SECURE, PEACEFUL AND PROSPEROUS

WHY NORTHERN IRELAND WOULD BE BETTER LEAVING THE EU.











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Secure, Peaceful & Prosperous

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Executive Summary

'Brexit' offers the United Kingdom the chance to take control of its own destiny and Northern Ireland has the opportunity to play an enhanced role within a more confident UK, as Stormont reclaims significant powers.

Key points:

- Northern Ireland is a net contributor to the EU and its receipts from the EU are likely to fall further in the future. By proportion of the population, Northern Ireland's share of the UK's £18.8 billion contribution, in 2014, was approximately £500 million. We received approximately £433 million in agricultural subsidies and structural funds during the 2014/15 financial year, leaving a net shortfall of approximately £67 million. This gap will widen as other countries receive a greater share of EU support.
- In the event of the UK leaving the EU, important powers will accrue to the Northern Ireland Assembly, including aspects of employment law, industrial regulation and agriculture. These competencies provide an opportunity to address significant issues, such as restrictions on farmers that prevent them from improving crop yields and Northern Ireland's poor rating for global competiveness in business.
- Northern Ireland is situated at the edge of Europe and its political voice within EU institutions is tiny. The only directly elected EU institution is the European Parliament, which does not have powers to initiate legislation. Northern Ireland contributes 3 MEPs out of a total of 751, all of whom belong to either small parliamentary groups or sit as independents. If we leave the EU, Northern Ireland's voice can be heard more clearly in the forums, such as Westminster, where decisions about our affairs will once again be made.
- Brexit offers the opportunity to restore critical aspects of UK sovereignty, currently undermined by unelected EU institutions. Domestic law would regain its primacy, whereas 50% of legislation with 'significant economic impact' currently derives from the EU. The government would regain control over its own security and the UK would assume complete responsibility for its own borders.
- The Northern Ireland Executive's economic strategy acknowledges that economic success is dependent upon growing exports and diversifying into new markets. North America is Northern Ireland's biggest export market, outside the Republic of Ireland, and the greatest growth between 2001-2011 was seen in emerging markets such as Kuwait, Saudi Arabia, Russia, Thailand and China, as well as Australia. Northern Ireland's economic future depends upon the ability of businesses to trade globally, rather than regionally, and Brexit has the potential to open the door for local companies to take a global approach, because we can be part of a UK that dismantles trade barriers with emerging economies.
- During the last parliament, 3,580 regulations and directives were passed by the EU that had a direct effect on UK businesses. This is particularly burdensome for SMEs, which contribute 75% of private sector turnover and over 75% of private sector employment in Northern Ireland. EU state aid regulations also hamper any government efforts to intervene where there are threats to jobs and businesses, for example closures at Michelin and JTI and job losses at Bombardier.
 Leaving the EU offers the potential to cut red tape for Northern Ireland's businesses and allow policy makers greater freedom to address problems around the economy.

- Brexit would restore genuine control over the UK's borders. Immigration in Northern Ireland could be tailored to reflect our skills shortages and economic needs, as well as social considerations. Outside the EU, Northern Ireland can have an open, meaningful debate to ensure that immigration works for us.
- Agricultural subsidies for Northern Ireland can be sustained or enhanced by utilising the UK's estimated £9.9 billion saving, should we leave the EU. The value of the Single Farm Payment to farmers here has fallen by 10 per cent between 2010 and 2014. DARD estimates that funding by 2021 will have dropped 13 per cent for CAP Pillar 1 and 22 per cent for CAP Pillar 2, while there are considerable uncertainties created by likely future reform of CAP. Brexit offers a better potential deal for Northern Ireland's farmers.
- Common Fisheries Policy has had a dramatic effect on Northern Ireland's fishing fleet. In 1985, there were 1,159 sea fishermen here, while the number had fallen to 654 in 2009. Leaving the EU opens up the possibility of tackling issues around quota, days at sea and fisheries management, by taking back responsibility for fisheries policy and UK waters to Westminster and Stormont.
- The rights of people in Northern Ireland to take both British and Irish citizenship are enshrined in UK and Republic of Ireland law and confirmed in the Good Friday Agreement. Under UK law, the Republic of Ireland is not considered a 'foreign country' and its citizens have the same rights of residency and employment as British citizens, including the right to vote. These rights will not be affected by leaving the EU.
- The Common Travel Area between the UK and the Republic of Ireland is enshrined in Westminster statute. Custom barriers at the Irish border will not be necessary in the event of Brexit and time consuming controls do not in any case exist at other 'hard' international borders.
- The Good Friday Agreement is lodged as an international treaty to which the UK and the Republic of Ireland governments are signatories. None of the policies, legislation, rights or relationships which underpin the 'peace process' are dependent upon the EU and they will not be affected by Brexit.
- The Attorney General for Northern Ireland has stated that human rights protections in Northern Ireland are likely to be enhanced, should the UK leave the EU, because they have been damaged by recent decisions at the European Court of Justice.
- A vote to leave the EU offers the opportunity to make Northern Ireland a more outward looking place, recapturing the spirit of enterprise that allowed us to trade successfully with the rest of the world during the nineteenth and early twentieth centuries.
- For the Northern Irish electorate, the key issues at this referendum are around freedom and confidence. While the consequences of Brexit cannot be determined with certainty, it creates the opportunity to build a successful, prosperous region, with an international outlook.

1. Introduction and context

A referendum to give voters their say on the UK's European Union membership

A commitment to hold an in-out referendum on the UK's membership of the European Union was a central plank of the Conservative Party's successful General Election campaign in 2015. David Cameron promised that a poll would take place after his government had conducted negotiations on a number of proposed reforms, and the European Union Referendum Act was passed quickly in the new Parliament.¹

After several sets of talks, the Prime Minister announced a draft package of measures in February 2016, designed supposedly to address the UK's main concerns and based on six documents published by European Council President, Donald Tusk. The package was met with widespread scepticism from politicians, commentators and the media, who criticised its content and highlighted obstacles to its implementation.

Since the UK acceded to the then European Community on the 1st January 1973, the case has been building that our place within it has become contrary to our national interests by severely limiting the British government's independence in return for diminishing economic and social rewards. The referendum on the 23rd June 2016 will give the public its first opportunity since 1975 to assess the merits of EU membership, presenting voters with the choice to remain in the European Union, or to leave and have a genuinely sovereign UK, a position which has become known popularly as 'Brexit'.

This paper will examine the impact that Brexit is likely to have on Northern Ireland, exploring the positive case for leaving the EU and examining some of the claims of the 'remain' campaign, which has sought to scare voters about prospects outside the European Union for the UK in general – and Northern Ireland in particular. This paper concludes that Brexit can result in a stronger Northern Ireland - secure, peaceful and prosperous - within a confident United Kingdom, looking outward to the world.

The UK's membership of the EU

The European Union has its origins in the aftermath of World War II, when the growth of federalist ideas resulted in the Treaty of Paris in 1951, which founded the European Coal and Steel Community (ECSC) in 1952. Its members would go on to sign the Treaty of Rome (1957), establishing the European Economic Community (EEC), which featured a common market, a customs union and free movement of capital and labour.

The EEC established many of the core institutions that characterise the EU, or their direct predecessors. These included a commission, a council of ministers and an advisory assembly, which would develop into the modern European Parliament. The European Court of Justice was founded to adjudicate on disputes over EEC decisions and interpret the Treaty of Rome.

The United Kingdom first applied for membership of the EEC in 1961, under the Conservative government of Prime Minister Harold Macmillan. That application was vetoed by the French President, Charles de Gaulle, who argued that the British government was not committed to the underlying ideals of European integration.

The UK eventually joined the EEC in 1973, signing an accession treaty alongside Denmark and the Republic of Ireland. Norway also signed the treaty, but its membership was rejected by its people at a referendum. The UK held its own referendum in 1975, after renegotiating the terms of its entry.

In the intervening years, and over a number of fresh treaties, the federalist and supranational pretensions of the EEC have been consolidated and expanded, arguably to the detriment of the 'common market'. It has also extended its geographical reach exponentially, currently spanning 28 member states and over half a billion people.

¹ House of Commons Library, Briefing Paper 7214, 12 February 2016.

The European Currency Unit (ECU) and exchange rate mechanism (ERM), were the start of a drive for 'monetary union' and a single currency, the euro. The powers of its member states to veto decisions or legislation were eroded steadily and, as the EEC became the EU following the Maastricht Treaty, the Union began to encroach on an expanding number of policy areas, from social matters to employment law, immigration and foreign policy. National vetoes on areas of legislation were replaced steadily by majority voting.

The European Union now has a flag, an anthem, a currency, various diplomatic missions outside its borders and a constitution, which, although unratified, was repackaged and adopted as the controversial Lisbon Treaty.

"The European Union now has a flag, an anthem, a currency, various diplomatic missions outside its borders and a constitution"

The main EU institutions and Northern Ireland's role

The institution theoretically in charge of setting EU policy is the European Council, which comprises heads of state or government from the member countries, as well as the European Commission President and the High Representative for Foreign Affairs. The European Council has, however, no powers to legislate.

Instead, the European Commission, made up of a commissioner appointed by each member state, is tasked with proposing and enforcing legislation, although it can now be asked to propose legislation by the European Parliament.

Laws are often adopted by the Council of the European Union in conjunction with the European Parliament. The Council of the European Union represents the governments of member states and its powers to adopt or veto legislation still outweigh those of the European Parliament, whose 751 MEPs form the only body directly elected by the people of the EU.²

The Court of Justice of the European Union, more commonly known as the European Court of Justice (ECJ), is charged with ensuring that EU law is applied across the Union. The court can sanction national governments for failing to comply with EU law and individuals can apply to the European Commission and ask it to pursue their legal grievances against national governments through the ECJ.

