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EXECUTIVE SUMMARY

Top 10 Myths about the EU

The truth and facts behind the
deceptive Eurosceptic arguments.



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EL PAÍS

10 Key Eurosceptic Myths about the EU

	MYTH	REALITY
	1 THE EU IS BIG, COSTLY AND INEFFICIENT	There are fewer than 27,000 full-blown Eurocrats to serve an EU population of more than half a billion people. By contrast, Britain has just under half a million civil servants, 158 times as many as the EU Commission, on a per capita basis (Social Europe Journal, 2009).
	2 THE EU'S BUDGET IS EXCESSIVE	The EU budget is smaller than that of a medium sized member state like Austria or Belgium. The EU budget costs around 1% of the EU's total GDP, compared to the average member states' budgets which cost around 44% of their total GDPs. The EU budget is always balanced, too (European Commission, 2014).
	3 THE EU DICTATES AROUND 75% OF UK LAWS	More politically neutral sources (such as a comprehensive House of Commons report in 2010, and a study by EUROPP at the London School of Economics) found a more reasonable figure to be around 15%. It is a bad idea to use the percentage of laws as an indicator for the degree of European influence anyway, as such a figure assumes the impact of all laws to be the same, and all degrees of EU influence in those laws to be the same too. For example, if a lengthy statute had one single insert from the EU, would it be an EU law? Likewise, such a figure assumes that, for example, the EU regulation requiring ingredients to be labelled on packaged food is of the same impact as the Working Time Directive. It dramatically overestimates the impact of EU regulation in every way.
	4 THE EU SUFFERS FROM A DEMOCRATIC DEFICIT	As far as supranational organisations go, the EU is the most democratic in the world. Members of all European institutions are either directly elected by you, or elected by your governments' representatives (who you DO directly vote for). Studies have also found that the public very often overestimate the powers of various European institutions. European Institutions are very democratic; they represent both national governments (Council) and national citizens (European Parliament).
	5 BRITISH IDENTITY IS AT ODDS WITH EUROPEAN IDENTITY	European identity goes hand in hand with national identities, not against them. Feeling European does not negate or substitute being British; the two identities complement one another, as proven by studies (London School of Economics Department of Government). There is no logical reason why one would have to choose between the differing identities. This same study found that on average, EU identity is actually much stronger than generally perceived. On a scale of 0-10, with 10 being the highest score of EU identity, the average EU citizen scores 7.09, with 90% believing that their children will feel more European.

10 Key Eurosceptic Myths about the EU

	MYTH	REALITY
	6 EU IMMIGRATION INTO THE UK CAUSES HIGHER UNEMPLOYMENT	Immigration actually creates growth as immigrants bring skills, and create 1 in 7 companies in the UK, and are responsible for creating 14% of British jobs. Studies, such as one by the Centre for European Reform, have also found that the evidence actually suggests that EU migrants to the UK tend to expand the British economy and reduce unemployment, because economies “absorb” immigrants by expanding job opportunities; rather than displacing native workers. Free movement of labour and skill is a great guarantor of future British jobs and growth through knowledge transfer, training, and multiculturalism. Furthermore, a study by the University College London found that between 2001 and 2011, European immigrants net contributed close to £22 billion to British finances.
	7 THE EU SPENDS €2.4 BILLION A YEAR PROMOTING ITSELF	This often cited statistic takes an extremely broad view in how it defines “promoting itself”. €1 billion of that €2.4 billion; for example, is money which goes into education, in the form of ERASMUS (student exchange programme), school education (Comenius), vocational training (Leonardo Da Vinci), and adult education (Grundtvig). The EU budget defines this portion of money as going towards “citizenship and security,” which would serve to enhance democratic legitimacy.
	8 EU LABOUR REGULATIONS HARM UK BUSINESS	EU social and employment law helps British workers and improves productivity by limiting excessive working hours and ensuring rights. It prevents competition between states based on exploiting workers. The much debated Working Time Directive, for example, helps prevent overworking, which can severely damage productivity. EU regulation protects against unfair dismissals, below subsistence pay, and minority and gender discrimination.
	9 EU ENLARGEMENT HAS MADE “BENEFIT TOURISM” IN THE UK	Of the 5.5 million people claiming Jobseeker’s Allowance (JSA – one of the most relevant benefits for migrants) in February 2011, only 371,000 (6.4%) were non-UK nationals, while no more than 30% of these were actually from the EU – around 2.6% of total claimants. It is a myth that EU law gives all citizens the unconditional rights to claim benefits in the UK; they are free to stay for up to three months, after which they must be in employment, job-seeking, or self-sufficient. A study by University College London also found that immigrants into the UK are 45% less likely to claim benefits than British born citizens.
	10 TRADING IN THE EU HARMS UK TRADE WITH COUNTRIES OUTSIDE THE EU	Germany’s trade with Asia has thrived in recent years, despite the supposedly “damaging” EU restrictions which Eurosceptics argue harm trade outside the EU. Asia is now Germany’s second largest export market after the EU. There is no valid reason why the UK would be unable to expand trade while still enjoying the benefits of EU membership.



