

The problems with the single market

There are still those who regret our absence from the EU single market, and who wrongly confuse it with free trade. The EU single market was instead a catch of regulations and controls which proved to be very damaging to large swathes of UK industry and business. Its Common Fishing Policy denuded our seas of fish and drove us from self sufficiency with good exports into import dependence. The common energy policy was driving us into import dependence on interconnectors for gas and electricity when as an independent country we could easily be self sufficient. In our first decade in the common market our car industry halved under the weight of tariff free competition from the continent, and our large nationalised steel industry with five huge integrated plants lost market share and came under pressure to start a big closure programme. Meanwhile the business services area where we were strong was not opened up to benefit us in return.

There are also those who seem to think our exit from the EU was mainly to secure free trade deals with other countries, and who now complain that there is no immediate prospect of an individually tailored US/UK Free Trade Agreement. The EU never had one yet our trade with the US is strong, growing and in surplus. This shows that whilst Free Trade Agreements are nice to have and can add something, the core of trade occurs under WTO rules anyway. We trade with the USA and with the EU as most favoured nations under WTO rules. It is more likely the UK will be an early joiner of the TPP, to be followed by US membership, thereby adding a freer trade proposal to our bilateral trade with America.

The main aim of leaving the EU was to restore our right to self government. I always stated that the gains would depend on how we use the freedoms, and never suggested the main point was to extend the range of free trade agreements, nice though that might be and likely though it was. The government has done a good job in negotiating trade deals so far, to the point where Mr Macron is incandescent with rage about our latest Australian agreement. The EU has got to learn now we are independent they cannot control us or reverse decisions we make with others that they do not like.