Northern Ireland is a small part of one of the 28 member states of the European Union. It is also an EU parliamentary constituency, returning three MEPs to the 751-member institution, with the UK as a whole contributing 73 MEPs across 12 parliamentary constituencies. The European Commission has an information office in Belfast and offers some advice services through Invest NI and the Department for Employment and Learning.³

The Northern Ireland Executive promotes its relationships with the EU through an office in Brussels, which opened in 2001. However, the relative importance of reaching out to other parts of the world is reflected by the fact that three of its four 'international outreach' operations are based outside the EU. This includes the Northern Ireland Bureau in North America, which has offices in New York and Washington, and the Northern Ireland Bureau in China. 45

² EU website <u>www.europa.eu</u>

³ EU website http://ec.europa.eu/unitedkingdom/about_us/office_in_northern_ireland/directory_en.htm

⁴ OFMDFM website, https://www.ofmdfmni.gov.uk/articles/promoting-northern-ireland#toc-2

⁵ NI Bureau website, http://www.nibureau.com/about/

EU funding and Northern Ireland's contribution to the **EU budget**

There is a widespread perception that Northern Ireland is a net recipient of European Union funding and a beneficiary of Brussels' largesse. Although there is some historical basis for this view, it is now outdated and erroneous, with the lie only set to become bigger.

EU funds find their way to Northern Ireland via the UK government and can be divided into two broad categories. Agriculture funding consists mainly of Direct Payments (formerly known as Single Farm Payments) made to farmers, and the Rural Development Programme, monies which are spent at the discretion of the Agriculture and Rural Development Minister at Stormont. 'Structural funds' include the various PEACE programmes, intended to bed down the 'peace process' in Northern Ireland and the INTERREG programme, promoting 'transnational and interregional cooperation'.⁶

Questions at the Northern Ireland Assembly revealed that, in the financial year 2014/2015, agriculture funds from the

EU amounted to approximately £300 million, while structural funds totalled £133 million. Making a total of £433 million.

£433 million.

The UK's gross contribution to the European Union during 2014 was £18.8 billion⁸, and by proportion of population Northern Ireland's share of that sum would amount to roughly £500 million. It can be clearly identified that there is a shortfall of approximately £67 million between Northern Ireland's contribution to

the EU and the funding it receives⁹. This disparity is likely to become more pronounced as new member states join the Union, agriculture subsidies continue to fall and PEACE monies are eventually stopped.

"It can be clearly identified that there is a shortfall of approximately £67 million between Northern Ireland's contribution to the EU and the funding it receives"

Political standpoints on Brexit in Northern Ireland

A number of parties in Northern Ireland have backed Brexit, including the Assembly's largest party, the DUP, as well as UKIP, the TUV and sections of the local Conservative Party. Among the parties opposing the UK's secession from the EU there are a number of inconsistencies.

For instance, the SDLP and Sinn Fein – both dedicated ideologically to delivering a United Ireland – , have committed their support to the 'remain' position even though they also argue that a UK departure from the European Union would make Northern Ireland's place within the UK untenable.

Sinn Fein, in particular, has frequently articulated vehement opposition to the policies and ideals of the EU. It attacked unequivocally strict fiscal measures imposed on the Republic of Ireland, as well as southern European states, and it voiced solidarity with popular left-wing movements like Syriza in Greece and Podemos in Spain, who have railed against the effects of EU membership.¹⁰

⁶ Europe Direct NI, http://www.eurolink-eu.net/eu-funding-2/

⁷ Assembly Questions, AQW 51652/11-16 AQW 52551/11-16

⁸ House of Commons Library, Briefing Paper 06091, 13 April 2016.

⁹ A study by the trade Union sponsored NERI, with rebate included, modestly agreed - NERIWP 2016/No 35.

 $^{^{10}}$ Liam Clarke, 'Sinn Fein aligning with Greek radicals a real gamble, *Belfast Telegraph*, 09 March 2015.

There is good reason to believe that Sinn Fein's position, and the positions of several other nationalist opponents of Brexit, are inspired by political posturing and tactics, rather than a serious interrogation of the effects on Northern Ireland of leaving the EU. Indeed, its president, Gerry Adams, has spelt out explicitly his party's opposition to the "democratic deficit" within the European Union, but explained its antagonism to Brexit with reference to Sinn Fein's policies on the Irish border. 11

The pattern is repeated in other regions where there is a nationalist challenge to the integrity of the UK. The SNP leader, Nicola Sturgeon, has suggested that Brexit could trigger demands for a second referendum on Scottish independence¹², while Plaid Cymru leader, Leanne Woods, talked about a 'constitutional crisis', should public opinion in Wales not tally with a national decision on EU membership.

Although these positions may be based on genuine enthusiasm for the European Union, equally they may be shaped by the nationalist parties' attempts to engineer the break-up of the UK.

Alternative models for an independent UK

Perhaps surprisingly, relatively little of the discussion on Brexit has revolved around the alternative models the UK might adopt, were it to leave the European Union. There are a number of possible precedents, drawing on the experiences of nation states which have a close relationship to the EU, but have not taken up membership, or the UK may prefer a 'clean break', negotiating a completely separate relationship.

Two free trade agreements offer the possibility of retaining an association with the EU, while leaving its membership and reclaiming sovereignty for the UK. The European Free Trade Association (EFTA) includes non-EU members, Iceland, Norway, Switzerland and Liechtenstein. It offers a free trade area, rather than a customs union, whereby the UK could set its own tariffs on imported goods and negotiate trade agreements with other states. This option would address three of the biggest criticisms of the European Union; 1) the imposition of a common external tariff, which hampers trade with the rest of the world; 2) the restriction of negotiating trade arrangements with countries outside the EU through only the European Union as a bloc; and, 3) returning legislative authority to the UK by removing us from the jurisdiction of the European Court of justice. The benefits are obvious. For example, while Switzerland has negotiated free trade deals with nations worth \$39.8trillion (£27.58 trillion) GDP the EU has only managed such deals to a value of only \$7.7trillion (£5.34trillion).

While membership of EFTA would entail a contribution to the EU from the UK Treasury to the EU's social fund (but, crucially, not its CAP or CFP), that would be much lower than its current contribution. The government would also gain much greater freedom over important areas of taxation, such as VAT.

Norway, Iceland and Liechtenstein are members of the European Economic Area (EEA) as well as EFTA. This agreement extends the EU common market and involves acceptance of its laws in areas like competition policy, consumer protection and environmental policy. Importantly, the agreement does not cover key areas like agricultural and fisheries policy, the customs union, justice, monetary union or the joint foreign and security policy. While membership of the EEA, outside the European Union, may not give the government a free hand – crucially it does not allow restrictions of freedom of movement of Labour – it would still involve a substantial repatriation of sovereignty.¹⁴

It has been suggested that, alternatively, the UK could set a different course, drawing perhaps on culture, history and language linking it to the 'Anglosphere' and the Commonwealth. Proponents point out that English-speaking communities share defining characteristics aside from a common tongue, such as Common Law, similar democratic institutions, traditions around individual liberty and strong civil society.¹⁵ They point

¹¹ Sam McBride, 'Gerry Adams says SF's EU stance based on border', *News Letter*, 22 February 2016.

¹² BBC News, 'Sturgeon: EU exit could trigger demand for Scottish independence referendum', 21 February 2016.

¹³ 'No benefit for UK trade from EU 'collective clout', Civitas.org.uk.

¹⁴ House of Commons Library, Briefing Paper 7214, 12 February 2016.

¹⁵ James C Bennett, An Anglosphere Primer, 2001

out that the EU has not enjoyed significant economic growth in comparison to other economies, with strong links to the 'Anglosphere'.

This could mean adopting what is known as the 'Canadian model', which is to rely on World Trade Organisation rules topped up with an additional trade agreement – or to go for completely open free trade without the need for trade agreements. After all, trade agreements are not a prerequisite to allow trade.

Whether the UK opts for a new, unprecedented arrangement with the EU, or whether it draws on the experiences of states within EFTA and the EEA, the relative size of its economy (5th largest in the world) puts it in a strong negotiating position.

"The European Union is currently beset with uncertainties... as the Schengen Area borders go back up and as the Eurozone continues to struggle."

A positive alternative to Project Fear

Supporters of Brexit have not presumed to demand the adoption of any particular model for the future relationship between the UK and the EU following Brexit but are clear that <u>all</u> are superior to remaining in the EU and offer a positive vision for the future. They believe that the United Kingdom should be a sovereign, independent state and, perhaps more importantly, they believe in democracy; the right of a people to consent to the political system which governs them and elect the politicians who operate that system.

By comparison, the 'remain' campaign has offered a cloudier vision, trading on anxieties and insecurities about the UK's place in the world and scaremongering around the uncertainties of Brexit. This strategy has been dubbed 'Project Fear'.

In Northern Ireland, the same tactics have been employed widely. Unlikely, catastrophic counter-factual scenarios have been devised to shake the self-confidence of voters considering a 'leave' vote. Economic melt-down, an end to free movement between the Republic of Ireland and Northern Ireland and even the possible break-up of the United Kingdom, have all been evoked in order to bolster the 'remain' position.

It is easy to use uncertainty to conjure up frightening scenarios, but there are uncertainties to every course of action, whether it is change or the perceived status-quo. The European Union is currently beset with uncertainties, as it scrambles to devise an effective, coherent response to the refugee crisis, as the Schengen Area borders go back up and as the Eurozone continues to struggle. In addition the EU has ambitions to create an army (reportedly headquartered in Germany) that must only worsen relationships with Russia; introduce rules to homogenise pensions and welfare benefits under EU control; and take further powers over taxes and spending to shore-up the Euro. New proposals from the EU Commission, giving detail to these developments, are being held back from publication until after the UK referendum¹⁷.

