BREXIT FLASHCARDS

FEATURES

- Short and pithy
- Easy to memorise
- Go straight to the heart of the issues

Download your free Brexit Flashcards here!

Just print off on A4-sized card paper, cut along the dotted lines and you are READY TO GO!

Tired of toffee-nosed intellectuals telling you off for being old and xenophobic?

Frustrated by liberals grinding on endlessly about the lost benefits of EU membership?

Then these flashcards are for you!

BENEFITS

- States the case for Brexit irrefutably
- Dispenses with objections quickly and concisely
- Stainlessly removes Remain arguments

Won't the UK become a tax haven after Brexit?

No, on the contrary, all persons and businesses will pay tax here. Google, Amazon, Subway et al will pay tax in the UK on their UK profits, rather than booking them in Luxembourg or Ireland. So they will pay 16-17% of something rather than 32% of nothing

Are there tax havens in the EU now?

Yes, Luxembourg, Ireland and the Netherlands. They drain off the UK profits of multinationals under the Freedom of Establishment rules of the Single Market, and get all the good jobs and the profits booked there where it benefits them

Will we still be able to trade with the EU, even without Single Market access?

Not so easily if a Free Trade deal is not agreed, but remember there are ways round this, and if we don't have access to the Single Market, EU-based companies won't have access to the UK market, and currently they export about £50 billion per annum more to us than we export to them, so who would be the loser?

What ways are there to get access into the Single Market for UK companies?

Many methods – opening a subsidiary in an EU Member State, engaging a sales agent or distributor, and most of it has to be done now because the Single Market is far from perfect and there are still many barriers to direct exporting from the UK now, even when we are in the Single Market

Won't the EU impose customs duties on UK exports into the EU?

Yes, if no Free Trade deal is agreed, but the EU would be the net loser out of that. We could source goods from the rest of the world without having to impose EU-stipulated customs duties on them, which makes non-EU goods more expensive for us and protects EU exporters into the UK from non-EU competitors

What would be the benefits to the UK from Brexit in the area of Customs and Excise?

Not needing to impose Value Added Tax – VAT is a portion of what we send to Brussels every year

Cheaper imports from non-EU countries as we are not bound to impose EU-stipulated customs duties on them

Our exports to those other countries can be made free of import duties that those countries impose now so as to match EU-stipulated customs duties on their goods

Why do we have to stop EU economic migration?

Because it is costing the UK £30 billion a year – half of the public spending deficit – since the average EU migrant contributes about £500 in taxes but consumes £10,500 in the cost of their usage of public services

Why does the cost of EU economic migration add up to £30 billion?

The UK government's National Labour Survey estimates there are 3 million EU economic migrants and dependants in the UK, and they consumer £10,000 more per annum in public services than their contribution in taxes: 3 million x £10,000 = £30 billion

Don't the jobs of EU economic migrants yield Corporation Tax, VAT and other economic benefits?

No – these jobs are in the supply chains of multinationals who pay no tax here. VAT is paid over to Brussels. These are mainly low-wage/low-skill jobs so their spin-off benefit to the UK economy is neglible

How much does EU membership cost the UK per annum?

£50 billion per annum or £980 million a week...

EU membership fee plus VAT plus customs duties less rebate = £9 billion per annum

EU economic migration = £30 billion per annum

Abuse by multinationals and other EU Member States of the Freedom of Establishment = £11 billion per annum

What is the UK's balance of trade with the EU?

It is a deficit of £56.4 billion per annum taking the statistic for August 2016 and annualising it

This is part of the UK's balance of payments deficit of £115 billion per annum

Both figures are disastrous

How can the UK afford such huge deficits on EU trade and balance of payments?

By borrowing more and running down our savings – as individuals, as businesses and at the government level by continuing with a high public deficit

The Bank of England enables all of this with its Quantitative Easing programme, flooding the country with cheap borrowings that are then paid out of the UK

So the EU is a net beneficiary of its trade with the UK?

Yes, in large quantity, and this does not include their benefits from being able to access UK national resources like our fishing grounds: Spanish trawler fleets emptying our waters does not count as an export

Why does the EU need so much money from the UK?

To subsidise public spending in other Member States, where they have no economic growth or ability to borrow – so we borrow instead, pay the money to Brussels and they pay it on to be spent elsewhere

Is our membership fee all that we contribute?

No, we support other EU mechanisms like the European Union itself, the European Central Bank and the European Investment Bank, whose prime activity is to lend into the weaker Eurozone Member States and stop them plunging into an economic depression

How much do we guarantee of the debts of the EU member states?

