

# Sovereignty

The legal advisers to the ERG have stated that the EU/UK Agreement clearly sets out the sovereignty of the UK. There is no recourse to the ECJ, and the UK can pull out of the Agreement unilaterally if it wishes. I set out the relevant text on this site recently illustrating these matters which they confirm.

They also accept that there are unresolved questions in Northern Ireland under the Withdrawal Agreement. This new Agreement is silent on them. There is a five and a half year wait until the UK can take all or most of the fish catch in UK waters.

This form of Agreement around a free trade proposal will still require UK Ministers and Parliament to use or assert sovereign rights to change laws and administer trade and industry matters in our national interest. It is one thing to be legally sovereign, it is another to use the powers to diverge from EU laws and practises where that makes sense for the UK. We are not truly independent unless we feel free to vary matters as we wish.

I have spent the last few days pressing the government to clarify its approach to the legal acceptance of independence. In particular I have asked for three main things

1. Early legislation in areas identified on this site to improve the UK tax and business regime in UK interests
2. A strong fishing policy based around better standards of marine environmental protection immediately, and plans to recruit and provide a much bigger UK fleet of trawlers and associated harbours and food processing to take advantage of the modest extra quota available now and taking proper control of our fish in 2026
3. Greater clarification and resolution of Irish border and tax issues

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## How the EU single market and customs union damaged the UK economy

Conventional wisdom says that the UK received an economic boost from joining the EEC, wrongly called the Common Market at the time. It also alleges there was a further boost from the EEC transforming itself into the EU and completing its so called single market in 1992.

I believe in checking the data. If you looks at the graphs and charts of our economic output there is no sudden favourable burst in 1973-5 when we first joined, and no sudden surge in 1993-5 when the EU announced single market

completion. Nor is there any sign throughout this period of any upward tilt in our economic performance, however slight. If you gave people the charts and asked them when a significant favourable event occurred they would not have chosen 1973 or 1993.

Worse still is that in practice both our time in the Common market and in the single market impeded our growth and helped destroy important parts of our industrial base. These were the years of big decline in everything from fishing to steel and from market gardening to shipbuilding.

The 20 years from 1953 to 1972 prior to our entry into the EEC saw the UK grow by 95%. That was a growth rate of 3.4%. I have left out 1945-1952 as years obviously boosted by recovery from a war and affected by demobilisation.

The next twenty years in the Common market, 1973-92, saw our growth slump to just 42%, under half the previous 20 year period. That was an annual rate of 1.76%

If we then look at the 28 years 1993 to 2020 when we were in the single market and customs union, total growth was 59%. That was an annual growth rate of just 1.66%. I have taken the OBR forecast for 2020 as we still await the end year number.

So we grew much slower in the EEC/EU than out, and slower still once the restrictive and bureaucratic single market was completed.

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## [The EU UK Agreement](#)

Now we are all able to read a text I am inviting you to comment on what you think of the document.

On the crucial issue of sovereignty it appears to reinforce Clause 38 of the Withdrawal Act which I supported. That rightly asserted that the UK can legislate as it wishes for the UK, notwithstanding any agreements with the EU.

This proposed Agreement clearly rules out any future jurisdiction or control by the European Court of Justice over the UK under this Agreement. It states "For greater certainty an interpretation of this Agreement...given by the courts of either party shall not be binding on the other party"

It also seeks to limit litigious activities under the Agreement by stating that "nothing in this Agreement ...shall be confirmed as conferring rights or imposing obligations on persons other than those created between the parties under public international law, nor as permitting this Agreement...to be directly invoked in the domestic legal system of the parties"

As it is important to protect our sovereignty from any future attempted infringements by the EU acting under this Agreement, it is also crucial that there is an easy exit clause. This was something I lobbied for strongly. Financial Provision 8 headed "Termination" gives a simple clean exit in the form of this statement:

"Either party may terminate the Agreement by written notification through diplomatic channels. This Agreement and any supplementing Agreement shall cease to be in force on the first day of the twelfth month following the date of notification."