The EU is not loved. Even its supporters deplore its democratic deficit, record of wasting money and excessive bureaucracy, as they point to its supposed economic benefits. Furthermore, in a globalised economy the European Union's regional free trade arrangements look increasingly anachronistic, when there are such huge opportunities to trade with the world. In Northern Ireland, in particular, our economy has stagnated because of an over-reliance on the public sector and there is consensus that it must be turned around by driving private

¹⁶ A Global Britain: The recommended "Brexit" option, Global Britain 31 March 2015, http://www.globalbritain.co.uk/sites/default/files/publications/GB%20Brexit%20Position%20Paper.pdf

⁷ EU wants control of your pension: Brussels' secret plan revealed, *Daily Express*, April 11 2016

 $^{^{18}}$ Andrew Rosindell MP, 'Commonwealth trade – a thing of the future', GetBritainOut.org, 4 June 2015.

sector growth, built on exports and inward investment.¹⁹ It is argued that despite these faults the UK should remain a member to work for reform – yet the desperately disappointing deal struck by the Prime minister showed how unlikely any reform will be. Indeed it is more likely the direction of travel will be towards more centralisation of power in Brussels, at greater cost whilst being limited by a declining economic region.

Brexit is an opportunity, not to move to the edge of Europe, but rather to look outward to the whole world. It offers the chance of a prosperous, more confident Northern Ireland, within a stronger, sovereign UK, trading and exchanging ideas with the EU, but also the Americas, Asia, Africa and Australasia, with freedom and independence of action.

2. Reclaiming sovereignty

A confident, outward-looking Northern Ireland within a confident, outward-looking UK

Historically Belfast and the northern part of Ireland was an industrial powerhouse, innovating and selling its goods across the world. During the twentieth century, the economy was undermined by 'The Troubles' and a consequent over-reliance on a growing public sector, which crowded out enterprise and distorted the labour market.

Membership of the EU has arguably exacerbated Northern Ireland's economic problems, as manufacturing concentrated in the south-east of England, and the port of Belfast, like its counterparts in Glasgow and Liverpool, found itself at the periphery of the UK economy.

There is now political consensus that Northern Ireland's economic prospects can only be improved by private sector growth, stimulated by exports and a global outlook.²⁰ Progress toward this goal is patchy, but Brexit offers the prospect of playing an enhanced role within a United Kingdom that dismantles trade barriers with emerging economies.

If Northern Ireland left the EU as part of Brexit, then by the legislative authority of the Northern Ireland Act 1998²¹, as amended by the Northern Ireland St Andrews Agreement Act 2006²², the Northern Ireland Assembly would find itself *automatically* with greater independence over areas of devolved policy that are currently affected by EU rules. These include employment law, an area where the freedom to reform could be particularly valuable for Northern Ireland, currently ranked 117th in the OECD's league-table for employment flexibility, ²³ industry and agriculture, where EU regulations affect important indicators of efficiency, like crop yield²⁴ and fisheries.

Brexit offers the people of the United Kingdom control over their destiny and Northern Ireland would then find itself with an enhanced role in the politics of a confident, outward-looking state.

Restoring Democracy

European Union institutions are accountable to its half a billion citizens in the most tenuous fashion. The only directly elected institution is the European Parliament, which is an unwieldy forum, comprising 751 MEPs, with no power to initiate legislation. The bulk of the parliament's members form part of seven parliamentary groups, which operate roughly like political parties, based on some apparent ideological commonalities. There

²² 2006 c.53

¹⁹ Northern Ireland Government, Programme for Government 2011-2015.

²⁰ Northern Ireland Executive, Programme for Government 2011-2015.

²¹ 1998 c.47

 $^{^{\}rm 23}$ OECD, OECD Global Competiveness Index 2014-2015.

²⁴ Plant Protection Products Regulation (2009/1107/EC).

is, however, no evidence to suggest that when Europe's electors go to the polls they are either aware of these groups or that they understand their significance. There is no European Union demos.

The groups have been described as 'cobbled together', on the basis that there is a lack of any common political culture across the EU to sustain genuinely pan-European political parties, with which voters might identify. ²⁵ In any case, the EU's effective 'government' is not derived from the Parliament, but rather from unelected bodies like the Commission and the Council of the European Union.

Although the EU is often described in terms of nation states "pooling" their sovereignty, the critique that sovereignty has instead been transferred has gained considerable validity, particularly since the Lisbon Treaty and the formation of the Eurozone.

During the debt crisis in southern Europe, states like Italy, Greece and Portugal found the independence of their elected governments attacked by the so-called troika, a commission including the European Commission, the European Central Bank (ECB) and the International Monetary Fund (IMF) – set-up to monitor chaos unfolding in the Eurozone. Severe measures imposed by the EU have resulted in youth unemployment topping 60% in Greece. The *appointment* of unelected 'technocractic' regimes in both Italy and Greece, following pressure on their democratic governments from the European Commission and the IMF, created huge controversy and would be intolerable in the UK.²⁷

Closer to home, the troika imposed a programme of austerity on the Republic of Ireland in return for a financial bail-out. The Dublin government was quick to accept these edicts and had, in any case, started its own voluntary programme of cost-cutting measures. Nevertheless, there was strong popular opposition to the EU's actions in the Republic of Ireland, which contributed to rampant unemployment and an increase in emigration. The autonomy of the government was severely constrained and officials in the Republic's Department of Finance have alleged that they were 'pushed' into accepting a bail-out, which many commentators contend spelt the end of the 'Celtic Tiger' economy.²⁸

Voters in the Republic of Ireland previously experienced the EU's high-handed behaviour after they rejected the Lisbon Treaty at a popular referendum. The treaty, which imposed most of the features of the unratified European constitution and required unanimous acceptance by EU states for it to be adopted, had been deadlocked after 53.4% of the Irish public rejected its ratification by the Republic. Under considerable pressure from EU leaders, Brian Cowen's Fianna Fáil government staged a second referendum sixteen months later, in October 2009, which produced the result that Brussels was hoping for.

Previously, in June 2001 the Republic of Ireland voted against ratification of the Treaty of Nice. The European Council responded by pressing ahead with national ratification processes across the rest of Europe²⁹ and the Republic duly conducted a second referendum in 2002.³⁰ Indeed, southern Irish support for EU treaties has fallen sharply since the Maastricht Treaty was endorsed by 68.7 per cent of voters in 1992. The Treaty of Amsterdam claimed 61.74 per cent backing in 1998, the Treaty of Nice was rejected initially by 53.9 per cent of the electorate and the Treaty of Lisbon was rejected by a similar margin.

The EU Commission is currently negotiating the Transatlantic Trade and Investment Partnership, or TTIP, with the United States, purportedly opening up the US market to EU firms. It is anticipated that following TTIP public services will be open to greater privatisation through legal suits brought by US corporations. TTIP is also likely to impose a raft of further regulations on UK businesses, but its content is being discussed in secretive fashion by the Commission. Although MEPs are allowed to view the documents, they are contained in a special vault and elected representatives are strictly required to keep their contents secret. This is one prominent example of the EU doing its business in an unaccountable fashion.

 $^{^{\}rm 25}$ Jim Sillars, 'In Place of Failure', Vagabond Voices, Glasgow, 2015.

²⁶ Evans-Pritchard, Daily Telegraph, 20 June 2015.

²⁷ David Skelton, 'Government of the technocrats, by the technocrats, for the technocrats', The Spectator, 16 November 2011.

²⁸ 'Ireland pushed into bailout', *Daily Telegraph*, 18 June 2015.

²⁹ House of Commons Library, Research Paper 01/57, June 2001.

³⁰ Thomas Harding, 'Ireland says yes to Nice Treaty, *Daily Telegraph*, 21 October 2002.

³¹ EU website, http://ec.europa.eu/trade/policy/in-focus/ttip/

Similarly, the Lisbon Treaty institutionalised an independent foreign policy component at the heart of the EU. While not all members of the EU are part of the North Atlantic Treaty Organisation, commentators argue that the treaty effectively merged the EU's security system with that of NATO.³² Whatever the merits of this position, it creates a dangerous and secretive tangle of obligations, which can have unintended consequences and complicates our relationships with countries outside the EU. Anxiety around the complications created by shared foreign policy may have contributed to the recent Dutch referendum result, which rejected an EU 'association treaty' with the Ukraine by a resounding margin.³³

Northern Ireland is a small part of the UK, but in a vast, unaccountable EU, our voice is tiny. As a constituency of the European Parliament we elect three MEPs to a body of 751 members. Two of these MEPs, Jim Nicholson and Martina Anderson, belong to smaller groups in the parliament, while Diane Dodds sits as an independent. In contrast, proportionally, Northern Ireland returns 18 MPs to the House of Commons, from which the UK government is drawn and legislation originated and passed. In addition, the Northern Ireland Assembly has responsibility for a range of devolved issues, and its powers will increase, in the event of Brexit.

UK government is based on democracy and the ability of the people to choose and dismiss their political leaders, while the EU has been described as "a union of European elites who want to avoid their peoples". 34 The instincts of the European Union are to evade popular consultation with voters but, being outside that

union, Northern Ireland and the rest of the UK would have an opportunity to offer far greater levels of transparency, accountability and participation.

Judicial activism and reasserting the primacy of UK law

The European Communities Act 1972 implicitly recognised the primacy of EU law over UK courts. Critics of the influence of the EU have alleged that judicial activism by the ECJ has had far reaching

consequences, imposing a raft of new law on the UK and restricting the prerogative of the Westminster parliament. Research suggests that the UK has lost 77 per cent of its cases at the Luxembourg court. 35

As the referendum debate progressed, the government has suggested that this process could be reversed by the introduction of a 'Sovereignty Bill', provisions in a British 'Bill of Rights' and possibly a new 'constitutional court' modelled on a similar institution in Germany. 36 The legal effectiveness of these measures has been attacked by leading lawyers like Antony Speight QC, a member of the previous government's Commission on a Bill of Rights.³⁷

Estimates vary as to how much EU law has been enacted in the UK. The House of Commons library estimated that 14 to 17 per cent of Westminster legislation is derived from EU membership. However, it also found that 50 per cent of legislation with 'significant economic impact' derives from the EU. That is in addition to "soft law", which includes communications, declarations, recommendations, resolutions, statements, guidelines and special reports from EU institutions, and rulings from the ECJ. 38 Few areas of life in the UK are not impacted by regulations passed down in some form from the EU.

