

Time to enact Article 16

The leaders of Northern Ireland's four main unionist parties have signed a joint declaration affirming their opposition to the Northern Ireland Protocol (NIP).

The UK and EU agreed the Protocol in 2019, as part of the Brexit withdrawal agreement. It was created to prevent a hard border in Ireland by keeping Northern Ireland in the single market for goods.

Unionist parties have previously voiced strong opposition to the protocol.

The protocol has caused deep frustration in both the UK and NI and appears to be creating tension between North and South Ireland that could well erupt into a violent situation.

Meanwhile, in October the UK government said it wants issues around the NIP settled by the autumn "one way or another" its Brexit negotiator Lord Frost said. He described the current negotiations with the EU over the protocol as "constructive".

However, he told MP's on the House of Commons EU select committee that "gaps between them remain significant".

He said they were trying everything to "bridge the gaps" on the Brexit deal which prevents a hard Irish border.

Meanwhile, unless Article 16 is triggered soon the damage already done between the UK and Northern Ireland's trade will be damaged beyond repair. The longer the Protocol exists the harder it will be to remove as Northern Ireland (NI) companies will have been forced to implement changes and buy from the EU that they will find it difficult or unable to change back.

The current process is clearly aimed at reducing or stopping UK supplies reaching NI especially while the Protocol is under the control of the European Court of Justice (ECJ).

The EU appears to use the Protocol not to preserve peace in Ireland or

protect the EU Single Market, or even to keep the Good Friday Agreement in tact, but to try to prevent the UK diverging from EU regulations and reorienting its trade away from the EU to the rest of the world.

This process of keeping Northern Ireland (NI) under the control of the EU will over time enable southern Ireland to take over NI by stealth. This will force the citizens of Northern to accept reunification by the backdoor, regardless of their wishes.

Should the UK government continue to pretend that change or removal of the Protocol can or will be obtained the less likely that can happen. The time has come for Lord Frost to act now on behalf of the citizens of Northern Ireland and the UK in order to maintain free trade movements between the two countries, if not NI will be forced to buy only from the EU at higher costs and no control or political involvement over its future.

EU's military ambitions continue

According to NATO Secretary General Jens Stoltenberg, the UK was by far the EU's biggest spender on defence in 2019.

Spending 31% more than France, 43% more than Germany and 50% more than Italy and 75% more than the Netherlands and Spain.

The EU has already being criticised by the Americans for their lack of financial support for NATO.

Meanwhile The EU has announced plans for new 'First Entry Force' of up to 20,000 troops, in addition to existing EU battalions, without telling

NATO first.

In plain English the EU wants an independent force from NATO and by doing so pretend that it is a military force that the world should take note. Eurosceptics for years said that the EU wanted its own military with command structures, while the UK government tried to convince people that this was not true, now it cannot be denied.

One of the reasons being used for its requirement is that the EU were unable with its current military to be in a position to secure the perimeter of Kabul airport in Afghanistan in the

recent evacuations caused by the Taliban takeover.

According to Josep Borrell Fontelles, High Representative of the EU for Foreign Affairs and Security Policy: The new 'First Entry Force' is on top of existing 'EU Battlegroups'.

However, the EU appears to have greater military ambitions and is and will be creating more battle groups in the immediate future.

Could the dangers of an EU military be used as a reason for other countries like in the Middle East and elsewhere to create larger dangerous armies?

Trade protection or saving the planet

Catherine McBride

Trade protection dressed up as saving the planet?

“I was surprised a few weeks ago to read that Australia was pressuring the United Kingdom (UK) to exclude ‘binding commitments’ to the Paris Climate Change Agreement from the UK Australian Free Trade Agreement (FTA). According to sky news ‘among the areas to be removed was “a reference to the Paris Agreement temperature goals”.’

Referring back to the UK Australia FTA, Agreement in Principle’s section on the Environment, I could not find a reference to a temperature goal...

The Agreement in Principle claimed the environment chapter will include, and I quote:

- * provisions that commit the UK and Australia to maintain and effectively enforce their domestic environmental laws and policies

- * provisions that affirms commitments under multilateral environmental agreements

- * provisions to encourage trade and investment in environmental goods and services which support shared environmental objectives

- * provision which affirms commitments by each country to tackle climate change, including under the Paris Agreement and acknowledges the role of global trade and investment in these efforts

- * provision recognising the right to regulate of each country, based on the language used in the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) environment text with the addition of a reference to climate change, that confirms the right of each country to establish its own levels of domestic environmental protection and its own priorities relating to the environment, and the right to establish, adopt or modify its environmental laws and policies accordingly

- * provisions that affirm

commitments to combating illegal wildlife trade, conservation, marine pollution and protection of the Ozone Layer

- * provisions with commitments on several areas of environmental protection including fisheries, biodiversity, combating illegal logging and wildlife trade and conservation

- * provisions that recognise the importance of, and to cooperate on, sustainable forestry management, circular economy, marine litter and air quality

- * all substantive commitments in the chapter to replicate the CPTPP formulation to the greatest extent possible unless otherwise decided by the UK and Australia

- * new areas proposed by the UK that are not in the CPTPP environment text to contain no new substantive commitments

- * replication of the CPTPP consultation and enforcement provisions with minor amendments, including to ensure alignment with the dispute settlement provisions of the whole agreement.

I saw the provision recognising **the right of each country to establish its own levels of domestic environmental protection and its own priorities relating to the environment**, as the most important. It would, however, appear many climate activists believe the prior provision which affirms commitments to tackle climate change including under the Paris Agreement is the more important and have convinced themselves that it contained a reference to specific temperature commitments that have now been omitted from the FTA text.

As you can read above, however, there isn’t any mention of a specific temperature in the Agreement in Principle. While even the Paris Agreement itself is vague on a specific temperature and only proposes ‘collective progress towards the goal of keeping the increase in global average

temperature to within 2°C.’ Hardly specific.

There are other problems with the Paris Agreement, most notably that every country involved has come up with its own goals.