KEY POINTS

Eurosceptic claims about the damage which the EU causes to national sovereignty and democratic functioning are often highly exaggerated, and are typically built on misinformation and misrepresentation. The EU does not destroy national sovereignty so much as allows for sharing of power in some policy areas where it is beneficial for all. It is a highly democratic institution, but is often not seen as such due to its complex workings and physical distance from the people.



Eurosceptic Myth Area 1:

National Sovereignty - Being a member of the EU undermines the national sovereignty of the UK.

Eurosceptic Arguments: The EU undermines national sovereignty of member states by acquiring authority over domestic policy, and imposing uniform laws and regulations across member states, which often contradict national objectives/interests.

Response: The loss of national sovereignty is typically massively overexaggerated by Eurosceptics – as evidenced by UKIP’s “75% of laws made in Brussels” figure, which is more or less an outright lie. Lower national sovereignty in some areas is also inevitable to a degree, in this increasingly globalised and inter-connected world.

- + There is a trade-off between member states losing authority over certain policy areas, and the benefits of EU membership – specifically the single market. Cooperating in some areas is mutually beneficial.
- + Globalisation has caused growing interdependence of nation states. The UK, as a member of UN, NATO, and the WTO (to name a few) will not achieve complete sovereignty just by leaving the EU.
- + State policy is actually more centralised in the US than in the EU. The EU has a lot more freedom (and shared competences) for its member states to act than the US does. It typically just lays down the frameworks.

Eurosceptic Myth Area 2:

Democratic Accountability - The EU suffers from a democratic deficit as key decisions are made by unelected individuals.

Eurosceptic Arguments: There is a serious democratic deficit – The European Commission, for example, has power over proposing policy and legislation, but EU citizens have no direct say over its composition.

- + The EU is operated from a political elite which forces policies on European citizens.
- + Commissioners in Brussels dictate up to 84% of the laws in the UK, irrespective of domestic support. These laws cannot be repealed by Parliament and citizens cannot vote for those who make them.

Response: The EU and its institutions represent the combined will of the national governments and its people.

- + The European Commission (EC) is accountable to other EU institutions. All final legislative decisions are co-made with the European Parliament (EP), whose members are directly elected by EU citizens, and the Council, which is comprised of elected ministers of national governments. The EP has veto power over legislation and decides the composition of the European Commission.
- + The UK House of Commons Library (a neutral source) estimated in 2010 that from the period 1998-2005, only 9.1% of the laws in the UK were established by Brussels. Emma Bonino, VP of the Italian senate, argued that 6.8% of UK primary legislation, and around 14.1% of secondary legislation exhibited EU influence. Recent studies argue that around 15% is the most reasonable maximum estimate.
- + Regardless of the figure, the percentage of legislation influenced by the EU is an extremely bad way of estimating EU influence in national affairs, as the figure oversimplifies matters greatly. Taking just the raw percentage assumes that a) all EU influence in the laws is complete and total, b) that all laws and their degree of impact on the people of a nation are identical, and c) that laws being made outside of national governments are somehow inherently worse, regardless of their actual content.



Eurosceptic Myth Area 3:

Identity Issues - British identity is at odds with the European project.



Eurosceptic Arguments: Some argue that British identity is contradictory to the European Project.

- + Daniel Hannan, Conservative MEP, claims that very few EU citizens see themselves as European in the same sense as they feel British or Portuguese or Swedish.