If the UK were to leave the EU, domestic law would regain its primacy. This would provide and opportunity to lift burdensome restrictions, particularly in heavily regulated areas like agriculture, fisheries and trade, giving

"If the UK were to leave the EU, domestic law would regain its primacy."

³² Richard Sakwa, 'Frontline Ukraine', IB Tauris & Co, London, 2015.

³³ Reuters, 'Dutch referendum voters overwhelmingly reject closer EU links to Ukraine', *The Guardian*, 7 April 2016.

³⁴ Brendan O'Neill, 'For Europe, against the EU', Spiked Online, 3 March 2016.

³⁵ 'Poor track record for UK in European Court of Justice', *Belfast Telegraph*, 2 March 2016.

³⁶ 'David Cameron drops strong hint of new law to enshrine British Bill of Rights', *Daily Telegraph*, 18 January 2016.

³⁷ 'Michael Gove's new constitutional court will not veto any EU laws, says leading Tory QC', Daily Telegraph, 4 February 2016.

 $^{^{\}rm 38}$ House of Commons Library, Research Paper 10/62, 13 October 2010.

the government the ability to tailor its policies to British needs, including the needs of Northern Ireland. UK courts would find themselves free to interpret the law without reference to rulings handed down from the ECJ.

The government would regain considerable control over its own security, choosing which are the aspects of the European Arrest Warrant where it wants to 'opt in'. The UK would also assume complete responsibility for its borders, with the freedom to set qualifications for immigration and the levels of welfare available to new immigrants. The days of pleading with other countries for us to be able to decide our own security and welfare arrangements would be over.

3. Business and the economy

Trading with the world

In line with the Programme for Government, the Northern Ireland Executive published its Economic Strategy in 2012³⁹ acknowledging that "we need to significantly increase our export focus... but the challenge is both to grow exports and diversify into new markets". The strategy identifies that a majority of sales going outside Northern Ireland currently are destined for Great Britain (55.5%) or the Republic of Ireland (16.4%).

Manufacturing dominates Northern Ireland's exports, with the United States (9.5%) its biggest market outside the Republic, followed by Canada (6.3%), France (5%) and Germany (4.1%). However, the greatest growth, by percentage change in value), over the period 2001 - 2011, lay in the emerging markets of Kuwait (+1839%), Saudi Arabia (+1197%), Russia (+726%), Thailand (+524%) and China (+408%), in conjunction with the more established Australian (+975%) market.

RSM McClure Watters identified the computer sector and professional services related to construction as areas that show particular potential for Northern Ireland companies to grow exports to emerging markets. Furthermore, it identified difficulties with trading regulations as one of the prime obstacles facing Northern Irish exporters, seeking to move into emerging markets.

It is clear that trade to the EU, particularly the Republic of Ireland, and trade with the Anglophone markets and emerging markets, will all play a significant role, if Northern Ireland is to build a vibrant, export-led economy.

Some of the wilder figures thrown around by the 'remain' campaign have sought to suggest that trade with the EU will be decimated, if the UK leaves. Many of its estimates of the amount of jobs and investment put "at risk" by leaving the Union are based simply on calculating the total economic activity between the UK and the EU. ⁴¹

There is, however, little prospect of free trade between Northern Ireland and the EU coming to an end if the UK chooses to Vote Leave. The EU exports £61.7 billion more goods and services to the UK than we sell to the rest of the EU. ⁴² The National Institute of Economic Research has found that, on the day the UK left the EU, it would become the Union's single biggest export market, comprising 21 per cent of its

"It would be a colossal exercise in self-harm, were the EU to refuse to negotiate a free-trade deal with the UK."

³⁹ Northern Ireland Executive, Economic Strategy, 2012.

⁴⁰ RSM McClure Watters, Research into Growing and Diversifying the Northern Ireland Export Base, October 2014.

⁴¹ Ryan Bourne. The EU Jobs Myth, Institute of Economic Affairs, March 2015.

⁴² Office of National Statistics, The Pink Book, 2015.

exports – "more than its second and third largest export markets (the US and Japan) combined". 43

It would be a colossal exercise in self-harm, were the EU to refuse to negotiate a free-trade deal with the UK. In other words, it is unthinkable, a fact acknowledged even by some of the most vehement proponents of EU membership, before campaigning began. ⁴⁴ In addition, it is highly unlikely that customs controls would exist between the UK and the Republic of Ireland, particularly in light of the political sensitivities around citizenship and nationality in Northern Ireland. ⁴⁵ European law recognised such a precedent when the German Democratic Republic enjoyed customs free access to the market in West Germany. ⁴⁶ Willy Brandt described this concept as "two German states in one nation".

With trade to both the Republic of Ireland and the rest of the EU under no significant risk, the challenge facing Northern Ireland businesses is finding ways to export more goods and services to the rest of the world. Brexit can provide the UK with the autonomy to negotiate free trade deals with critical markets, like Anglophone countries, fellow Commonwealth states and emerging economies in Asia, the Middle East and the Americas.

It is argued that Northern Ireland is more vulnerable to a leave vote than other parts of the United Kingdom because about 60% of its exports go to the EU. Using this statistic is a sleight of hand because it reflects the trade with the Republic that would not be at risk. It also ignores that most of the goods that are not sold in Northern Ireland are actually sold in the United Kingdom, according to the Department of Enterprise, Trade and Investment, and that market will not be affected by a vote to leave.

Northern Ireland's economic future depends upon businesses' willingness to trade globally, rather than regionally, and Brexit has the potential to open the door for more opportunities and incentives for local companies to do just that.

Removing the burden of red-tape

Northern Ireland businesses have identified overly burdensome regulation as among the top obstacles and barriers which they confront. Employment, health and safety and data protection were cited as particularly problematic areas by small companies. However, complaints about bureaucratic rules span industries and business sizes.

Large companies and the financial industry claim that they have been swamped with complicated capital rules and strict regulations around bonuses, particularly since the 2008 crash. The *Financial Times* found that extra compliance costs had risen to "prohibitive levels".⁴⁹ The newspaper quoted a leading manufacturer who described being swamped by regulations, which resulted in it taking "six months to do simple things like open a bank account".

Even pro-EU organisations like the CBI are concerned about the effects of EU rules.⁵⁰ The think tank Open Europe has estimated that EU regulation introduced since 1998 will cost UK businesses £184 billion between 2010 and 2020, or between 6 and 25 per cent of national GDP.⁵¹ During the last parliament, an estimated 3,580 regulations and directives which had a direct effect on British businesses were passed by the EU, comprising over 13 million words.⁵²

⁴³ Jonathan Portes, 'After Brexit: how important would UK trade be to the EU', National Institute of Economic and Social Research, 2 November 2015.

⁴⁴ Vote Leave, 'Third dodgy dossier from the government misrepresents the alternatives to EU membership', 2 March 2016.

⁴⁵ Immigration Act 1971

⁴⁶ James M. Tita, 'East and West German Trade', OK Economics.

⁴⁷ FSB (Northern Ireland), Business Survey 2015.

⁴⁸ FSB, Manifesto European Election 2014.

⁴⁹ David Oakley, 'EU regulations blamed for "swamping" businesses', *Financial Times*, 2 February 2016.

⁵⁰ 'EU regulation must always sow the seeds of growth', CBI, 15 October 2013.

⁵¹ Minford, P., Mahambare, V., and Nowell, E., Elgar, E., 'Should Britain leave the EU? An economic analysis of a troubled relationship', Open Europe, 2015.

⁵² Business for Britain, EU Business Regulation briefing note, 2013.

By comparison, and contrary to absurd claims by pro-EU supporters, Norway only adopts those regulations that are in its own interests – applying 4,724 EU laws between 2000-2013, against 52,183 EU directives and regulations in the UK and other EU Member States during the same period. ⁵³

In Northern Ireland, private sector economic activity is disproportionately concentrated among SMEs (Small and Medium-sized Enterprises). The burden on small businesses trying to trade online was increased exponentially in 2015, when EU VAT was levied on digital products, in the country where the products were bought, as opposed to the country in which they were sold. This change obliged businesses with a turnover of less than £81,000 a year to register for VAT with Her Majesty's Customs and Revenue.⁵⁴

In a small-business economy, like Northern Ireland, extra regulation from Brussels can be the decisive factor in driving companies out of business or reducing their potential. A thorough and effective review of red-tape is not possible while the UK remains part of the European Union.

"Norway only adopts those regulations that are in its own interests – applying 4,724 EU laws between 2000-2013, against 52,183 EU directives and regulations in the UK..."

Business divided over Brexit

'Remain' campaigners have been keen to portray the business community as supporters of EU membership. The reality is rather different. Although the CBI has voiced scepticism about the prospects of Brexit, the organisation represents mainly larger firms, and is therefore unrepresentative of the great majority of Northern Irish businesses.

Northern Ireland's economy is dominated, overwhelmingly by SMEs. The sector contributes 75 per cent of private sector turnover and over 75 per cent of private sector employment. It is projected that 22,000 new private sector jobs will be created in Northern Ireland between 2014 and 2018 and 19,500, or 89 per cent, are expected to be in SMEs. In a survey, the FSB found that a minority of its members in Northern Ireland, 49 per cent, would vote to remain in the EU, while half said that leaving the EU would not have an adverse effect on their businesses. Section 16.

Another aspect of the economy in Northern Ireland which has enjoyed some positive publicity is in attracting Foreign Direct Investment, or FDI. Invest NI has claimed significant successes⁵⁷ and hopes that an imminent cut in rates of Corporation Tax will attract more foreign companies.