Australia has committed to reducing its greenhouse gas emissions by 2030 to 26%-to-28% below its 2005 emission levels, while the UK has pledged to reduce its greenhouse gas emission by 2030 to at least 68% below its 1990 emission levels. While that may sound as if the UK has made the more significant pledge it is worth looking at the base levels: In 1990 the UK was pumping out 757,350 Kilotons of Greenhouse gases, approximately 50% more than Australia’s 503,820 kt in 1990. To put this in context: Australia’s Paris Agreement commitment was the same as the United State’s of America before it withdrew from the agreement, while the EU committed to a reduction of 40% by 2030 but, like the UK, measured from its 1990 emission levels. While China pledged to reach peak emissions before 2030.

While you may be surprised by China’s pledge, it is a bit rich for established, old industrial powers like the UK and the EU to want to measure their greenhouse gas reduction from 1990 when they have been offshoring their factories since this time and converting their economies away from goods to services. This only works if somebody else is producing the goods and that somebody is probably emitting Carbon Dioxide (CO₂) to do so.

The news reports about the UK Australia FTA dropping key climate commitments also claims that Australia is ‘one of the world’s largest carbon emitters per capita’. In the grand scheme of carbon emissions, I am not sure that a per capita measurement matters. China emitted a whopping 10,313,460 kt of CO₂ in 2018 (26.7 times as much as Australia),

Trade protection or saving the planet

but its CO₂ per capita was about half Australia's per capita use. But if we are going down this road, then India wins the CO₂ per capita stakes with a mere 1.8 tonnes CO₂ per capita even though it was the world's 3rd largest CO₂ emitter, producing 2,434,520 kt in 2018. For the record if the EU were counted as a single entity, as many do for trade purposes, it would be the world's third largest CO₂ emitter with 2,871,000 kt in 2018.

If we measured CO₂ emission per square kilometre of landmass the tables would be turned, and Australia would have one of the world's lowest levels of emission, but what would be the point? The atmosphere doesn't recognise borders any more than it recognises national populations, it is only concerned with total emissions, jet streams and trade winds.

The news reports incited more fake outrage. According to the BBC the executive director of Greenpeace, John Sauven, claimed that "The UK government pledged to embed the environment at the very heart of trade, including supporting the Paris Agreement on climate and zero deforestation in supply chains". As the executive director of Greenpeace, I assume he knows that Britain's second biggest source of renewable electricity is biomass.

Biomass electricity is produced by burning wood but is still considered to be renewable, even though burning wood releases more CO₂ than burning coal, because the carbon released will be re-absorbed during tree regrowth – provided of course that the burnt forests are replanted. So, does the pledge of zero deforestation in the UK's trade supply chains, also extend to our electricity supply chains? Either way, Sauven may be interested to know that between 2014 and 31st October 2020 Australia planted 27.1 million trees and has pledged to plant one billion trees by 2030.

Labour couldn't resist the pile on either. Ed Miliband was quoted in the *Express*, and then repeated on the

Labour website: "Australia is one of the world's biggest polluters and key to the goal of limiting global warming to 1.5 degrees. But rather than piling pressure on them, the Government has simply rolled over." As the Shadow Secretary of State for Business, Energy and Industrial Strategy, Miliband might be interested to know that Australia doesn't even make the world top 15 CO₂ emitters but of those that are actually the 'world's biggest polluters' – the UK trades with all of them except Iran and has signed trade deals with Japan, Germany, South Korea, Canada, Saudi Arabia and Mexico and is negotiating a trade deal with India. Australia is not 'key' to the goal of limiting global warming any more than the UK is: both countries could stop all their emissions tomorrow, but any shortfall would be quickly made up by China, India and other developing nations.

So, should we get excited about the wording of the UK Australia FTA when one country is burning wood and the other burning coal but planting trees? It is easy for activists to select statistics to serve their purposes and for countries to choose starting points for measurements that make their achievements sound better. I am not arguing that Australia is the golden child of carbon reduction, but I fear that this manufactured outrage may have another purpose.

I suspect this is another attempt to scupper the UK Australia trade agreement as it is the UK's first completely new trade agreement since the UK left the EU and with a country that does not have a similar EU trade agreement. For the Continuity Remainers and the Re-join Movement – these new UK trade agreements must be blocked or rendered useless with continued trade barriers to prevent any efficient non-EU products gaining a foothold in the EU's captured UK market.

We saw this with the tiny quotas offered to Australian agricultural products even though the National

Food Strategy(NFS) admits on page 238 that "UK beef production is 2 to 4 times more expensive than Australian beef production" and that there is "evidence to suggest that some overseas farmers can produce food at rather lower environmental cost than UK farmers." The NFS uses New Zealand lamb as an example, but any meat fed on locally produced grasses or grains will have a lower carbon footprint than animals fed on imported grains. This carbon footprint will be even lower if the UK only imports the cuts of meat they intend to eat, rather than importing enough feed to produce a whole animal if half of the animal will not be eaten but sent to the renderer or exported (again).

The UK happily imports animal feed for its intensively farmed animals even though it takes multiple amounts of feed to produce the same weight of meat. The UK imported 8.9 million tonnes of animal feed ingredients in the year to June 2021, but only produced a total of 4.137 million tonnes of beef, lamb, pork and poultry in 2020. Some of the imported feed will have been used to feed dairy cows and egg laying hens while many beef cattle and sheep will eat grass, but this amount of imported feed can hardly be held up as environmentally friendly. So, it should be hard to block Australian agricultural imports on environmental grounds when it will be the UK's domestic agricultural products, not to mention its manufactured exports to Australia, that will have the larger carbon footprint.

If this trade deal were actually about the environment, then the UK should be importing a lot more grass-fed meat from Australia rather than the small amount allowed in the FTA quotas. But more importantly why would the UK-Australia FTA need to reiterate an international agreement both countries have signed? I suspect this manufactured activist outrage is for protectionist reasons rather than for environmental ones.

Source: *Brexit-watch.org*

Brexit and the OBR forecast

Harry Weston

Yet again the Office for Budgetary Responsibility (OBR) makes unsupported claims about Brexit.

The OBR has again claimed that Brexit will have a big long-term negative impact on GDP. These claims are based on a misleading interpretation of recent trade figures and on a supposed link between trade intensity and productivity which is not supported by the evidence. It is quite inappropriate for a supposedly independent body to produce such unbalanced reports.

