UK. A Green paper setting out the problem and legislative options invited those with views to suggest improvements or alternatives. A White Paper setting out a detailed government proposal invited forensic criticism. Three readings in each of the Commons and Lords, with a detailed scrutiny of the draft line by line on Committee ensured plenty of opportunity for MPs, peers and outside interests to defend or attack the idea of the bill and to work to improve its details. At every stage the public could be involved. Every stage was undertaken in public.

The EU system as so different, restricting public discussion and scrutiny. The main debates over the draft laws took place in secret. The Commission drafted the law. Ministers from member states were not meant to draft laws or even to table amendments. It is true that over the years the European Parliament did develop more open procedures to consider draft laws, but only based on laws the Commission had written and the Council meeting in private had approved.

As a legislating Minister I wanted to open it up for wider public scrutiny. I did what I could by showing drafts to the UK parliament and encouraging debate there before I went to Brussels to negotiate. I kept in my mind what each country had said about the draft when the Council came to debate it and sought to share this with the press. The press were not interested. They explained to me that they needed stories on all the days I was not in Brussels, and the Commission took a dim view of anyone saying what had happened in the Council. Of course many Ministers did tell their national press what they wanted them to know about their own role, without having to worry about anyone having a different recollection of what they said and did.

In practice most Ministers went along with the Commission that they needed to reach an agreement, however needless or undesirable yet more laws might prove. I objected to the way there was no official opposition saying either we did not need that law, or telling the Commission how it needed a major rewrite. At every stage in the UK Parliament the opposition is there to challenge the need for a law, the principles behind the law, and the detail of the draft.

No wonder we ended up with so much law that proved to be anti innovation, complex, bureaucratic and costly. It is a major brake on the progress of the European economy.

Why I am happier now we have left the EU

The worst job I was given in government was the UK's single market Minister. I held it at the time of maximum activity, with the EU claiming it needed to hurry through a substantial number of new laws to complete the so called single market programme for 1992. They wished to regulate so many different sectors and activities in the name of freer trade. I found myself in disagreement with the underlying theory. You do not need to standardise everything to have a successful market. You do not need to lay down required methods or standards for every good and service to be offered for sale. It seemed as if the single market was being used as an excuse for a large expansion of EU power.

The EU believed in the doctrine of the occupied field. Starting from a position where member states made their own laws and enforced their own justice, the EU wished to get to the point where the EU made most of the laws and had superior powers to national legislatures to impose and enforce their preferred ways of doing things. If the EU could get any directive or regulation agreed for a new sector or area, however weak or general, it could then go on to more detailed legislation on the grounds that it had already established its competence in the chosen area.

The EU also practised code based law where they wished to set out in detail what you could do rather than the common law approach where you could do as you wish subject to specific bans or general duties to act safely, responsibly etc. To me a single market just required the enforcement of a rule their court had already established in the cassis de Dijon case. If a product was offered for sale and was of merchandisable quality in one country in the EEC then it could be offered for sale in another without further regulation or checking. Labelling would tell customers sufficient so they could make their own decisions about whether they wanted to buy a product from another country.

I found the EU was hectoring and bullying if you objected to their legislative proposals. Meetings were always being pressured to pass more laws, whether the laws made sense or were good or not. I had to spend a lot of time trying to build blocking groups of countries against draft laws which I thought particularly damaging or needless. It was never ending work as the Commission and rotating Presidencies were merciless in wanting to get laws through in bulk. When I protested that people would not want an extra law on a topic the reply usually disparaged the people, as they did not approach lawmaking in a democratic way.

Now we are out we can refine our common law system which is more useful to the rest of the world than the EU code system. It is very disappointing that so many people in the UK governing establishment are unable or unwilling to grasp and use our new freedoms, but great to know we can if we wish. The EU still wants to treat us as a naughty member who needs to obey their rules. The

UK government needs to move on from the misery of compliance rows over their spiders web of controls. Time to use and enjoy our freedoms.

Brexit and the Anglosphere

In 1973 when the UK joined the European Economic Community it had to impose tariffs on Commonwealth countries, put in VAT and confine its free trade ambitions to the European continent. There was a sense of betrayal in New Zealand and Australia where they saw Europe replace themselves in crucial export areas like food. The UK was brusque and unhelpful to those countries that had done most to stand by Britain, especially during the long and brutal second world war when the UK was fighting against Germany and Italy, two founders of the EEC.

Winston Churchill put out many ideas about the future and about how the world might develop. He did envisage a European Union, though any careful reading of the relevant speeches makes clear that was for the continental countries and did not include the UK herself. His work has been much traduced since by those who claim he was an early pioneer of the EU. To reinforce the point Churchill wrote a long four volume history of the "English speaking peoples", not of the Europeans. That concluded that he thought there would be a union of the english speaking peoples and it would begin as a defence alliance. All his life he had closest affinity with the English speaking world, from his family and strong political links with the USA through his early adult life in South Africa to his passions for Empire and then for Commonwealth.