Notably, the EU's share of world inward FDI has fallen dramatically, from 45 per cent in 2001, to 20 per cent in 2013, against a background of the emergence of highly competitive economies, elsewhere in the world. The EU's share of world GDP is projected to continue to fall from 17 per cent in 2014 to close to 10 per cent in 2050. Meanwhile, levels of investment in the UK from the US, Asia and the rest of the world, have increased

⁵³ Jim Sillars, The Logical Case, Why ScotLeave.EU makes most sense, 2016.

⁵⁴ HM Revenue & Customs, 'Digital services suppliers urged to register for new EU VAT service', 23 September 2014.

⁵⁵ FSB (Northern Ireland), 'The importance of Small Businesses to the Northern Ireland economy'. 2015.

FSB, Business Survey, July 2015.

⁵⁷ Clare Weir, 'Foreign investment in Northern Ireland rises 41% in one year', *Belfast Telegraph*, 24 July 2013.

⁵⁸ Ernst and Young, Ernest and Young's Attractiveness Survey Europe, 2014.

⁵⁹ PWC, The World in 2015, February 2015.

dramatically over the same period. ⁶⁰ Global Value Chains, with stages of production located across different countries, rather than focussed on regional trading blocs, are an increasingly important aspect of trade.

The quality of trade agreements, both with the EU and countries outside the EU, are likely to be decisive where the effects of Brexit on FDI are concerned.

The founder of one of Northern Ireland's largest and most successful exporters, the coach-building company Wrightbus, has voiced support for Brexit. William Wright argued that the UK could strike better trade agreements outside the EU and he criticised the "fear" tactics employed by 'remain' campaigners. "I am totally in favour of getting out", Mr Wright said, "the bureaucracy of (the EU) is not conducive to the UK's business interests". ⁶¹

Likewise, leading Northern Irish businessman Tim Martin, chairman of the JD Wetherspoon hospitality chain, backed Brexit, saying that leaving the EU will restore democracy to decision making in the UK.

Manufacturing in Northern Ireland still accounts for most of our exports, but the sector has undergone a tough period, with major employers like Michelin and JTI planning imminent closures.⁶² Recently Bombardier, the province's biggest manufacturer, also announced over 1,000 job losses.

In Canada, where the company is based, the Quebec government invested \$1 billion dollars in the struggling C Series aircraft project, which is also at the heart of the Belfast factory's woes. Bombardier is looking for more aid from government in Canada, in order to protect jobs. ⁶³ Similar action is difficult, if not impossible, in the EU, because of strict state aid regulations, which prevent the UK government from acting freely to protect key industries. ⁶⁴ Indeed, the European Commission has challenged the UK before over the legality of government assistance given to Bombardier for research and development purposes. ⁶⁵

A debate about European Union membership continues to rage among Northern Ireland's business leaders. Many business owners are yet to make up their minds, but there is strong resistance to EU regulation and many proponents of Brexit among the business community. The view that leaving the Union poses a risk to the economy has been aired exhaustively. However, the countervailing argument that Brexit offers considerable opportunities to businesses is supported by credible research. ⁶⁶

Northern Ireland is currently on the extreme edge of the European Union and we are located far from the locus of UK-EU exporting, which is situated disproportionately in the south-east of England. However, we are positioned perfectly to engage in global trade, as a confident part of an independent United Kingdom, with an open border to the EU and the freedom to look outwards, across the Atlantic to the US and Canada, and towards new and emerging markets in Asia, Russia, Africa and South America. Northern Ireland will always be on the periphery of Europe, but, with the right attitude, we can put ourselves at the centre of the world.

4. Immigration

Open and welcoming, but in control

The United Kingdom has been shaped by successive generations of immigrants and Northern Ireland is no exception. Indeed, our region has also been affected by waves of emigration, to the US, Canada, Australia and elsewhere, which helped form attitudes and identities in our society. Northern Ireland and the rest of the UK

⁶⁰ Centre for European Reform, 2014.

⁶¹ 'Wright supports Brexit campaign', *Ballymena Guardian*, 10 March 2016.

⁶² BBC News, 'Michelin Ballymena tyre factory to close in 2018', 3 November 2015.

⁶³ Allison Lampert, 'Canada probe of Bombardier aid bid complete', *Reuters*, 17 March 2016.

 $^{^{\}rm 64}$ Department for Business, Innovation & Skills, Government guidance: State Aid, 10 July 2015.

⁶⁵ European Commission, State Aid N 654/2008 – United Kingdom Large R & D Aid to Bombardier, 17 June 2009.

⁶⁶ Capital Economics, The economic impact of 'Brexit', February 2016.

will always be open to new arrivals, but in recent years there has been an understandable perception that uncontrolled immigration from new EU countries has the potential to transform communities suddenly and beyond recognition.

The European Union has been found wanting in its response to a refugee crisis, caused by war in Syria, continuing violence in Afghanistan and other areas, and swollen by a tide of economic migration from sub-Saharan Africa and elsewhere. The EU responded chaotically to this influx of people, with nation states bickering over relocation plans, ⁶⁷ the Schengen open border area in disarray and then a controversial deal with Turkey that revived that country's chances of becoming an EU member and granted visa-free entry to its citizens – in return for stemming the flow of migrants. ⁶⁸

Terrorist attacks in Paris and Brussels showed that Islamist extremists are prepared to use the extraordinary flow of refugees to attract new recruits, move between the Middle East and Europe and hide their identities. Understandably, these developments have added greater urgency to the discussion around immigration, particularly because EU leaders have been reluctant to address underlying issues, due to some of the sensitivities around race and religion that they raise.

The delay in compilation of statistics about immigration means that they often struggle to keep up with rapid changes in demography. Based on the 2001 and 2011 census figures, there was an increase of 199 per cent in Northern Ireland residents, born outside the UK and Ireland. This represented a relatively modest total of 4.5% of the population (approximately 81,500). The latest figures available, for 2013-14, show that 13,300 non-British or Irish citizens arrived to live in Northern Ireland, 16 per cent of the total non-British or Irish residents as of 2011.

The largest numbers of new arrivals came from Poland, Romania and Bulgaria, with Slovakia, Lithuania and Hungary represented prominently. This is immigration over which the British government currently has no control. If it were to cause serious societal problems Northern Irish politicians and politicians from the rest of the UK would have little room to manoeuvre. There was an uplift of 16.2% in registrations from overseas nationals for National Insurance numbers, from the year 2012-13 to 2013-14, and a further jump by 25.8% between 2013-14 and 2014-15. Again, Polish, Romanian and Bulgarian applicants are heavily represented in these figures. The percentage of births to mothers born outside the UK and Republic of Ireland reached 10 per cent in 2013 and remained the same in 2014, compared to only 5.1 per cent in 2004. The number of such births from the A8 countries of Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Slovakia and Slovenia rose from 34 in 2004 to 1,258 in 2014. News statistics will begin to include Bulgaria and Romania.

The impact of these demographic changes on Northern Ireland and the pressures they place on public services will no doubt play out over the next number of years, and recent developments will begin to be reflected in more up-to-date statistics. Likewise, with its citizens currently having unrestricted rights to live and work in Northern Ireland, there is no mechanism to ensure that EU immigration is beneficial to our economy. Leaving the EU could mean fewer arrivals from eastern and southern Europe, but it could also mean more arrivals with essential skills and more arrivals from the Commonwealth, with whom we share significant elements of history and culture.

Brexit would restore genuine control over the UK's borders. Immigration in Northern Ireland could be tailored to reflect our skill shortages and economic needs, as well as social considerations. Our community is likely to become increasingly diverse whatever the result of the referendum, and that is a strength rather than a weakness. Outside the European Union, though, we can have an open, meaningful debate about how that happens, to ensure that immigration works for us, culturally and economically, rather than be dictated to by 27 other countries with a vested interest contrary to ours.

⁶⁷ UNHCR, 'Europe response to refugee crisis still urgently needed, 15 September 2015.

⁶⁸ Megan Greene, R Daniel Kelemen, 'Europe's lousy deal with Turkey', *Foreign Affairs*, 29 March 2016.

⁶⁹ NISRA, Census 2001, Census 2011)

NISRA, Statistical Bulletin Annual Publication, Population, 27 August 2015.

⁷¹ NISRA, registrar General Northern Ireland Annual Report 2014.

5. Agriculture and fishing

Toward sustainable farms

Farms across the UK, particularly in Northern Ireland, have become dependent on the Direct Payment (formerly the Single farm payment), a subsidy distributed under the EU's Common Agricultural Policy (CAP). The Direct Payment (DP) has distorted the market severely, allowing food distributors to pay under the cost of production for products.

The UK makes an enormous net contribution to the EU budget, some £9.9 billion more than it got back in 2015.⁷² That gives the government the option to maintain subsidies to farmers, cut bureaucracy and still make a substantial saving, in the event of Brexit. Due to the Barnett Formula, any UK public spending of that saving could result in a consequential uplift in the Stormont budget worth hundreds of millions that could fund NI projects or, say, cuts in Corporation Tax.

The importance of the DP to farmers has been emphasised as one of the primary arguments for Northern Ireland to remain in the European Union. The problem with this reasoning is that the subsidy is effectively British money being returned to the UK. In addition, the DP is falling in value, while the CAP is increasingly expensive and bureaucratic.

The National Farmers' Union (NFU) has modelled the likely effects of Brexit on the industry and found that if, as expected, the UK maintains liberal economic policies after leaving the EU, farming will not suffer negative effects, so long as subsidies to farmers are maintained.⁷³

Figures from the Department of Agriculture and Rural Development (DARD) at Stormont reveal that between 2010 and 2014 the value of the DP to Northern Ireland's farmers fell by almost 10 per cent, from £270 million to £248 million. 74

In addition, EU rules mean that DEFRA at Westminster and DARD in Northern Ireland are not free to allocate all CAP monies directly to farmers. Agricultural subsidies are divided into pillar 1 (DP) and pillar 2 (rural development). In 2013/2014 EU bureaucracy put farmers at risk, when the Executive was required to transfer some of the money allocated to the DP to rural development. At Stormont, there was political disagreement about how much cash should be re-allocated, which caused the finance minister and the DARD minister to clash in court.⁷⁵

Some of the rural development cash is spent on joint programmes related to the agri-food industry, like the Going for Growth Strategy, which the Ulster Farmers' Union believes is useful to the industry. Other elements of rural development spending have, however, caused political controversy and drawn allegations that monies have been used divisively for electoral advantage.