The (OBR) has (recently) reiterated its claim that Brexit will have a large negative long-term impact on UK GDP. This has led to a barrage of media reports suggesting the government's 'own figures' show Brexit will be very damaging for the economy and the public finances. We have strongly (criticised) the OBR's estimates of Brexit impacts in the past. Unfortunately, we need to do so again in this article.

The basis of the OBR's claim is that trade data in 2021 support the view that the UK's exit from the EU single market and customs union will result in a sharp drop in trade and 'economic openness' and that this in turn will have a big negative effect on productivity – reducing it by around 4% in the long term. Both these claims are dubious.

Looking first at trade, the OBR suggests the emerging evidence points to UK trade volumes being cut by around 15% due to Brexit. A cursory glance at the data seems to provide some support for this view – UK export volumes in August 2021 were indeed about 16% below their January 2020 levels. But a more careful examination of the figures shows a different picture.

Two important observations immediately jump out. First, while UK exports in August were indeed weaker than their pre-pandemic levels, this was not the case for imports – while imports from the EU were lower, non-

EU imports rose offsetting this. So, any trade weakness we can speak of in 2021 is primarily on the export side.

Second, on the export side the greater weakness was not in sales to the EU but in exports to non-EU destinations – UK exports to the EU in August were about 10% below their January 2020 level, with non-EU exports down about 20% (see Chart 1). Given that Brexit has not led to significant changes in the UK's trade relationships with non-EU countries (with almost all trade deals inherited from the EU rolled over), the main part of the weakness in UK exports seen this year cannot be due to Brexit.

Digging deeper into the data, it becomes increasingly unclear whether much of the apparent weakness in UK exports in 2021 can be attributed to Brexit. For non-EU exports, there has been a clear drop in sales relative to the long-term trend even when oil and erratic items are stripped out. But for EU exports, the levels of recent months excluding oil and erratics are actually very close to the linear trend seen since 2000. A crucial point to make here is that the trend growth rate of UK goods exports to the EU over the last two decades is very slow – only around 0.6% per year versus over 3% per year for non-EU exports.

Indeed, weakness in EU demand looks like a key factor explaining the recent trajectory of UK exports to the EU. Total eurozone import volumes in July from all sources were around 2.5% below their January 2020 levels, while UK exports to the EU excluding oil and erratics were about 2% below their January 2020 level in August 2021. So, both weakened to a similar extent.

In our view, it is essential to judge any underlying trend in UK exports to the EU using the series that strips out oil and erratic items. Exports of these two items have dropped by around 50% since the start of last year, with declining sales of oil accounting for the majority of this. The drop in oil sales

cannot be attributed to Brexit as there have been no significant new trade barriers to oil sales. Rather, this looks like a structural supply side decline.

There is also a case for stripping out car exports which in 2021 have been badly hampered by the global chip shortage. Notably, UK and German global car exports have followed similar negative trajectories in recent months (German exports in August were 25% lower than in the same month in 2019). A series for UK exports to the EU excluding oil, erratics and car sales was actually slightly higher in August 2021 than in January 2020.

Properly interpreted then, the data does not really support the idea that 2021 has seen a big drop in UK trade that can be attributed to Brexit, as the OBR claims. Most of the headline decline in exports relates to weaker sales to non-EU markets while the underlying picture for exports to the EU shows broad stability. On the import side, overall UK imports are little changed since early 2021 – largely as you would expect given UK GDP has not yet fully recovered from the coronavirus recession that began in Q2 of 2021.

The OBR further claims that analysis by the Centre for European Reform (CER) supports their estimate of a 15% drop in UK trade. The CER 'doppelgänger analysis' tries to construct a counterfactual path for UK trade based on trade trends in a set of other economies which the CER claim have shown similar patterns of fluctuation to the UK in the past. We are very sceptical of this approach as (previously noted). The set of economies CER use includes economies with very different trade patterns and industrial structures to the UK and which over the last two years will have been subject to very different policy regimes. Any resemblance in trade trends in the past could be purely coincidental, and the likelihood that this set of economies would have been

Brexit and the OBR forecast

a good guide to UK trade trends (in the absence of Brexit) during the coronavirus crisis – with its pattern of unsynchronised lockdowns and varied sectoral shocks – is low.

We now turn to the productivity issue. The OBR's productivity claims are based on analysis dating all the way back to 2016 performed by the UK Treasury and others which is highly contentious. As we first (argued) three years ago, claims that changes in trade intensity have a strong causal link to productivity are not well supported by the evidence. Indeed, far from the trade-productivity link being well established in the economic literature, the evidence for its existence is at best inconclusive and at worst non-existent.

The literature review in (Wales et al. 2018) suggests the weight of evidence favours the notion that productivity drives trade, rather than trade driving productivity. UK Treasury studies which have pushed the trade to productivity link in the past have cited the study by (Frankel et al. 1999), but this study admits its results are 'not very precisely estimated' and only marginally statistically significant.

The association of trade and productivity growth found in many previous Brexit studies is also frequently based on studying large samples of mostly emerging economies. For high income economies, and for the UK alone, no statistical link between trade and productivity is visible. For a sample of nineteen high-income OECD

economies, there is zero correlation between growth in trade and growth in output per hour between 1980 and 2019.

Looking just at the UK there seems to be no historical association of trade openness and productivity since the 1960s. Productivity growth actually dropped in the years immediately after the UK joined the EU in 1973, although trade openness (measured as the share of exports of goods and services in GDP) rose modestly. More striking still, the decade or so after the inception of the EU single market in 1992 saw UK productivity growth flat despite a clear rise in the export to GDP ratio. After 2007, UK productivity growth slumped even as the export/GDP ratio trended higher still.

Finally, a firm-level study by the Office for National Statistics (ONS) does not support the notion that Brexit will lead to large negative effects on UK productivity. It shows that exporters to non-EU countries are about 20% more productive than non-exporting firms – but for exporters to the EU, the 'productivity premium' over non-exporting firms is minimal. The study also shows evidence of a negative link between export intensity and productivity. These findings make it hard to argue that reduced exports to the EU, resulting from Brexit, would have large negative effects on aggregate UK productivity.

