

The Thatcherite case for staying in the EU

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Britain is richer, safer and more powerful for being a member of this global economic giant

It was nearly 30 years ago that Conrad Black bought this newspaper, partly with the intention of encouraging Britain into a North Atlantic Free Trade Area (Nafta) with the United States and Canada. I will confess that back then I thought his vision an unworldly one. I was all in favour of close trading ties with North America, but I dismissed a free-trade area as a nice idea which, in the reatpolitik of international diplomacy, was never going to happen.

I stand corrected. What we have seen at the G8 in Lough Erne is an enormous step towards the realisation of the Nafta dream. We have a free-trade pact close to conclusion with Canada. And, armed with the broadest basis for negotiations ever achieved, we are off the starting blocks at a

sprint on a trade pact with America – ambitiously titled the “Transatlantic Trade and Investment Partnership”.

These are extraordinarily important deals for the future of all the Western democracies trying to emerge from economic crisis. We desperately need a boost to jobs and growth on both sides of the Atlantic. Together, these agreements could boost UK GDP by well over £11 billion each year. A deal with the US alone could mean a 7 per cent lift in jobs in our car industry. The Canadian pact would deliver a 485 per cent increase in British exports of processed foods. Both would undoubtedly shave millions off export-related costs for British companies across many other sectors. These are astonishing figures, which together amount to a very significant economic shot in the arm for an ailing world economy.

But while I will concede to proponents of Nafta that they were right to keep alive the dream of opening up North Atlantic trade, I am afraid that the way in which these agreements are emerging prove them wrong that it could ever be a viable alternative to membership of the European Union.

For, irony of ironies, it is of course the EU that is making deals with America and Canada possible. It should come as no surprise that President Obama’s officials have commented that they would have “very little appetite” for a deal with the British alone. Quite simply, the political commitment and dedication that the

creation of a free market encompassing over 800 million people, 47 per cent of world GDP, and boosting the combined economies of the EU and the US by nearly £180 billion, could only ever be made by the leaders of evenly matched economic blocs. There always has been something of the romantic in the British soul. We can’t fail to be stirred by Charge of the Light Brigade visions of Britain standing alone against the odds. It is the same sentiment behind the idea of exchanging the EU for Nafta.

But, in the end, we are a practical race. We know that the empire on which the sun never set was created by intrepid, relentlessly outward-facing adventurers and administrators, not isolationist John Bulls. That “Brexit” would mean curtains for our ability to have any leadership role in world-defining plays like these free-trade agreements would greatly disturb us. Accepting a diminished situation in which the UK is forced to trade by EU rules which it has had no say in setting is simply not in our nature. That is why there was such admiration for the European role that Mrs Thatcher played as PM: handbag swinging, never giving in, never giving up, she alternately charmed and cajoled Europe into the reforms which she saw were so clearly needed.

In fact, in scope, vision, and sheer global ambition, these free-trade deals which David Cameron has been so relentlessly championing, are positively Thatcherite. So, too, is the leadership he has been providing in the Council of Ministers. Alongside his

growing group of reformist allies in the council, the Prime Minister has been helping to concentrate Europe’s leaders on the urgent need to refocus the EU, improve its competitiveness, complete the Single Market, and bear down on over-regulation. In short, to make the EU an ever greater asset in the fiercely competitive 21st-century global economic race.

Because an asset it undoubtedly is. The European Union amplifies our influence in the world, renders us safer, more secure, and more in control of our own destiny. As Germany shows, the EU can indeed be the home of powerhouse exporters who dominate global trade. The place for a powerful nation state in the world of today and tomorrow is within it, not outside it – even more so than in the Nineties, when the economic giants of the East were still emerging.

There remains an undoubted need for serious further European reform. The doom-mongers who say this will never be achieved should remember that a European-North Atlantic Free Trade Area was talked of as an unachievable dream for at least two decades. British leadership and lobbying means it really now could be a reality. There is plenty more that we can achieve in Europe. We must stay the course.

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