Both Pillar 1 and Pillar 2 CAP funding will continue to fall. DARD estimates that funding in 2021 will be effectively 13 per cent lower for CAP Pillar 1 and 22 per cent lower for CAP Pillar 2, than in 2013. For this reason, the department is being obliged to rethink which schemes it delivers through which streams of funding. DARD believes that:

⁷² Office of National Statistics, Pink Book, 2015.

⁷³ NFU, British Agriculture – The implications of a UK exit from the EU, 2016.

⁷⁴ DARD Annual Report and Accounts for the year ended 31 March 2011. DARD Annual Report and Accounts for the year ended 31 March 2015.

⁷⁵ Diane Dodds MEP, 'Simon Hamilton's court win over Agriculture Minister was a title fight, not a pantomime', *Belfast Telegraph*, 20 January 2014.

⁷⁶ Agri-food Strategy Board, Going for Growth, April 2013.

"Towards the latter part of the 2015-2019 period, attention is likely to turn to future reform of the CAP. The major issues are likely to be the size of the CAP budget, its allocation to Member States, and ending the link between the value of payments to individual farmers and production activity during an historic period"."

Northern Ireland has incurred regular penalties for failures to implement CAP properly. These fines, levied by the European Commission, can be ascribed in part to maladministration by DARD, but the abstruse nature of EU rules can only be a contributing factor. Issues, mainly around mapping, had cost the Executive an accumulated total of £105 million, by 2013. 78

It's clear that CAP is an over-complicated, costly and bureaucratic one-size-fits-all process, and those flaws are only likely to worsen in the foreseeable future. Indeed, with further reform expected to be to the fore for the rest of this decade, EU agricultural subsidies are entering a period of volatility and uncertainty.

Farmers find themselves burdened down by regulations, which prevent them, for instance, from innovating to improve crop yields. They must navigate a complicated process to access dwindling subsidies – funded, in any case, by UK money – and cash intended to assist their industry is either claimed back by the EU Commission as fines, or diverted into questionable rural development projects.

Brexit offers the opportunity for HM Treasury, through the devolved administration at Stormont, to support farmers more directly, in a way that is better tailored to NI's conditions and is accountable to the electorate without any of the waste associated with CAP. It allows the Executive to claim back control over important "It's clear that CAP is an over-complicated, costly and bureaucratic onesize-fits-all process, and those flaws are only likely to worsen..."

aspects of agriculture policy, so that they can be tailored better to the industry, ensuring agri-food becomes a more competitive, prosperous aspect of the economy in Northern Ireland.

A fair deal for the fishing industry

There are few ambiguities around attitudes to the EU from many people involved in commercial fishing. The belief is widespread that Brexit can save the industry.

Representatives say that their industry is over-regulated under the EU, that UK boats are not entitled to catch fish quotas that reflect the size of our territorial waters and that the European Union complicates national policy-making, preventing a clear chain of accountability for important decisions.⁷⁹

The basis of international maritime law is the United Nations Convention on the Law of the Sea, or UNCLOS. The agreement says that, in general, countries across the world are entitled to an Exclusive Economic Zone (EEZ), which extends 200 nautical miles from their coastline, entitling them to exploit and control resources in this area in any way they wish.⁸⁰

In contrast, the EU's Common Fisheries Policy (CFP), imposes a single EEZ on member states. It then allocates each state a quota for the amount and type of fish they are permitted to catch (Total Allowable Catches or

 $^{^{77}}$ DARD, DARD Resource Accounts for the Year ended 31 March 2015.

⁷⁸ Hansard 2014/2014, Committee for Agriculture and Rural Development, 8 October 2013.

⁷⁹ Dick James, NIFPO, interviewed 22 March 2016.

 $^{^{\}rm 80}$ United Nations, United Nations Convention on the Law of the Sea.

TACs). The intention is supposedly to prevent over-fishing, but fishermen say that quotas are established arbitrarily, with little flexibility to reflect recovering stocks. Because the UK is an island nation and its EEZ was particularly large, there our TAC does not reflect accurately the extent of the coastal waters we would otherwise control. It is estimated that British and Irish waters account for 60% of the EU's waters. 81

Thanks to the CFP the UK fishing industry has been dramatically reduced while British taxpayers have funded the modernisation of competing fleets that have taken an ever-larger share of the fish stocks. UK vessels decreased from 10,295 in 1994 to 6,406 in 2012, while fisherman fell from 20,751 to 12,450 over the same period. Bearing in mind the size of the communities affected these job losses can be devastating to local economies and their social fabric.

Naturally, with fewer vessels and fishermen the size of catches has dropped, from 948,000 tonnes in 1970 to only 417,000 tonnes by 2008 – almost as low as when the North Sea was a war zone in World War I. Accordingly the UK became a net importer of fish in 1984 – accounting for two thirds of what we consume and valued at £2.66 billion. 82

"The system is skewed in favour of powerful, industrial scale fishing companies whereas it should be supporting our inshore low impact fishermen."

The effect of the CFP on Northern Ireland's fishing fleet has been similarly drastic. The policy was introduced in 1983 and between 1993 and 2003, 124 fishing vessels were decommissioned here.⁸³ In 1985 there were 1,159 sea fishermen in Northern Ireland, while the number in 2009 was almost half that total (654).⁸⁴

By comparison Norway, outside of the EU and it's disastrous CFP, is one of the world's largest exporters of seafood, supplying over 150 countries with more than 3 million tonnes of seafood a year. Also, by being outside the EU and CFP Norway has its own seat and voice on the World Trade Organisation, the Food and Agriculture Organisation (and its fisheries committee) and Norway holds the presidency of the North Atlantic Salmon Conservation Organisation.

A 2014 study by Greenpeace discovered that a single Dutch trawler holds nearly a quarter of the English quota, unloading its catches in *Dutch* ports, while only five vessels hold 20 per cent of the UK quota.

Commenting on the perverse results of the Common Fisheries Policy, Ariana Densham of Greenpeace UK, said:

"The system is skewed in favour of powerful, industrial scale fishing companies whereas it should be supporting our inshore low impact fishermen. They make up to 77 per cent of the UK fleet but get access to only 4 per cent of the UK's quota."

Sea fishing representatives highlight a number of ongoing issues, presented by EU regulations and the CFP, which continue to afflict their industry. Firstly, although cod stocks have increased in the Irish Sea Cod Fishery, the industry believes that the TAC has not changed to reflect this recovery. With restrictions around quota, days at sea and new regulations dealing with discards, the whitefish fleet continues to face mounting challenges and a threat to its existence. 85

⁸¹ Chris Muspratt, 'The EU's betrayal of Britain's fishing industry', *The Commentator*, 2 October 2015.

⁸² Ray finch MEP, Stolen Seas, EFDD Group , 2015.

⁸³ Tingley D., Northern Ireland Fleet Futures Analysis (2004-2013) - Methodology and Analysis, DARD, April 2006.

⁸⁴ Marine and Fisheries Agency, Defra, United Kingdom Sea Fisheries Statistics, 2009.

⁸⁵ Allen, The Sea Fishing industry in Northern Ireland – issues, challenges and opportunities, NI Assembly Research and Library Service, 9 February 2011.

The regulations around discards are considered impractical and unworkable. The rules require boats to land rather than discard certain species of fish, which must then be kept in a fit condition for sale. These requirements cause major additional costs and are considered arbitrary, as they necessitate landing unsaleable fish.⁸⁶

Further issues include the problem of attracting skilled fishermen, from non-EU countries like the Philippines, who are considered reliable and essential to the industry and a perception that The Hague Preference has been applied in such a way as to favour the Republic of Ireland, at the expense of Northern Irish fishermen.⁸⁷

Brexit can provide the industry a lifeline, allowing government policy and devolved policy to reflect the interests of fishermen. Fishing in Northern Ireland has been decimated by EU policy and the CFP. People involved in the industry naturally feel angry, ignored and let down. Leaving the EU opens up the possibility of introducing a new management system that learns from the successes of Iceland, the Faroes and Norway by taking back responsibility for fishing from Brussels directly to Stormont.

6. The Irish border and community relations

A friendly, respectful relationship between neighbours

Relationships between the UK and the Republic of Ireland are robust and are likely to remain so, whether Northern Ireland leaves or remains within the EU. The Belfast Agreement, which re-established devolved government in Northern Ireland, is registered as an international treaty between the two nation states. The European Union is not a signatory, nor was it a significant contributor to any of the negotiations and agreements that are generally held to underpin the 'peace process'.

It is through bilateral arrangements with the republic, NOT through the EU that peaceful relationships are promoted, such as the 2010 Cross Border Policing Strategy and the Intergovernmental Agreement on Cooperation on Criminal Justice Matters⁸⁸. Prior to the adoption of the European Arrest Warrant, the UK and Republic of Ireland had their own 1965 extradition agreement⁸⁹. As the Republic has an opt-out from EU criminal justice policies⁹⁰ it could establish a fresh extradition agreement with the UK following a 'leave' vote.