Overall, the OBR's claim that recent UK economic developments support

their view that Brexit will cut long-term GDP by 4% is both unconvincing and arguably misleading. It is based on a questionable interpretation of recent trade data, an interpretation that can also be considered extremely premature given the coronavirus-related distortions (affecting both the supply and demand for UK products and the level and pattern of UK import demand) currently affecting the trade figures.

The OBR claims are also based on continuing to assert a strong link between trade intensity and productivity despite strong evidence such a link may not exist. It is important to note here just how important this questionable trade to productivity link is in underpinning OBR's claims. Even if the OBR proves to be right about Brexit reducing total UK trade by 15% in the long run (which we think is unlikely) without the productivity effect this would produce only a small long run impact on GDP – most standard economic models would yield an effect of less than 1% of GDP.

It is disappointing and inappropriate that a supposedly independent body like the OBR continues to produce Brexit analyses which are so unbalanced, especially given the continued political sensitivity of the issue.

Source: *A full report with graphical data is available from;* www.briefingsforbritain.co.uk

Action on unaccompanied children

Councils across the UK are to be forced to care for some of the unaccompanied asylum seeker children who have arrived via the English Channel in small boats.

Immigration minister Kevin Foster said the decision was not taken lightly but was in the children's best interests.

Authorities will take children now being looked after by Kent and other councils on England's south coast.

More than 100 children are living in hotels because of a shortage of places in children's homes.

Meanwhile according to the EU borders agency Frontex, they have agreed to fly a surveillance plane "day and night" over the English Channel to help spot migrant boats.

France, Belgium, the Netherlands, and the EU Commission agreed to this during in talks in Calais on the 27th

November, French interior minister Gerald Darmanin said. France had earlier uninvited the UK from the Calais meeting in a diplomatic spat between London and Paris, but "this meeting was not anti-English, it was pro-European," Darmanin said.

Spotting boats is one thing, but an agreement on what to do about them is another!

Why Brexit has already been a success - since we left the EU

The argument put forward by Brexit critics in the past, and now, is a combination of such:

1) The world moves in large, multilateral blocs – hence being part of the EU, the closest possible multilateral bloc, means the UK can stay an active part of the world economy. In an era where big collective action must be taken, from bulk buying PPE in a pandemic to ordering vaccines, they so say, having access to the leverage a big, powerful, EU has, is a benefit.

2) Given the UK's trade relations with the EU, being in the bloc makes economic sense, because it eases trade relations with one region of the world.

Those are, of course, only the economic arguments. The conclusion of this, they decided, was that the years after Brexit would produce few winners, many losers. While long-term foreign policy and economic questions rightly deserve to be asked, and the long-term consequences of Brexit will continue to be evaluated in years to come – I think it would be fair to say Brexit has had quite a few successes and has proven naysayers wrong.

Shell's announcement (moving its headquarters to the UK) might prove otherwise – even post-COP26 as the commission's first vice-president Frans Timmermans proclaimed that climate ambition "*doesn't stop here it only starts*". Shell recognised that the UK would be a better business environment to go through with those plans. As part of its strategy to "*simplify its dual British and Dutch structure*" and it will avoid the Dutch government's new 15% withholding tax – to start with.

Royal Dutch Shell's recent announcement of relocation to the UK from the Netherlands has shown that businesses have confidence in the UK, particularly because it is out of the EU's Commission-directed regulatory environment, contrary to claims that

other European cities would replace London as a European financial centre.

Moreover, new Free Trade Agreements mean that the UK not only retains much of its pre-Brexit trading relationships with the rest of the world, but also develops closer trading partnerships with others, most notably Australia, New Zealand, and India. The agreements made by the DIT under Liz Truss and now Anne-Marie Trevelyan have allowed the UK to continue to enjoy the benefits of the EU's existing trade deal framework – hence remaining a globalised economy, not a nationalist hinterland that critics once suggested. Much criticism was made of the fact that some of *Dit's announced trade deals were rollover deals*, but they were still able to shake off the view that making a trade deal worldwide was impossible – hence the UK should remain a member. This, however, has not turned out to be the case and from Japan and New Zealand to Liechtenstein, trade deals have been made without any significant fallout.

The 'exodus' of economically significant manufacturing companies and sites that would allegedly happen did not happen, and some – such as Nissan in Sunderland or Dyson in Malmesbury – in fact expanded. Arguments about the impact that significantly longer tariffs would have on British goods, plus the bulk buying power of the EU, did not arise.

Let me address the elephant in the room, something even former EU Chief Negotiator and now Presidential candidate Michel Barnier has acknowledged: The vaccine programme. The British non-participation in the European Medicines Agency allowed for an efficient, speedy, and timely vaccination programme when the COVID-19 pandemic continued to ravage the UK – crucially saving more lives, avoiding more hospitalisations, and paving the way for recovery. This started weeks and months before the

European Union's largest and most powerful members started reaching the same vaccination rates.

Within the EU, the Commission sought to step in with vaccine procurement when it looked like member states were starting to bid for their vaccines, fearing that smaller member states would be left behind by larger member states who had more bulk buying power – thus, the commission was meant to step in and use its bulk buying power to get the best price and the best vaccines the quickest. We know what happened, and of course this is a question of the Commission's competence in handling policy, but it matters, as the lack of political will to get early vaccines when it mattered most showed that the European project didn't always work as claimed – even in emergencies.

On the foreign policy stage, it would be far from accurate to say the UK has retracted from the world – or adopted a nativist policy slant. While we still have to see what Global Britain will really mean, it is clear that remaining interconnected is a part of it. The AUKUS nuclear submarine pact has shown that Britain has a significant role on the world stage, and can play that role better on its own, given that it is outside of the European Union's future defence plans and cannot be undermined by other member states. This independence in practicing foreign and defence policy shows that allies are aware and are taking note of this.

Another unexpected benefit is the removal of the 'tampon tax' on women's sanitary products, announced by the Chancellor in March, a campaign initially launched to pressure the Cameron government to convince the EU to do so – with the UK out of the EU, the UK was able to proceed to do it quicker, without potential qualms over legal action, while the EU was seeking to introduce this bloc-wide in

Why Brexit has already been a success - since we left the EU

2022 at earliest, with this change being held up amongst other wider bloc-wide reforms.