These clauses appear to allow any UK government with political will to legislate as UK voters wish and to govern the UK as an independent country. I am awaiting the legal judgement of the ERG lawyers Committee who are studying this in detail . It also needs clarification for the situation in Northern Ireland, where I still have not seen the text of the Agreement sketched to us by Michael Gove in early December. Presumably the issues are less severe now there is a tariff and quota free Agreement.

I will come to a judgement following further study and after hearing from others their thoughts.

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## [A faster growing UK](#)

Our first year as an independent nation out of the single market and customs union should see us record one of our fastest ever growth rates. The Remain establishment forecasts put it as a likely 6-7% assuming a trade deal. They exaggerated the importance of the trade talks to growth but for once I agree with their ballpark estimates. No Deal would also have delivered good growth next year.

It is true a lot of the growth will come from recovery from the severe lockdowns of 2020. A far important assumption than a trade deal is that restrictions on the UK economy will be progressively relaxed as the vaccines are rolled out and as the pandemic subsides.

What we need now is strong government action using the freedoms we gain on 1 January to boost this growth rate further. The government should take VAT off a range of items often mentioned here before, once we have the freedom to do so. It should rejig the proposed agricultural subsidy policies, to give more of a boost to home produced food in substitution for the flood of imports from the continent. It should remove all tariffs from Mediterranean and tropical produce we cannot grow for ourselves, to let UK consumers buy tariff free from non EU destinations.

It should build on its current High Street plans to foster conversion of unwanted retail and office space into housing, service and leisure uses. It

should put in the Freeports and Enterprise Zones more quickly than current plans. It should redouble technology education and training., It should drop IR 35 and improve the tax and regulatory package for small and start up businesses. It should use government procurement more intelligently to back UK small business where they are competitive or innovative.

On public spending they should start to rein in excessive or wasteful spending. As we get people and business back to work – the sooner the better – the large financial support schemes can be wound down. Private healthcare should be returned to the private sector. There should be a new railway timetable geared to sustainable passenger volumes post pandemic.

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## Using our new freedoms

The government should now turn its attention to the many opportunities our departure from the bureaucratic and restrictive single market and customs union will bring.

Today I invite you to send in your ideas of laws and rules which could be improved, amended or repealed as we take back control.

Let me begin with a few ideas for a better maritime strategy. The U.K. is a global trading nation with a proud history of maritime success. The EU Ports Regulations have cramped the expansion of our harbours and docks. The Common Fishing Policy led to a big decline in our fishing fleet and fish processing. A combination of EU and U.K. rules led to a big decline in international marine owners using our flag for their merchant ships. During the EEC/EU years we witnessed a major decline in shipbuilding.

We could now set about rebuilding:

1 Repeal Ports Directive. Offer planning permissions and other support for dock and harbour expansion.

2 Offer Freeport status to many coastal towns, with simplified planning and tax breaks for new investment in those areas. Allow non payment of VAT on items for re export.

3. Add an Enterprise Zone to such ports, with additional tax breaks from Business rates and from Corporation Tax on investment

4. Government to offer grants and cheap loans to U.K. citizens and businesses wishing to but a new trawler made in a U.K. yard, to expand fishing capacity.

5. U.K. to order all public sector vessels from U.K. yards assuming there were at least 2 compliant U.K. tenders for the work. UK to strengthen Customs and naval fleets of coastal patrol vessels.

6. U.K. to review rules over sailing under our flag, to encourage more to use our flag and related marine service, without lax employee standards. We should also look at requiring ships trading in our waters to comply with high standards for employees and safety.

7. Government to assist coastal towns and cities wanting growth to attract more fish processing, meal preparation and frozen and chilled foods business. Good quality new housing investment to go alongside new industrial and marine activities.

8 Private sector will bring ship repair, chandlery and support services as these policies are implemented.