Response: European identity goes hand in hand with national and sub national identities, not against them. It is not a conflicting identity, but rather a complementing one.

- + Academic opinion argues that identities are fluid and transforming, while individuals often have more than one source of identification which complement each other.
- + People do not generally feel that they have to choose between being a West-ender, a Londoner, British, or European, even if they feel they identify with one of those the strongest.
- + Research by Dr Michael Bruter, and Dr Sarah Harrison of the LSE's Department of Government shows that EU identity is much stronger than generally thought. On a scale of 0 – 10, with 10 being the highest score of identification with the EU – the average EU citizen scores 7.09.
- + While the average score is lower in the UK – where 55.2% of people score 5/10 or above, this is still higher than Eurosceptics would argue. Additionally, more than 90% of people surveyed believe that their children and grandchildren will feel more European – showing that the EU identity is evolving and growing stronger.



KEY POINTS

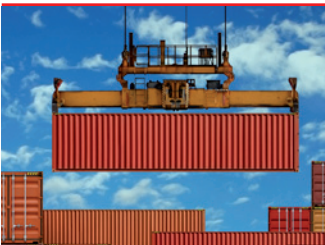
In terms of regulations, many Eurosceptic arguments against Brussels' "red tape," are not grounded in reality. The majority of these disputed regulations have a net gain for the UK's interests, and where they are poorly implemented or deficient; are working to be reformed. In addition, leaving the EU would prevent us from being able to negotiate such regulations (such as trade), but we would have to comply with them anyway.



Eurosceptic Myth Area 4:

Single Market / Regulation Issues - Being a member of the single market is harmful to UK in numerous different areas of policy.

The section features numerous sub arguments – one for each problematic field. It is by far the widest and most encompassing subject of discussion, as EU regulations account for a large number of areas.



Eurosceptic Trade Arguments: Bound by EU rules, the UK is unable to pursue optimal trade policies. Since the eruption of the Eurozone crisis, trade volumes between EU member states have been diminishing.

Response: EU Countries absorb almost 50% of UK exports. If the UK were to leave the EU, it would face trade barriers, and considerable economic loss. Establishing free trade agreements would be timely and costly – as would restructuring the UK's export market due to a loss of half the exports.

- + A large portion of Foreign Direct Investment to the UK is contingent on EU membership, due to investors wishing for access to the EU single market.



Eurosceptic EU Budget Arguments: The UK supports a costly and inefficient EU bureaucracy through large contributions to the EU budget. Models such as Norway and Switzerland's relationship with the EU are a better alternative.

Response: The UK enjoys the benefits of the single market (around £30-90bn a year, and 5-15 times the cost of being in the EU) in exchange for only 1% of its Gross National Income to the EU budget.

- + Though Norway and Switzerland enjoy access to the EU single market, they also have to abide with 90% of EU regulations unconditionally without being able to have any say in their formulation.



Eurosceptic Eurozone Crisis Arguments: The Eurozone has failed and the UK will be marginalised by crisis prevention measures (common banking union) that propel the EU towards closer political integration.

Response: The move towards a banking union is designed to address banking system deficiencies in the continent and in the UK, not deficiencies in the Euro.

- + George Osborne is not willing to block the banking union because he believes that a better banking system that delivers stability to the Eurozone and the UK is in the UK's best interests.



Eurosceptic Financial Regulation Argument: EU financial regulations damage the global competitiveness of London.

Response: Financial services leaders in the UK warn that UK exit from the EU is against the interests of the City of London. Gerry Grimstone, Chairman of TheCityUK, argues that the City of London gains massively from attracting firms that want easy access to the EU single market.

- + A report by TheCityUK shows that EU banks hold £1.4tn assets in the UK, and that twice as many Euros are traded in the UK than in all of the other EU member states combined.
- + The recent financial crisis has shown that regulating financial markets is necessary for protecting the economy.



Eurosceptic Social + Employment Regulation Argument: EU labour market regulations harm business and restrict job market flexibility. David Cameron: "Why should the UK's doctor working hours be set in Brussels?"

Response: Deregulation is not always the best way to encourage economic growth and stability, as evidenced by the global financial crisis. Social and employment regulations should give rise to a more productive labour force by limiting excessive working hours while delivering balanced labour costs.