Outside of the EU, the UK has also been able to pursue animal welfare reforms, such as the ending of live animal exports, to go beyond EU standards, as part of the commitment to becoming a 'world leader' in animal welfare – the Northern Ireland

Protocol, however, does not allow this to apply to Northern Ireland.

Past criticism that a larger bloc such as the EU is necessary for the UK's global relevance or activity on the world stage has proven untrue, even in terms of COVID PPE supplies or vaccines – where EU governments did not fare much better. The Bruges Group, especially on issues such as

Article 16 and the NIP, will continue to scrutinise how the continuous Brexit process roles out – as well as what Global Britain should mean. However, looking at how things have gone so far, there have been successes, and there have been wins – and we will continue to acknowledge that.

Source: www.brugesgroup.com

Two tests for UK trade

Phil Radford

In a report for Civitas on UK trade, Radford asks an important question. Does seamless, tariff-free trade boost exports and does distance matter?

During the UK's departure from the European Union, debate about UK trade policy was dominated by two assertions:

That seamless, tariff-free trade with the EU was the optimal outcome for UK manufacturing;

That trade grows fastest with countries that are nearest.

In this report, trade analyst Phil Radford performs two correlations on UK trade data to scrutinise the evidence for these two assertions.

By comparing the performance of the UK's 14 largest manufacturing export sectors in EU and non-EU markets from 2000-2019, the author

finds there is a mild-to-medium inverse relationship between the comparative benefit enjoyed by a sector in the EU – in terms of tariffs and seamless access – and its comparative performance in EU markets over the past 20 years. In other words, there is no positive connection between the supposed benefits of seamless, tariff-free trade with the EU, and the export performance of UK manufacturing sectors.

This research shows that over the past two decades, UK manufacturing exports to the EU performed best where the effect of the Customs Union and Single Market were weakest or absent. In so far as the EU-UK Trade and Cooperation Agreement replicates the terms of the UK's previous trading relationship, Radford concludes, 'it

may turn out to be a very bad deal for the UK'.

The author also finds that for 94.1 per cent of UK goods exports, there is a mild inverse relationship between geographical proximity and export growth for the period 2000-2019. In short, the further a trade partner is from the UK, the faster exports grow – after the GDP growth rates of partner countries are taken into account.

The conclusions in this report support the repeated assertions of liberal, free trade economists: that the benefits of seamless, tariff free trade with neighbouring economies in the EU are overstated in the economic models used in official trade forecasts.

Source: www.civitas.org.uk

World Trade Organisation trade deals

Members of the World Trade Organisation (WTO) have agreed a landmark deal which could cut trade costs by £113 bn a year.

Some 67 members agreed to cut red

tape around licensing and qualifications.

The signatures, which include the UK, US, EU and China, are a minority of the WTO's 164 members, but

represent 90% of all services trade. Banking, information technology, telecoms, architecture and engineering are among the service sectors which could benefit most from the deal.

UK export potential

The government has announced plans to boost the UK's annual exports to £1 trillion by the end of the decade.

The Made in The UK, Sold to The

World plan is intended to help firms seize new opportunities in global markets.

Last year, the UK exported about £600 billion in goods and service. But

only one in ten firms trade overseas.

International Trade Secretary Anne Marie Trevelyan said it was "vital" for companies to "unleash their full exporting potential".

Switching off: BBC and Channel 4

According to an executive summary of a report by the taxpayers alliance, “Since their inceptions, the BBC and Channel 4 have had their futures guaranteed because of taxpayer ownership. The security afforded to them by this and their funding structures has allowed them to compete in the broadcasting market on an unfair basis. This paper assesses the options available for privatising Channel 4 and abolishing the TV licence fee. It considers the impact of any change on public service broadcasting, governance and how any privatisation could practically be done.

Privatising Channel 4 by floating it on the stock market would end the need for taxpayers to act as the final guarantor for the corporation, since it derives most of its funding from advertising. Selling the company through the stock market also ensures a broader range of potential owners than a direct sale to another company. Similarly, a part privatisation of the BBC would abolish the outdated licence fee and see the broadcaster funded by a direct government grant. This leaner BBC could then return to concentrating on news and culturally-focused programming.

With Channel 4’s licence and the BBC’s mid-term review upcoming, now is the right time to alter the relationship between these broadcasters and taxpayers to the benefit of both. Doing so will provide billions in revenues which can be used to cut taxes and enable them to

compete more effectively against streaming services while maintaining public service output.

Introduction - The ownership and funding structures for the UK’s two publicly-owned broadcasters – Channel 4 and the BBC – have been contentiously debated for decades. The current situation sees taxpayers acting as the final financial guarantor for both organisations, which allows them numerous benefits compared to privately owned broadcasters, like ITV, Sky and Channel 5. This has enhanced calls for broadcasters to be put on a more equal footing.

The financial constraints imposed by covid-19 have added further incentives for the government to change the ownership structures of these organisations, as part or full privatisation could raise significant sums for HM Treasury.

Commercially-funded Channel 4 is the main focus of the government, which recently held a consultation regarding a change of ownership for the broadcaster. This isn’t the first time the government has considered privatising the corporation, as it was previously deliberated in the governments of Margaret Thatcher, John Major, Tony Blair and David Cameron.,

But the BBC’s future should also be considered. Its mid-term review is in 2023 and the licence fee is guaranteed until 2027. This provides the opportunity to rethink the BBC’s model.

A smaller state-funded BBC – producing output focused on high culture and serious news – appeals to many. Yet this is not what the BBC has been for some time. Licence fee money is used to allow the BBC to compete in the commercial market, eliminate local media outlets through its regional stations, and chase a youth audience which is rapidly turning away from traditional public service broadcasters to services such as Netflix, Amazon and YouTube.

Ending the waste of licence fee payers’ money and the forced funding of the BBC has been the core principle behind the TaxPayers’ Alliance campaign – Axe the Tax – which advocates scrapping the BBC licence fee. Recent polling has shown taxpayers support this move, with 68 per cent of working class voters backing the abolition of the licence fee.

This paper will review both broadcasters’ financing and ownership structures, analyse the options available for changing these models, and consider how it could be done. It will also assess the potential consequences of changing the funding and ownership models on the content produced. This analysis will also look at previous privatisations in the UK, as well as other changes made to the funding of public service broadcasters both domestically and overseas.”