Emphasising this point, the Head of Counter Terrorism at New Scotland Yard, Richard Walton, said of Europol:

"Success in countering terrorism does not depend on any of us being members of a particular club. It is simply achieved through international collaboration." ⁹¹

Some of the most alarmist commentary over Brexit, locally, has drawn on the idea that the close relationship between the United Kingdom and the Republic of Ireland could be damaged, were the UK to leave the EU and that the basis of improved community relations in Northern Ireland would suffer as a result. The evidence for these claims is not compelling. Indeed, at a debate about Brexit in Belfast, both Labour and Conservative MPs who support the 'leave' campaign described such suggestions as "utterly disgraceful" and "shocking". 92

The cultural, historical and economic links between the two countries cannot be undermined by separate policies on membership of the European Union. The rights of people in Northern Ireland to take both British and Irish citizenship are enshrined in UK and Republic of Ireland law, and confirmed in the Good Friday

⁸⁶ Marine Management Organisation, Fisheries Management: Landing Obligation, 19 October 2015.

⁸⁷ Hansard (1372), Commons Debates, 19 December 1995.

 $^{{\}tt www.Ga\underline{rda.ie/documents/user/crossborderpolicingstrategy.pdf:} http://www.justice.ie/en/JELR/Pages/criminal_justice_co-operation.$

⁸⁹ Backing of Warrants (Republic of Ireland) Act 1965, s. 3.

⁹⁰ Protocol 21 to the EU Treaties.

⁹¹ 'Being in the EU doesn't keep us safe from terrorists', *Daily Telegraph*, 26 February 2016.

⁹² John Mulgrew, 'Claims Brexit could hit peace process denounced as disgraceful during debate in Belfast', *Belfast Telegraph*, 5 April 2016.

Agreement.⁹³ Likewise, the principle that the Republic of Ireland "is not a foreign country", is set out in the Ireland Act 1949, with the result that its citizens are treated exactly the same as British citizens, within the UK. This includes the right to vote in Westminster elections and the right to reside in the UK, which will not be affected by the result of the referendum.

Nevertheless, the outgoing Republic of Ireland government has expressed its concerns about Brexit explicitly, encouraging Irish exporters to lobby for the UK to remain in the EU. 94 Dublin's anxieties are shaped by the possibility of losing one of its chief allies within the European Union, as demonstrated by its support for David Cameron's efforts to negotiate a deal with Brussels. The Republic's ambassador to the UK, Dan Mulhall, points to strong cultural and economic interests, which bind the two countries together.

"We like the influence the UK brings to bear within the EU, where on a wide range of policy issues our two countries tend to see eye to eye. We want to see the UK continue to wield its influence within the EU in the years ahead on policies favouring, for example, economic openness and enhanced competitiveness."

Clearly the Republic of Ireland's political establishment is worried about the possible trajectory of the European Union, should the UK leave, which points to the underlying weakness of vision underpinning the EU. It believes Britain's membership prevents the EU becoming even less about a common market and even more about federalism. The Republic's concerns, it could be argued, are rooted in uncertainty about the European Union project itself, the incompatible priorities of its member states and the possible direction it will take in the future.

There is also an understandable wariness about Brexit handing UK companies a competitive advantage over their counterparts in southern Ireland, although that concern also points to the potential benefits applicable to Northern Ireland. The chief executive of IBEC, which represents Irish employers, said leaving the EU could give Britain the edge in attracting inward investment:

"The fact that Britain would have more flexibilities potentially around issues like state-aid rules, the labour market or European Court of Justice decisions – all of these things could be quite game-changing in the competitive position of Ireland versus Britain. So I think that, for Irish business, by far the best outcome is Britain staying in Europe". 96

The Republic's officials have acknowledged that none of the so-called problems they connect with a 'leave' victory would be insurmountable. In his blog, Ambassador Dan Mulhall says:

"None of these potential problems would be catastrophic. We would have to cope, and, in my view, we would do so. In particular, we would seek to

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versus Britain."

⁹³ The Belfast Agreement, Sec. 2 Annex A, 2 April 1998.

⁹⁴ Cormac McQuinn & Philip Ryan, 'Kenny aims to contact every Irish exporter over Brexit', *Irish Independent*, 21 February 2016.

⁹⁵ Ambassador Dan Mulhall, 'Implications for Ireland of a British exit from the EU', Embassy of Ireland, The Ambassador's Blog, 3 July 2015.

⁹⁶ Diarmaid Fleming, 'What would a British exit from the EU mean for Ireland?', BBC News, 19 February 2016.

retain all of the advantages deriving from the current positive state of Irish-British and North-South relations.....The provisions of the Good Friday Agreement would still apply fully, as would the arrangements under the Area". 97

The ambassador's comments about the Common Travel Area are particularly relevant. Speculation about possible effects on the Irish border, which would become a frontier between an independent UK and the EU, have featured prominently in commentary about Brexit. However, the Common Travel Area, allowing passport-free travel between the UK and an independent Irish state, has existed since the 1920s⁹⁸ and is enshrined in Westminster statute. ⁹⁹ It is an arrangement exclusively between the UK and the Republic and is NOT an EU matter.

Due to both the UK and the Irish Republic having an opt-out from the Schengen borderless area¹⁰⁰ and operating the Common Travel Area between them, all migrants, including those from the EU, have to pass through either UK or Republic of Ireland border controls before entering the UK. This would continue in the event of Brexit. Also, because Ireland has an opt-out from the EU's common immigration policy in respect of third country nationals without a right of residence in Ireland will also not be able to enter the UK.

Given that the vast majority of migrants from the EU that enter the UK do so to work the removal of free movement of Labour will reduce immigration. In such circumstances entry to the UK via the Republic will be discouraged by existing laws, as any employer employing a person without a right to work in the UK is liable to a fine of £20,000¹⁰² and it is a criminal offence to employ knowingly a person subject to immigration control¹⁰³.

Any EU migrant seeking to access the UK to obtain welfare benefits would be doing so illegally and would have no right to them and no incentive to arrive.

It is not in the interest of the Irish Republic to become a conduit for illegal immigrants into the United Kingdom. First of all there is no guarantee that once they arrive in the Irish Republic they will not stay in the relatively prosperous greater Dublin area and so become illegal immigrants in the Republic or, if they are coming for terrorist activities, they will get as much publicity worldwide for acts of terror in Dublin as they would in cities across the United Kingdom. So, for both of those reasons the Irish Republic would have just as many concerns about an open border arrangements as the United Kingdom would have. The whole point about the common travel arrangement area is that there are the same safeguards at Irish points of entry as there are at British points of entry.

It has also been suggested that, even though passport free travel may be possible, time-consuming customs controls may be implemented at the Irish border. This is another unlikely scenario in the modern world. Technology and automated border clearance systems have made the need for lengthy,

"It is not in the interests of the Irish Republic to become a conduit for illegal immigrants into the United Kingdom."

⁹⁷ Ambassador Dan Mulhall, 'Implications for Ireland of a British exit from the EU', Embassy of Ireland, The Ambassador's Blog, 3 July 2015.

⁹⁸ ROI Citizens Information Board, Common Travel Area between Ireland and the United Kingdom, 6 May 2015.

⁹⁹ Immigration Act 1971.

Article 2 of Protocol 20 to the Treaties, http://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1456914792015&uri=CELEX:12012E/PRO/20

Protocol 21 to the EU Treaties, http://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1456914946024&uri=CELEX:12012E/PRO/21

¹⁰² Immigration, Asylum and Nationality Act 2006, s. 15, http://www.legislation.gov.uk/ukpga/2006/13/section/15; SI 2014/1262, art. 2(1), http://www.legislation.gov.uk/ukdsi/2014/9780111110102/article/2

¹⁰³ Immigration, Asylum and Nationality Act 2006, s. 21, http://www.legislation.gov.uk/ukpga/2006/13/section/21

disruptive border checks redundant, even where 'hard' borders exist. Even in the event that the UK does not strike a free-trade deal with the EU, the idea of queues at the border is not credible. However, the likelihood is that a deal would follow Brexit and, in any case, neither duties nor rules of origin for trade would exist between the UK and the Republic, so custom barriers would not be necessary.

A close friendship between the UK and the Republic of Ireland, on an East - West axis between London and Dublin, and on a North – South axis between Belfast and Dublin, has been a positive feature of recent years. It is built upon strong foundations of economic interdependence, unbreakable cultural links and the common challenges presented by our shared history. None of these foundations can be threatened by Brexit and there is no indication, beyond some alarmist referendum campaigning, that the two governments would countenance loosening links between the two countries.

The relationships between the United Kingdom and the Republic are likely only to deepen in the foreseeable future and given the interests we share, the Irish government will watch closely the UK's progress, and, whether or not we vote to leave the EU, it is perfectly capable of planning its own policies. Indeed, Brexit may eventually persuade some people within the Republic of Ireland to rethink their state's own position within the EU.

Building community relations with Brexit

In Northern Ireland, there is potential for even the most routine debates to take on a sectarian or communal dimension, and the Brexit referendum has not been immune. Despite articulating a paradoxical attitude to the European Union, Sinn Fein has attempted to link the result to a potential 'border poll' on Northern Ireland's future within the UK, in the event of a vote to leave. Both main nationalist parties tried to undermine the Secretary of State for Northern Ireland's position, when Theresa Villiers declared support for Brexit, implying that her views compromised her neutrality as a government minister. 106

The idea that attitudes to the EU in Northern Ireland are determined primarily by constitutional preferences about the border, or by religious denomination, is not supported by polling. An independent poll conducted by Lucid Talk, on behalf of *The Sun* newspaper, broke down opinions on the referendum according to whether respondents intended to vote for a party designated 'Unionist', 'Nationalist' or 'Other', at the next Assembly election. Although support to remain was higher among 'Nationalists', 'Remain' and 'Leave' results for both 'Unionists' and 'Nationalists' were only approximately 10 percentage points apart. ¹⁰⁷

Differentiating by religion, London School of Economics research suggested that almost 40 per cent of Catholics and 70 per cent of Protestants either wanted to leave the EU, or had as yet not made up their minds. The LSE study suggests that indicators like household income have a significant impact on attitudes to the EU, across both religious groups, and a new Danske Bank survey suggests that age is a major factor, with a majority of over-65s in Northern Ireland, for instance, now in favour of leaving. 109

It has already been noted that the Belfast Agreement / Good Friday Agreement is lodged as an international treaty, signed by the governments of the Republic of Ireland and the UK. The Agreement sets out the basis for power sharing here and formalises various entitlements related to culture and citizenship. These will remain intact in the event that the UK leaves the EU. The European Union did not have significant input into negotiations prior to the Agreement or the Agreement itself. The United States of America has been far more influential during various stages of the 'peace process'.