- + In the EU single market where labour is free to move between nations, the absence of minimum regulations on workers' rights would generate competition between member states based on the cheapness and vulnerability of employees.
- + EU social and employment laws guarantee rights indispensable to British workers. Happier, more secure workers are far more productive, and EU regulations help guarantee this.



Eurosceptic Security Regulation Argument: EU crime and policing to laws, such as the European Arrest Warrant, lead to unfair trials of Britons abroad, and hamper the extradition of convicted criminals.

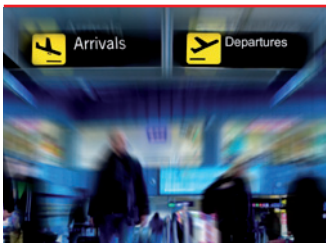
Response: UK opt-out from EU crime and police regulations will undermine the ability of British police to provide security – by undermining efforts to conduct international investigations and convict criminals abroad.

- + In the EU single market where people are free to move between member states, access to exchange of criminal records is imperative to persecute cross-border crime effectively.
- + The European Court of Human Rights (ECHR) has drawn criticism for blocking extradition of convicted terrorists. However, the ECHR is an entirely separate entity to the EU. They are totally independent and in fact, the EU has no mandate whatsoever over the ECHR.



Eurosceptic Environmental Regulation Argument: Many EU environmental policies are inefficient and costly – such as the Common Fisheries Policy (CFP), or the Emissions Trading Scheme (ETS).

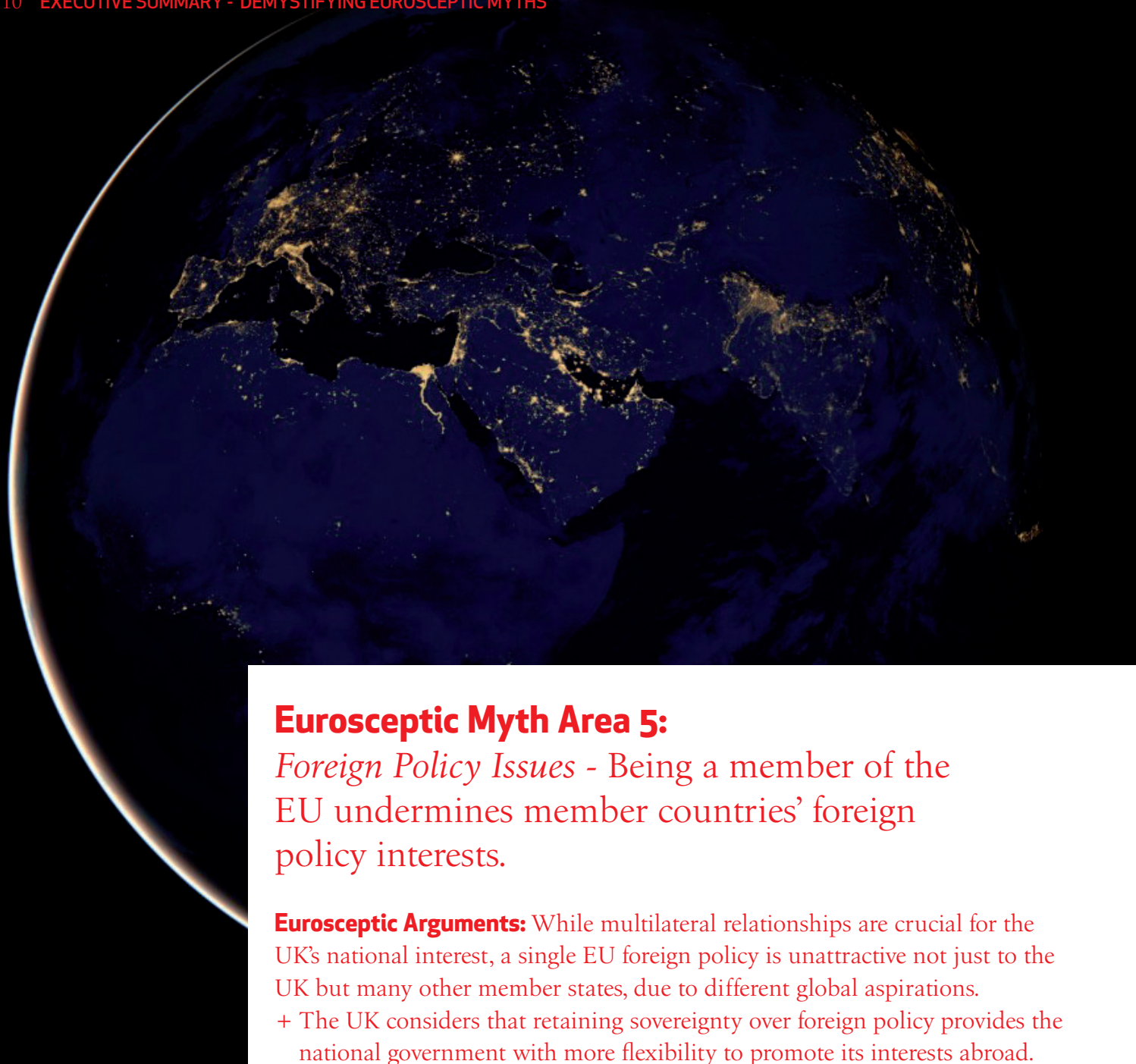
Response: Both of these EU policies are being significantly revised in order to deal with their accepted deficiencies. The EU has already agreed on a full-scale reform of the CFP, and deficiencies in the ETS have been recognised and reform is underway.