Source: www.taxpayersalliance.com
The full report is available on the website.

UK military engineers sent to Poland

In mid November about 150 British Army Royal Engineers were sent to help reinforce Poland’s border with Belarus, the defence secretary said.

The border is seen as an entry point to the European Union (EU), and there has been tensions in recent weeks with Belarus being accused of pushing migrants towards it.

Ben Wallace said a small reconnaissance team of engineers

had already been sent to assess the situation.

They would not be combat troops but “guys with diggers” he added.

What this clearly shows is that the UK despite having left the EU is still being a supportive friend when needed.

Meanwhile a migrant camp on the Belarus border that become a temporary home to some two thousand

people has been emptied, border guards have confirmed.

The migrants who had been camping there in freezing conditions, hoping to cross into the EU, have been moved to a nearby warehouse.

It marks a de-escalation of tensions between Belarus and the EU.

Belarus has been accused of orchestrating the border crisis to destabilise the EU - which it denies.

LETTERS

Tel: 08456 120 175 email: info@junepress.com

In or Out

Dear Sir,

In 2018 the Bruges Group published “*The Euro’s Battle For Survival*” by Bob Lyddon. In the section “Conclusions for the UK”, he exposes the failure of governments here since Black Monday to “get off and stay off the euro-bus,” instead opting to keep one foot on it in order to keep trade going. While responding to integrated policies we had no stake in, and accepting instead a steady stream of onerous regulations, high payments, an influx of over 3 million economic migrants and a plundering of our tax base by fiscally off-shore multinationals, aided and abetted by the CBI” (I paraphrase).

But as Lyddon put it, now as then, the burning question is, is the Brexit deal Lord Frost has negotiated the clean break that we voted for? Or are we still mired in endless obligations to joint and several liabilities. In other words, how much are we still paying them, and WHY?

JUDITH PARISH
Shropshire

Channel crossings

Dear Sir,

The French keep saying they want positive talks about the migrants using the English Channel to reach the UK, but do they?

The UK has already paid the French large sums of money to control their own borders, but it appears that has resulted in little if any change. Furthermore, they have refused the help of UK personal on French soil to help control the illegal crossings, all to know avail.

I like many are starting to think that France just want these crossings to

continue so that they get rid of those unwanted migrants.

The EU who are in charge of the French approach are complicit in their actions, the open border policy of the EU has allowed these migrants to cross freely through the EU to reach the UK. This route is also open for terrorists and others who’s motive could well be criminal, so much for security.

What response can the UK government make? One could be the requirement for asylum applications to be made on French soil, anyone crossing without the legal right to do so should be returned to France. However, the French have no intentions of allowing this system to be implemented, so much for good and friendly neighbours.

JOHN SIMONS
Dover

Independence referendum

Dear Sir,

Yet again Nicola Sturgeon has continued her called for a Scottish Independence referendum during the SNP conference in November. Her desire to take Scotland out of the UK and give it to the powers that control the EU continue.

Furthermore, she appears to believe that all problems in Scotland are related to Brexit. That I find surprising as most of our problems can be corrected by the current the Scottish government, with the powers it already has, should it wish to!

CYRIL FERGUSSON
Edinburgh

Asylum seekers

Dear Sir,

I recently heard that in applications to the UK have reached their highest level

since 2004, according to official estimates.

There were 37,562 asylum applications in the year to September - an 18% increase on the previous year.

But net migration - which does not include asylum claims of refugees - fell by 88% last year after Covid.

It appears to me with all these asylum seekers the need for extra labour is being filled by these potential workers, assuming they intend to work. Therefore, it follows that we require less EU citizens to be given easy access to the UK workforce.

DORIS RICHARDS
Kent

Is anyone listening

Dear Sir,

Are we being monitored? It appears that, iPads as well as the new smart TV’s and mobile phones can listen to what you say, which is a worrying trend. The Alexa machine is designed for that use and can sometimes act on what it hears sometimes causing unwanted actions.

Turn them off when not in use and do not use standby.

RICHARD EVANS
Dorset

Accounting EU style

Dear Sir,

The European Commission has blocked the recently-created European Public Prosecutor’s Office (EPPO) from using their budget to hire the specialised personnel they need.

The EPPO was created to prosecute financial crimes (bribery, money laundering, tax fraud) committed with European taxpayer money throughout the EU. So much for transparency

MALCOLM SUMMERS
Wiltshire

*eurofacts wishes its readers the compliments of the season.
Our next issue will be published on the 4th February 2022*

MEETINGS

This year due to the ongoing Covid crisis some of the meetings are being held both in person (where the wearing of face masks may be recommended) and virtual on line, please check before attending.

Gresham College
020 7831 0575

Tuesday **11th January**, 6.00 pm

"The Universal Value of Nature"

Jacqueline McGlade, *Frank Jackson*
Professor of the Environment

PUBLIC MEETING
Bernard's Inn Hall, Holborn, London
EC1N 2HH
Admission Free - Tickets required

Online version
@gres.hm/nature-value
Registration required at
ww.gresham.ac.uk

Gresham College
020 7831 0575

Tuesday **18th January**, 6.00 pm

"How to Make Financial Decisions"

Alex Edmans, *Mercers' School*
Memorial Professor of Business

PUBLIC MEETING
Museum of London, London Wall,
London EC2
Admission Free - Tickets required

Online version
@gres.hm/financial-decisions
Registration required at
ww.gresham.ac.uk

FREE - Advertising Space

Should you be planning a meeting and/or conference dealing with the subject of UK-EU relations we may be able to advertise the event without charge.

eurofacts Phone: 08456 120 175
or Email: info@juneypress.com

Gresham College
020 7831 0575

Monday **24th January**, 6.00 pm

"Terror and the Rule of Law"

Thomas Grant, *Visiting Professor of*
Politics and Law

PUBLIC MEETING
Bernard's Inn Hall, Holborn, London
EC1N 2HH
Admission Free - Tickets required

Online version
@gres.hm/terror-law
Registration required at
ww.gresham.ac.uk

Gresham College
020 7831 0575

Wednesday **26th January**, 6.00 pm

"Brexit: What Have We Learned So Far?"