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¹⁰⁴ Richard North, 'Bordering on the ridiculous', EUReferendum Blog, 5 April 2016.

Henry McDonald, 'Sinn Fein calls for vote on Irish reunification if UK backs Brexit', *The Guardian*, 11 March 2016.

Henry McDonald & Toby Helm, 'Theresa Villiers called upon to quit if she campaigns to leave the EU', *The Guardian*, 9 January 2016.

David McCann, 'Sun/Lucid Talk poll shows majority voting to stay in the EU', Slugger O'Toole blog, 19 February 2016.

¹⁰⁸ James Dennison, 'The EU Referendum in Northern Ireland: Good Europeans or sectarian politics as usual?', The London School of Economics and Political Science, 2015.

¹⁰⁹ Danske Bank, EU Membership Survey 2016.

The EU has provided some funding on the pretext of shoring up peace in Northern Ireland. The PEACE programmes I-IV provide money "to reinforce progress toward a peaceful and stable society", while INTERREG offers structural funds to "support strategic cooperation", across the Irish border and with western Scotland. The PEACE IV programme has made €229 million available for applicants, while PEACE III distributed €225 million. The latest INTERREG programme includes an EU contribution of €240 million between 2014-2020. The sums are not insignificant, but they are dwarfed by the UK's £9.9 billion net contribution to the EU budget.

Some commentators have suggested that the European Union plays an important role in guaranteeing human rights in Northern Ireland. This contention has been flatly rejected by the Attorney General, John Larkin:

"I think that not only would the protection of fundamental rights and liberties not be diminished by a United Kingdom withdrawal from the European Union, but I think that there is a prospect that the protection of fundamental rights and freedoms would actually be enhanced by such a withdrawal... The judicial role on the European Union through the Court of Justice and therefore in our government is greater than it should be". ¹¹¹

Mr Larkin went on to assert that the Luxembourg Court is "supremely and unassailably accountable".

Community relations in Northern Ireland are unlikely to be damaged by Brexit. Forty-seven European countries subscribe to the European Convention on Human Rights, which has nothing to do with the European Union. Likewise the European Court of Human Rights is separate from the European Court of Justice. Because of this distinction the return of sovereignty to the UK could see human rights protections actually improve while our current constitutional arrangements will remain stable. Support for leaving the United Kingdom has plummeted in successive polls, with BBC Northern Ireland and RTE finding that just 13 per cent of people here want a United Ireland in the short to medium term. 112

Although the SNP has encouraged the idea that Brexit could prompt a second independence referendum in Scotland, convincing and sustained evidence suggesting that exiting the EU would prompt a rethink on membership of the UK from most Scots has not been produced. On the contrary there is reason to believe the Scottish people are very wary of a second referendum. At the recent Scottish Parliament elections the SNP, although winning a third term in government, lost its overall majority after campaigning strongly on the prospect that a Brexit vote would trigger a second referendum. A study by the University of Edinburgh found that a majority of the Scottish public (55% to 45%) believed membership of the EU should be decided at the UK level and that Scotland should not have a veto. The same position was found to exist in Northern Ireland by 60% to 40%. ¹¹³

John Curtice from What Scotland Thinks has pointed out the flaw in the SNP's reasoning, "what has so far been missing is any evidence on whether those who are currently inclined to vote No to independence but to Remain in the EU would switch to backing Yes to independence in the event of a UK-wide vote to Leave". ¹¹⁴ In addition, Scottish Euroscepticism, i.e. the belief that the EU is too powerful, is at an all-time high, with 60 per cent of Scots classified at Eurosceptic. ¹¹⁵

In the event of the UK leaving the EU the Scottish Parliament would automatically inherit the competencies of fishing, farming and the "The probability of Scots voting for... a worse case for independence than they rejected in 2014 – is highly improbable."

¹¹⁰ Special EU Programmes Body website.

Sam McBride, 'Attorney General: Brexit could improve rights', News Letter, 26 February 2016.

Mark Devenport, '13% in NI want united Ireland in the short to medium term, survey suggests.', BBC News, 4 November 2015.

Edinburgh University Academy of Government, March 2015, http://www.aog.ed.ac.uk

John Curtice, 'Might Scotland Vote to Leave the UK if the UK Votes to Leave the EU', What Scotland Thinks, 17 January 2016.

John Curtice, How Deeply does Britain's Euroscepticism run?, What UK thinks EU, 2016.

environment without them stopping first at Westminster¹¹⁶. For Scotland to become independent and subsequently apply to join the EU would require it to erect a border with England and put at risk its trade with its largest customer. It would also have to hand back to Brussels the fishing, farming and environment powers that it had recently gained¹¹⁷, while introducing an austerity programme to reduce its deficit – the worst in Europe – to meet EU criteria. The probability of Scots voting for this scenario – a worse case for independence than they rejected in 2014 – is highly improbable.

The project of repairing community relations in Northern Ireland is grounded on constructive attitudes between people here, the efforts of the British government and an improved relationship between the UK and the Republic of Ireland. Although there has been international support from the US, the EU's contribution has been minimal, consisting only of funding, which is recycled UK money and can easily be replaced from the £9.9 billion saving which will be achieved by leaving.

Brexit offers Northern Ireland the opportunity to play an enhanced role within a UK that is more powerful and prosperous, with the potential to grow our economy and build an inclusive society. These advantages will be within the context of a deep and confident friendship with our neighbours in the Republic of Ireland, underpinned by cultural and economic links, as well as shared rights and citizenship.

7. Conclusion: An opportunity to broaden Northern Ireland's horizons

The debate on Brexit, nationally and in Northern Ireland specifically, has frequently become restrictive and narrow. It has focussed not on the possibilities opened up by reclaiming genuine sovereignty, but rather on the uncertainties of leaving a European Union to which we have become accustomed by habit. We have fixed the limits of our view on the confines of the EU region, rather than examining how we could better build relationships in a globalised, interconnected world – if only we had the freedom to do so.

The restoration of devolution created opportunities for people in Northern Ireland to influence the policies of our regional government and create a positive vision for our future. Politicians have not, however, always responded by concentrating on the potential that this could unleash, and in some respects their preoccupations have become more insular.

A vote to leave the EU offers the possibility of rebooting these attitudes and making Northern Ireland a more outward looking place. The referendum is about casting off the shackles of an increasingly intrusive and smothering political project, and the idea that it is about 'leaving Europe' is deliberately misleading. Northern

Ireland can continue to share all the aspects of history, culture and trade that we hold in common with the rest of the continent, without being held back or restricted by an overbearing EU.

Brexit puts control of the UK's destiny back in the hands of its people, and Northern Ireland has the chance to play an enhanced role in a state whose self-confidence is boosted significantly. Some of the powers currently exercised by Brussels will be restored to the Stormont Assembly, providing an opportunity to recapture a spirit of enterprise that allowed us to trade successfully with the rest of the world during the nineteenth and early twentieth centuries.

Already, decision-makers have acknowledged that Northern Ireland's long-term prosperity is dependent upon building an export driven economy, with ambitious home-grown businesses

"Brexit puts control of the UK's destiny back in the hands of its people..."

. . .

¹¹⁶ 1998,c. 46

Brian Monteith, Britain's Decision Facts and Impartial Analysis for the EU referendum, P48, David Hume Institute.

supplemented by healthy investment from abroad. We have important trade links with the rest of the UK and the Republic of Ireland, but areas of potential growth lie chiefly beyond the EU and that is where businesses and politicians are rightly starting to concentrate their outreach.

Northern Ireland is getting more diverse and our society can become richer, more vibrant and more interesting as a result. We have nurtured deep relationships with our nearest neighbours in the Republic of Ireland, built upon mutual respect and an acknowledgment of the enormous historical, cultural and economic interests that we share. These links can be strengthened as we look outward and think more about the type of society we want and how it can interact with the rest of the world.

Whether Northern Ireland leaves the European Union, or elects to stay, there will always be political and economic uncertainties. With continuing economic instability in the Eurozone, chaos around the response to the refugee crisis and growing disenchantment with its federalist ambitions, the EU faces some of the most significant challenges it has encountered during its history. While it still exists, the EU will continue to be an important market for British goods, but the UK economy is the fifth largest in the world and long-term success will depend increasingly upon our ability to trade more widely. 118

The number of people across the United Kingdom who are genuinely enthusiastic about the European Union is tiny and the same can be said for Northern Ireland. Proponents of continued membership argue that the EU can be reformed to suit the UK's needs, or that our representatives can curtail the aspects of Union that create most scepticism. However, ideas about federalism, political union and a single currency are among the most important founding philosophies of the EU. The principles of liberal democracy, liberal markets and free trade, which the UK prioritises, can be promoted more effectively outside the European Union.

Nationally, the EU Referendum asks the people of the UK to choose whether they want to live in a country that is free to determine its own destiny. Voters must decide whether they are confident enough that this country has sufficient political, cultural and economic influence to maintain its position in the world, and even to enhance it, as an independent, sovereign state.

For the Northern Irish electorate, the key issues at this referendum are also around freedom and confidence. While the consequences of Brexit cannot be determined with certainty, it creates the opportunity to build a successful, prosperous region, with an international outlook. On June 23rd, electors can decide to give Northern Ireland the chance to fulfil its potential, by voting to leave the EU.

John Curtice, How Deeply does Britain's Euroscepticism run?, What UK thinks about the EU, 2016.

¹¹⁸ Andy Bergmann, 'World's largest economies', CNNMoney, February 2016.

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