Up to Euro1.3 trillion: these are guarantees on financing taken up by EU mechanisms from international investors and then on-lent into Greece, Italy, Spain, Portugal and so on. If the borrowers of the money don't repay, we have to instead

Was it true when David Cameron said we had never been part of the Eurozone bailout?

No, we guarantee the bailout financing of Ireland and Portugal through the European Financial Stabilisation Mechanism. It is over EUR45 billion and lasts until 2042

Was it true when David Cameron said we never would in future be part of the Eurozone bailout?

No, we are liable to repay investors who have funded the European Fund for Strategic Investments, a fund that has made new loans into Greece in 2015-2017, and we are liable to repay investors into the European Investment Bank who have lent aggressively into all the Eurozone countries that have gone through bailout

Why does the Eurozone need so much money?

Because there has been no underlying economic recovery since the Eurozone debt crisis in 2011/2, and it is only the EU mechanisms keeping it out of depression – by making loans of about 0.6% of the size of the economy every year, where the loans are spent straight away

What is wrong with the Eurozone economy?

Germany and a few countries are exporting, the others are all importing. The imports are financed by borrowings – in the form of deferred payment terms for goods/services, as bank loans or as loans from the EU mechanisms. Most countries end up deep in debt; Germany and a few others amass a mountain of worthless IOUs

What is the European Central Bank doing about it?

The same as the Bank of England is doing here – Quantitative Easing, or flooding the market with borrowed money to keep the money flowing out of the Eurozone periphery and into Germany and a few others, whilst in the Bank of England's case the money is also flowing out, and half of it to Germany and the same few others

Why can't Eurozone countries take matters into their own hands and deal with their economic problems?

Under the EU treaties for the creation of the Euro they gave up two of the three major mechanisms of financial policy to the European Central Bank: the foreign exchange rate and the interest rate. Under the EU Fiscal Stability Treaty they have given up the other one: the level of their own national debt

Why can't countries just give up the Euro as a bad job?

Because they cannot move away from the Euro and back to a national currency without also leaving the EU. That would cut them off from EU funding, upon which they are dependent. Only a manged unwinding of the Euro by the EU would save them from this fate

Why doesn't the EU unwind the Euro itself?

Because the Euro is the cornerstone of EU economic and financial policy, and of its law-making in many other areas as well. The Single Market is unthinkable to the European Commission, and to many national politicians, without the Single Currency to underpin and enable it: they would have to rip up 60 years of legislation and then rip themselves up

What is the main stumbling block for countries if they give up the Euro?

The countries need to get their national debt into their new national currency, when it is in Euro now. Leaving it in Euro – a foreign currency going forward and probably a strong one – would be a colossal risk

So Eurozone countries should just convert their national debt out of Euro, what is wrong with that?

Firstly they agreed by EU treaty not to convert back, and secondly they need to control the exchange rate at which the national debt is converted back: if the rate is an adverse one, they emerge with a national debt in their new national currency but magnified in size

Who dictates the exchange rate for conversion out of the Euro?

Ultimately the European Court of Justice if the country is in the EU, or the country itself if it has left the EU. The European Court of Justice would uphold the terms of EU treaties, possibly try to block the reconversion completely but certainly to endorse the right of the EU authorities to dictate the exchange rate – a rate that will then serve to protect the Euro and be adverse to the country

So a country really does have to leave the EU to leave the Euro?

Yes, to avoid the jurisdiction of the European Court of Justice over the rate against the Euro at which the new national currency is established, and at which the national debt will be redenominated: in essence the country must set the exchange rate itself if it does not want to emerge with a colossal national debt in its new currency

What are the penalties for weaker Eurozone economies of staying in the Euro?

The Euro is a strong currency on world markets and so a country's exports become more expensive. The barriers to entry for foreign companies to come into their home market and compete have been lowered, so domestic companies become progressively less competitive. The economy de-industrialises

How does the Euro affect the public finances of the weaker Eurozone economies?

The profits made by domestic companies decline, and corporation tax declines. Unemployment rises: less payroll taxes are gathered from those in employment and the social welfare costs increase for those out of employment. National debt increases as tax revenues undershoot public spending

Don't weaker Eurozone economies have to cut their national debt under the EU Fiscal Stability Treaty?

Yes they do, but how do they do it when they have no policy tools in their hands and the economy is stagnant? All they can do is impose ever greater austerity on themselves, failing which the EU authorities will step in and impose it for them. This is what has happened in Greece

Surely Greece is a one-off?

No, Italy and Spain are in the same basic condition, with very high unemployment and unsustainable levels of debt. They just haven't formally defaulted yet, and mainly because so much money is being lent in there by the EU mechanisms, and using the UK's guarantee