Anand Menon, *King's College,*
London

PUBLIC MEETING
Bernard's Inn Hall, Holborn, London
EC1N 2HH
Admission Free - Tickets required

Online version
@gres.hm/brexit-learned
Registration required at
ww.gresham.ac.uk

DIARY OF EVENTS

2022
UK Parliamentary
Recess began 16th December
Recess ends 5th January
France takes over 1st January
EU Council Presidency
French presidential 4th April 10-24th
elections
Czech Republic takes 1st July
over EU Council Presidency

USEFUL WEB SITES

Brexit Party (Reform Party)
www.thebrexitparty.org
Brexit Watch
www.brexit-watch.org

USEFUL WEB SITES

Briefings For Britain
www.briefingsforbritain.co.uk
Briefings For Freedom
www.briefingsforfreedom.co.uk
Britain First
www.britainfirst.org
British Future
www.britishfuture.org
British Weights & Measures Assoc.
www.bwmaonline.com
Bruges Group
www.brugesgroup.com
Campaign Against Euro-Federalism
www.caef.org.uk
Campaign for an Independent Britain
www.campaignforanindependentbritain.org.uk
Civitas
www.civitas.org.uk
Democracy Movement
www.democracymovement.org.uk
EU Observer
www.euobserver.com
EU Truth
www.eutruth.org.uk
European Commission (London)
www.cec.org.uk
European Foundation
www.europeanfoundation.org
Fishing News
www.fishingnews.co.uk
Freedom Association
www.tfa.net
Freenations
www.freenations.net
Futurus
www.futurus-thinktank.com
Get Britain Out
www.getbritainout.org
Global Britain
www.globalbritain.co.uk
June Press (Publications)
www.juneypress.com
Labour Euro-Safeguards Campaign
www.eurosafeguards.com
Leave means leave
www.leavemeansleave.eu
New Alliance
www.newalliance.org.uk
Policy Exchange
www.policyexchange.org.uk
The Red Cell (Think tank)
www.theredcell.co.uk
Statawatch
www.statawatch.org
The Taxpayers' Alliance
www.taxpayersalliance.com
United Kingdom Independence Party
www.ukip.org
Veterans For Britain
http://www.veteransforbritain.uk

June Press Special Offers

Seizing the moment

by John Ashworth. £4.00

£4.00 - Pamphlet 2017 - 37 pp

The opportunities for UK fisheries after Brexit with the restoration of the 200nm/midline resources zone.
(NOW ONLY £3)

The European Question and the National Interest

by Jeremy Black

£16.99 - 2006 Hdbk- 149 pp

A leading historian's interpretation of Britain's relations with the EEC/EC/EU.
(NOW ONLY £9)

A Throne in Brussels

Britain, the Saxe-Coburgs and the Belgianisation of Europe

by Paul Belien

£25.00 - Hdbk 2007 - 217 pp

What the EU as a single state might be.
(NOW ONLY £15)

A Democratic Europe:

An Alternative to the EU

by Richard Body

£10.00 - Hdbk 2006 - 141 pp

Sir Richard lays out the case for a truly democratic EU as opposed to an undemocratic super power.
(NOW ONLY £6)

Elephant In The Room

by David Challice

£6.99 - Pbk 2016 - 311 pp

The EU 2008-16 in bite size chunks
(NOW ONLY £3)

The City of London Under Threat:

The EU and its attack on Britain's most successful industry

by Professor Tim Congdon CBE.

£4.00 - Pamphlet 2014 - 40 pp

How the EU wants to ruin the UK.
(NOW ONLY £3)

The Democratic Imperative

by Robert Corfe. £12.99

£12.99 - Pbk 2014 - 234 pp

The reality of power relations in nation states and why democracy is achieved.
(NOW ONLY £10)

Euroscepticism in Contemporary Politics

by Anthony Forster

£18.99 - Pbk 2002 - 157 pp

How Euroscepticism has been a cross-party issue of UK politics for 50 years.

(NOW ONLY £10)

Anthony Fisher: Champion of Liberty

by Gerald Frost.

£20.00 - Hdbk 2002- 268 pp

Fisher founded the IEA, which influenced public policy and the views of Reagan, Thatcher and others.
(NOW ONLY £10)

Whip's Nightmare

Diary of a Maastricht Rebel

by Christopher Gill

£17.50 - Pbk 2003 - 242 pp

A fascinating insight to how parliament pressures MPs to obey party directions.
(NOW ONLY £8)

The Trojan Hearse

by J. Brian Heywood.

£9.99 - Pbk 2003 - 330 pp.

A work of fiction - or is it? Raises a multitude of awkward questions and provides some very plausible but worrying answers.
(NOW ONLY £5)

A Life of Mayhem Money and Unintentional Treason

by J. Brian Heywood

£9.99 - Pbk 2007 - 259 pp

This novel shows how easy it is for good intentions to be used by anyone with ambitions for a world government.
(NOW ONLY £4)

Why Did Britain

Take The Wrong Path?

by Christopher Hoskin

£9.99 - Pbk 2009 - 270 pp

How and why the UK lost its way and ended up with a fear of self-government and gave up democracy.
(NOW ONLY £5)

Britain Held Hostage

by Lindsay Jenkin

£11.99 - Pbk 1998 - 339 pp

The how and why of the EU explained and exposed.
(NOW ONLY £8)

Godfather of the European Union

- Altiero Spinelli

by Lindsay Jenkins

£3.95 - Pamphlet 1996 - 27 pp

The true architect of the Maastricht Treaty exposed
(NOW ONLY £2)

ALL SALE ITEMS AVAILABLE FROM THE JUNE PRESS (UK POST FREE)

NOTE - STOCKS ARE LIMITED

The Missing Heart of Europe

by Thomas Kremer

£11.99 - Pbk 2004 254 pp

Can nations survive in an integrated EU. A European businessmen's view of the likely impact of the divergent EU national cultures.
(NOW ONLY £6)

Europe: A Concise Encyclopedia of the European Union

by Rodney Leach

£14.99 - Pbk 2004 - 249 pp

A jargon free guide to the EU speak and its organisations.
(NOW ONLY £7)

A Nation is a Nation is a Nation

by John Murray

£7.00 - Hardback 1995 - 86 pp

A gentle trot through the different cultures of Europe.
(NOW ONLY £3)

Plan B For Europe

Edited by Dr Lee Rotherham.

