

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.