Today this takes shape. The UK is a member of the five country 5 Eyes alliance for sharing deepest intelligence with the USA, Canada, Australia and New Zealand that goes beyond what NATO members share. There is the 3 country Pacific AUKUS defence alliance with the USA and Australia. The USA and UK have been the leaders of NATO, given the French on off involvement and wish to create a separate EU defence arrangement. The TPP with a services chapter missing from many EU trade deals is more suited to the UK needs and may attract the USA as a member to join the UK, New Zealand and Australia.

I do not myself favour unions of states and do not expect an eventual union of the UK with either the English speaking world or Europe. You do not need to be governed by trade partners to trade with them. Most jobs and income in the UK will continue to depend on home UK trade.

The UK avoids the pile up of debts in the EU

In our later years in the EU it was becoming a problem that the UK was in the EU but not in the Euro. There were meetings the UK had to leave early when they wished to go onto tackle Euro issues. There were programmes they needed to complete their political and monetary union that the UK did not want to join. There was a burgeoning set of debts and transfers that sharing a currency necessitated.

Since we left the EU has been freer to get on with the necessary increased EU level government to underpin the currency union. The EU needs larger transfers from the richer parts to the poorer parts as we have in our sterling currency union and the US has in its dollar union. The system kept going in the past through allowing the countries in need of more financial support like Greece, Spain and Italy to borrow at zero or low cost from the European Central Bank, drawing down surpluses deposited by Germany and the richer members. What was planned as short term and limited facilities to ensure the Euro deposits were honoured throughout the zone became a long term cheap financing facility. Germany today has contributed 1.25 trillion euros through the ECB. As interest rates rise this becomes more problematic.

Now the EU is relaxing the former constraints on more state debt by two main means. It is introducing large borrowings at EU level, with Euro 800 bn of new borrowings planned under the NextGenerationEU green energy led development projects. It is relaxing the limits placed on running deficits at 3% of GDP and on the stock of state debt at 60% of GDP. Each country will be able to agree with the EU laxer debt totals for policies the EU likes. As a result total debt in the EU will grow, and each member state in the system will be jointly liable for the growing EU debt .

The European Central Bank has stirred itself to a rare criticism of the EU, reminding them that too much debt is undesirable and asking them to retain some controls over the total level of state and EU debts. The Bundesbank has gone further, condemning the move to more borrowing. The UK no longer has to pay its share of a fast rising budget, nor accept liability for any share of EU debt now being accumulated. I am glad we have shed these risks, and glad our former partners can now pursue their debt union without a UK brake on the budgets as that seems to be their desire.

One of the biggest Brexit wins so far is avoiding many billions of extra debt as the EU borrowings grow rapidly.

Can the UK now recapture lost markets and market shares?

Our period in the EU led to the loss of substantial market share in many important areas of economic life. In the first ten years in the EEC our car output halved, before the Thatcher government helped rebuild the industry by inviting in large Japanese producers. German and French cars proved too competitive for the largely nationalised UK industry on entry when the tariffs came off. We lost a large part of our steel industry to more competitive German steel. Under Labour and under Conservatives the progressive closure of most of the large 5 integrated works of the nationalised industry occurred with continental steel replacing some of the lost output.

Our fishing industry went from producing more fish than we consumed to losing large amounts of capacity to foreign vessels under the Common Fishery Policy. Our ports were drained of trawlers and we turned to importing more of what we ate. Large industrial trawlers from the continent, some over 100 m in length were allowed to Hoover up too many fish and do damage to the fishing grounds. Our natural resource was plundered.

Our farms suffered under the Common Agricultural Policy. We lost about 25% market share as the EU paid grants to grub up our orchards to import apples and pears from elsewhere. Fruit, vegetables and flowers from expensively heated and subsidised greenhouses in Holland took market share. Vegetables and fruit from hot Spain, short of water, replaced English produce on supermarket shelves. Our beef industry was damaged by an excessive response to BSE, and our dairy industry cut back by inadequate quotas.

Our chemical industry wilted under pressure from German competition. We even started importing more heavy building materials products that we had been able to make for ourselves before. The UK moved rapidly into a large and permanent deficit on goods trade account with the EU. Our trade with the rest of the world grew more quickly and was often in balance or surplus, not deficit.

Today we could change the rules and the pattern of subsidies to produce more of the above. The government should work harder on encouraging more home grown and home produced items as other countries are visibly doing. The threat to ban all new diesel and petrol car sales here as soon as 2030 will undermine our car industry further and needs to be lifted. The pattern of farm subsidies needs to be radically shifted away from wilding and environmental grants to food producing grants. Over 100m fishing boats should be banned. There needs to be a scheme to help set up a new UK fleet of sea going trawlers to catch more of the allowable total in our own waters. Our high energy using businesses should be freed of the burden of extra carbon and emissions taxes. These serve to increase not reduce world CO₂ as they force us to rely on imports with extra transport costs.