£7.00 - Pamphlet 2005 - 72 pp

A collection of key Eurocritical papers and speeches that mark the path to an alternative Treaty for Europe.
(NOW ONLY £4)

Too 'nice' to be Tories

How the Modernisers have damaged the Conservative Party

by Anthony Scholefield & Gerald Frost.

£10.00 - Pbk 2014- 83 pp

Why they forgot their true beliefs and drove away their core voters.
(2nd.Edition).
(NOW ONLY £6)

The Ratchet: A Cool Look at the EU

by John Rennie Stewardson

£6.99 - Pbk 2000 - 144 pp

The way the EU works using the ratchet effect to snare power from its members.
(NOW ONLY £3)

CD

Thee Rise and Fall of Margaret Thatcher

by Sir Alfred Sherman

£12.00 - CD 2006

Sir Alfred, Sir Keith Joseph and Mrs Thatcher were the co-founders of the Centre for Policy which laid the foundations for the Thatcher government from 1979 to 1990.
(NOW ONLY £6)

Card sales please contact June Press on 08456 120 175. Cheques details as follows

THE JUNE PRESS LTD, PO BOX 119, TOTNES, DEVON TQ9 7WA - Email: info@junepress.com

'Europe' Doesn't Work

by *Tim Congdon*

£5.00 - Pamphlet 2013 - 32 pp

Congdon exposes the three-million-jobs at risk and related misconceptions of the dangers for the UK of leaving the EU.

Tribute to Ralph Harris

1924-2006

by *CRCE*

£9.95 - Pamphlet 2008 - 69 pp

Lord Harris of High Cross, a cross-bencher in the House of Lords was one of the leading figures in the fight against the EU and injustice everywhere.

Doom

The Politics Of Catastrophe

by *Niall Ferguson*

£25.00 - Hardback 2021 - 472 pp

Drawing from multiple disciplines, including economics and network science, *Doom* offers not just a history but a general theory of disasters, showing why our ever more bureaucratic and complex systems are getting worse at handling them. Includes the latest COVID-19 virus.

All Books plus 10% P&P (UK Only)

Cheques to June Press Ltd

PO Box 119

Totnes, Devon TQ9 7WA

A Challenge to the Pseudo-Liberals

Time For A Change

Before It's Too Late

by *Christopher Hoskin*

£4.00 - Pamphlet - 2020 - 33 pp

How Political Correctness and Multiculturalism in all its manifestations has come to dominate society and the world of politics. Without consultation with the people and the dangers it exposes for the future.

Worlds Apart

by *Mica Jay*

£7.99 - Pbk -2017 - 111 pp

An intriguing novel about how a cosmic explorer who crashes to earth in the Amazon jungle becomes a cosmic celebrity and his effect on a remote tribal community.

There's A Place For Us 1991-2021

Thirty Years History of the Wokingham

Mental Health Crisis House

by *Pam Jenkinson*

£11.99 - Pbk 2021 - 289 pp

The author who runs this successful house argues that reliance on health professionals to enable mental health recovery, is to embrace a sad myth. Self help is always the answer supported by voluntary workers in a crisis house, to get people back into society with real successful examples.

Climate

All Is Well, All Will Be well

by *Jeremy Niebor*

£14.99 - Pbk - 2021 - 71 pp

How the dogma of global warming was first conceived and why. He argues how and why CO2 is not the real source.

Corbyn's Britain

Land of the Superwoke:

A Travel Guide to Corbyn's Britain

by *Lee Rotherham*

£13.99 - Pbk - 2019 - 265 pp

With a foreword by Jacob Rees-Mogg MP, a look into the past and possible future of a Hard Left Government.

Untouchable

by *Pierre De Villemarest*

£15.95 - Pbk -2005 - 506 pp

A former intelligence officer, examines who protected Bormann and Gestapo Muller after 1945.

Covid Crisis

101 Unanswered Questions

by *Hugh Williams*

£10.00 - Pamphlet -2021 - 82 pp

Are we being told the truth about Covid-19? Has the government handled this disease in any sort of sensible way? This book details the reasons for the public hesitancy with information from alternative medical views.

Online from ww.junepress.com or Tel: 08456 120175 email info@junepress.com

eurofacts

SUBSCRIBE TODAY

RATES

UK	£30
Europe (Airmail)	£42/€50
Rest of World	£55/\$95
Reduced rate (UK only)	£25

Reduced rate for senior citizens, students & unemployed only.

Subscriptions alone do not cover costs so we are also seeking donations.

Please send me the monthly *eurofacts* and the occasional papers.

I enclose my annual payment of £.....
to **The June Press Ltd, PO Box 119
Totnes, Devon TQ9 7WA**

Name

Address

.....

.....

Postcode

Date

Please print clearly in capital letters

FOR "EU"

European Commission	020 7973 1992
European Movement	020 7940 5252
Federal Trust	020 7735 4000

AGAINST "EU"

Britain Out	01403 741736
British Weights & Measures Assoc.	01738 783936
Business for Britain	0207 3406070
CIB	0116 2874 622
Conservativesforbritain	www.conservativesforbritain.org
Democracy Movement	020 7603 7796
Freedom Association	0845 833 9626
Labour Euro-Safeguards Campaign	020 7691 3800
New Alliance	020 7385 9757
Fishing Association	01224 313473

CROSS PARTY THINK TANKS

British Future	www.britishfuture.org
Bruges Group	020 7287 4414
Futurus	www.futurus-thinktank.com
Global Britain	www.globalbritain.org
The Red Cell	www.theredcell.co.uk

POLITICAL PARTIES

Brexit (Reform) Party	0800 414 8525
Richard Tice	
Conservative	020 7222 9000
Boris Johnson MP	
English Democrats	01277 896000
Robin Tilbrook (Chairman)	
Green Party	020 7272 4474
Co-leaders: Carla Denya and Adrian Ramsey	
Labour Party	020 7783 1000
Sir Keir Starmer MP	
Liberal	01562 68361
Mr Rob Wheway	
Liberal Democrats	020 7222 7999
Sir Ed Davey	
UK Independence Party	020 3476 9564
Neil Hamilton	

ISSN 1361-4134

