

Brexit and the Lessons of American Federalism

The British people must decide whether the risk of Leviathan outweighs the benefits of centralization

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May 3, 2016

A few years ago President Barack Obama urged members of the European Union to admit Turkey. Now he wants the United Kingdom to stay in the EU. Even when the U.S. isn't a member of the club, the president has an opinion on who should be included. Should the British people vote for or against the EU? The answer isn't up to America.

What began in 1957 as the European Community (EC), or the Common Market, was a clear positive for the European peoples. It created what the name implied, a large free trade zone, promoting commerce across the continent.

In fact, breaking down state trade barriers was also an important objective of the U.S. Constitution. The federal government was given authority over "interstate commerce" in order to prevent states from protecting powerful local interests from competition. A couple centuries later Americans enjoy enormous prosperity from their own "common market."

Creating essentially a united European economy obviously helped larger, more productive countries, such as Britain. But doing so also benefited smaller states escaping socialism, including the former members of the Soviet bloc. The accession process created new markets and required economic reforms, which raised living standards.

The EC merged with the newly created European Union (EU) in 1993. Unfortunately, however, the EU has become more concerned with regulating commerce than expanding it. Bureaucratic rules disseminated from Brussels even crush harmless cultural eccentricities like the British grocer desiring to use traditional imperial weights, for example.

Again, we see much the same process in America. The surge in the regulatory Leviathan has been particularly marked under the Obama administration, which implemented over 2,400 new regulations in 2014 alone.

Moreover, the EU exacerbated the problem by creating the Euro, which unified monetary systems without a common continental budget. The UK stayed out, but most EU members joined

the currency union. Despite the ongoing Euro crisis, the organization remains committed to pulling every member into the monetary system.

At the same time, European policymakers have been pressing for greater EU political control over national budgets. In essence, the Eurocrats who run Brussels want to turn the continent into a United States of Europe. Britain's Westminster, the fount of parliamentary democracy for centuries, would end up subservient to a largely unaccountable continental bureaucracy across the British Channel.

Despite this commitment to turn Europe into a genuine Weltmacht governed by a "national" government, Europeans have demonstrated an unusually frivolous attitude toward security. Even the UK, which long possessed one of the continent's most effective European militaries (along with France), has been cutting its forces. Most countries have been slashing away for years.

Even those currently complaining most loudly about the alleged Russian threat spend paltry amounts on defense—a couple percent of GDP by the Poles and Estonians, for instance. One suspects that if a true European defense ever developed, it would rely disproportionately on the British.

Today, the British people face a similar dilemma to that which divided Federalists and Anti-Federalists debating the U.S. Constitution. Unity enlarges an economic market and creates a stronger state to resist foreign dangers. But unity also creates domestic threats against liberty and community.

At its worst an engorged state absorbs all beneath it.

In America the Federalists were better organized and made the more effective public case. In retrospect the Anti-Federalists appear to have been more correct in their predictions of the ultimate impact on Americans' lives and liberties. This lesson, not President Obama's preferences, is what the British should take from the U.S. when considering how to vote on the EU.

The decision isn't easy, but it is one that should be left to the British people. My advice: peer across "the pond" and ponder if they like what has developed. For the U.S. might be their glimpse—admittedly through a glass darkly—into an uncertain future.

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