## LINCOLN TIMES-NEWS

Lincoln County's Home Newspaper

## What if the United Kingdom departs the European Union?

Doug Bandow

June 3, 2016

Donald Trump's success in the U.S. is not unique. Europe is being buffeted by similar populist currents.

The United Kingdom might vote to exit the European Union in June. Moreover, a yes victory might spark what John Gillingham of the Harvard Center for European Studies and Cato's Marian Tupy of the Cato Institute called a "rush for the exits." The most important question for UK voters is: Does belonging improve their lives?

European unity originally was designed to expand economic markets. The "European Project" took a dramatic new turn in 1993 with the Maastricht Treaty, which created the European Union and set as a goal "ever-closer union among the peoples of Europe." This process was enthusiastically endorsed by a Eurocratic elite, many of whom are located in Europe's quasicapital of Brussels.

Are the benefits worth the cost? The single market remains the organization's greatest contribution to Europe. However, regulation increased as Brussels expanded its authority. The London-based group Open Europe figured that the 100 most important EU regulations cost Britons about \$33.3 billion annually.

The EU unabashedly infringes national sovereignty. For instance, Nile Gardiner of the Heritage Foundation wrote: "For decades, the British people have had to surrender their right to self-determination and have been forced to endure the humiliation of having British laws being overruled by European courts, and a multitude of rules and regulations imposed by unelected bureaucrats in Brussels."

The UK government figures about half of economically significant laws originate in EU legislation. Yet London doesn't need oversight from Brussels, having set the global standard for parliamentary government for much of the world.

Which is why Prime Minister David Cameron pressed for broader British exemptions from EU dictates. He won only modest concessions.

At least Brussels still is less Leviathan than is Washington. But some Eurocrats openly pine for a United States of Europe.

Unfortunately, continental government is almost inherently anti-democratic. The EU has been attacked for its "democratic deficit." Washington suffers a similar problem.

But continental authority weighs more heavily on European nations because much more separates them than divided the American colonies. Attempting to impose unity has triggered strong resistance.

Does London really need to be a member of the UK to promote prosperity? Critical would be new relationships forged by London with Europe and America.

Reaching an agreement with America should be relatively easy, despite President Barack Obama's professed skepticism. The UK is a significant investor in the U.S. as well as major trading partner.

London could deal with EU members like any other nation under the rules set by the World Trade Organization or negotiate its own trade arrangement. Irritated Eurocrats might not be inclined to be generous. Still, it would be in the EU's interest to facilitate commerce for both sides.

Overall, Raoul Ruparel, Stephen Booth and Vincenzo Scarpetta of Open Europe predicted that Brexit likely would reduce GDP between .5 and 1.5 percent. So, they explained, "the question then is whether the UK can use its new found freedoms to offset this cost or reverse it to a positive outcome."

Brexit opponents also contend that the UK would lose international influence by leaving. However, foreign clout is of far greater interest to government officials than to normal people who pay the bills.

For the first time in decades, the European Project risks going into reverse. As I wrote in Forbes: "Europeans are learning what Americans realized decades ago: a government strong enough to open markets is strong enough to impose uniformity."

The United Kingdom will thrive in or out of the European Union. The British people must decide just how much they are prepared to pay to preserve a unified Europe.

Doug Bandow is a senior fellow at the Cato Institute, specializing in foreign policy and civil liberties.