Eurosceptic Immigration Regulations Argument: EU Enlargement towards Eastern Europe has produced “benefit tourism,” as well as higher unemployment and social divisions.

Response: “Benefit tourism” is a myth. EU law does not give all EU citizens the unconditional right to freely reside in the UK, nor are accepted EU migrants automatically eligible for benefits.

- + The free movement of labour within the EU is a great guarantor of future jobs and growth.
- + The migration relationship works both ways – around 1 million Britons live in other EU countries while about 1.5 million EU citizens reside in the UK.
- + Freer migration also allows for influx of skilled migrants who bring diversity and expertise.
- + Studies show that the majority of migrants are willing to attempt to integrate fully into British society.



Eurosceptic Myth Area 5:

Foreign Policy Issues - Being a member of the EU undermines member countries' foreign policy interests.

Eurosceptic Arguments: While multilateral relationships are crucial for the UK's national interest, a single EU foreign policy is unattractive not just to the UK but many other member states, due to different global aspirations.

- + The UK considers that retaining sovereignty over foreign policy provides the national government with more flexibility to promote its interests abroad.



Response: The UK will benefit from a more powerful EU in terms of international relations.

- + An agglomeration of the foreign policy powers for all EU countries provides additional leverage for the UK, when dealing with international crises, negotiating international agreements or contemplating military action.
- + The UK is working within the EU to deal with the Ukraine/Russia crisis.
- + Obama has stated that "the United States values a strong UK in a strong European Union, which makes critical contributions to peace, prosperity, and security in Europe and around the world."

“The EU urgently needs a shared understanding of how to realise its ambitious agenda. It needs to identify the measures required to adapt to the global era, and the costs and implications of standing still. In short, it needs to communicate a common vision of how Europe can secure its future. The choice we face is therefore clear: build on the strengths of the EU and use its collective weight to become an assertive and relevant player in the world, or cultivate fragmentation and contemplate the possibility of absolute decline in a world where the rules are defined by those who matter.

From the independent Reflection Group Report “Project Europe 2030” presented to the European Council on May 8th 2010.

BRAND EU CENTRE FOR EUROPEAN IDENTITY

The BRAND EU Centre for European Identity examines how the lack of a collective European identity and a strong EU BRAND are key impediments for citizens and other international actors to understand, support or be attracted to the EU project. Our programmes seek to inform and educate citizens, the media, decision and policy-makers by providing unique research and insights at both international, European, national and local level in order to build a strong BRAND EU.

CENTRE LEADERSHIP

The BRAND EU Centre is led by Nicolas De Santis, Centre Founder and Enrique Barón Crespo, former President of the European Parliament.



Nicolas De Santis
President of Gold Mercury International



Enrique Barón Crespo
Former President of the European Parliament



The European Union (EU) is a major political and economic union of 28 nation states.

GOLD MERCURY INTERNATIONAL

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