



The Brexit Debate

Jim Meredith, Chairman at Augean and **John Allbrook**, Criticaleye Board Mentor, argue their cases for whether Britain should stay in the European Union

With the date for a UK referendum on whether to stay in Europe now set for 23 June, it will soon be time to cast your vote on whether, for the first time since 1973, Britain stands alone. With the considerations so numerous

and impact so far-reaching, it will be a tough decision for many. Here, **Jim Meredith**, Chairman at Augean, and **John Allbrook**, Criticaleye Board Mentor and Chairman at Cellesce, present their case for each side of the debate. >

What's your view on Brexit?

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Jim Meredith
Chairman
Augean

In support of Brexit

Whether an advocate of Brexit or not, it is important to challenge arguments from both sides of the debate in order to make an informed opinion.

When the European Union was formed, the world was a different place and the key outcome was to maintain peace and social stability. We've got significantly more globalisation now, Europe is in a less competitive position because it's trying to harmonise nations with a broad range of abilities and standards. Is the rest of the world, which is globalising so fast, going to sit around and wait for the EU to get its act together?

Either we decide that we want to move towards a unified Europe and accept central governance, or we get out. The case that David Cameron is trying to deliver, which is that we're in but have our own rules to play by, is probably only an interim step to one of the above alternatives.

Being in the EU means 100 per cent commitment and accepting that we'll contribute economically to weaker member states until they are strong enough to contribute positively. At the moment, Europe is so weakened that our support for other members seems disproportionate and very long term. If we get out, we can still trade safely with Europe but also trade with the rest of the world on our own terms.

We're also losing influence in Europe. With more member states coming in, statistically our votes count for less.

Our ability to influence Europe to become a global player, to maximise its opportunity, is reducing.

If Europe was our only source of trade for the UK then of course we'd want to be part of it, but we are doing increasingly more trade with other nations in globalising markets. If you want an improving standard of living for your citizens you need an increasing trade surplus in your favour and so must trade globally.

One point of evidence for Brexit is that Europe is just not able to form a cohesive policy because of its broad base of interests. Take its approach to immigration or agricultural policy. France has a lot of small farmers that couldn't survive without significant subsidies for which we are a net contributor, yet through market mechanisms, we have already forced greater efficiencies into our own farming industry.

Because the EU cannot align its agricultural policy, we pay to support other members despite the EU being less competitive in agriculture than other world players as a result. The French would argue that the social cost of breaking up rural, agricultural communities is too great but this shows a clear difference of view at a political level versus the UK.

Greece, Spain and Italy are all politically fragmented from Europe at the moment. It's very difficult to focus on improving the wealth of UK citizens if we're trying to paper over political cracks all the time.

The economic advantage of staying in might not be as powerful as we think. It's about risk, the ability to make decisions and being able to trade with the rest of the world. ■

KEY POINTS

- We have to sacrifice too much to support other EU nations
- We don't earn enough from Europe and should focus on trade elsewhere
- The EU is unable to form the cohesive policies it requires
- A Brexit means we can work under our own rules and regulations
- Although the EU is democratic in its decision-making the results can seem unreasonable.



Jim Meredith
Chairman
Augean

Since 2012, Jim has been Chairman of Augean, a hazardous waste business. Prior to this he was CEO of SCAID Group. His expertise include shareholder value, restructuring, M&A and exit strategy in both Plc and PE ownership structures.

In 2003, Jim joined Waste Recycling Group as CEO, on its acquisition by TerraFirma Capital Partners (TFCP).

Jim started his career at waste management company Shanks Plc, where he started as an engineer and left as a Group Plc Director.

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John Allbrook
Criticaleye Board Mentor
Chairman, Cellesce

In opposition to Brexit

No one's made a clear case for the economic upside of coming out of the EU. There's a myth that the EU costs us a fortune to be part of. The true figure is £20 billion after rebates, per annum – which sounds a lot but is only about half a per cent of GDP and that figure is shrinking. This shows we've fought for a good deal for Britain over many years.

The UK's contribution to the EU on a per capita basis is the eighth largest behind Holland, Sweden, Germany, Denmark, Finland, Austria and France. If we're getting such a bad deal, why are others paying more?

After Brexit we'd have to pay to trade with Europe anyway. Norway, which is not an EU member, pays 90 per cent of what the UK pays per capita, so by that yardstick we'd still have to pay £18 billion to trade within the EU as a non-member, yet we wouldn't have nearly as much influence.

People in Britain sometimes underestimate the influence we have had in the direction of the EU, we have always stood our ground when it doesn't suit us and others respect that. For example, the Euro was a step too far for countries like Britain but currency integration is not something we must agree to.

We will lose sovereignty on some things, that's just what being part of the club is about. Britain's global influence in terms of the Commonwealth is already much diminished, yet we are a significant

trading partner and will obviously want trading links with China, India, Japan and others. We have the best of both worlds at the moment. Why change?

But the EU is so much more than a free trade zone. One of the most important factors is peace. The situation in Ukraine a year ago could have spiralled out of control if it wasn't for the EU's response. Had that occurred in the 1930s you might have witnessed the annexation of a whole country. We have a deep responsibility to make sure that this can never happen again. If we leave the EU it will be weaker and that threatens the stability of the continent; the Russians would love that.

For the sake of balance and liberal democracy – which we should all subscribe to – I think the EU is a tremendous force for good. If we leave it could lead to a whole unravelling of the EU and at the worst possible time.

The checks and balances that have come in is a good thing. It means you get a more rounded set of opinions and policies among countries that used to fight with one another.

The UK has been an EU member for all of my working life and more. A generation, maybe two, don't know what it means to operate as a standalone country.

Our neighbours are our closest allies and trading partners. Enduring relationships are hard won and even

harder to maintain; we would be throwing away the work of the last 50 years by walking away now. ■

KEY POINTS

- There is limited to no economic value in leaving the EU
- Being an EU member gives us better trade links
- Britain has more influence in the EU than we give ourselves credit for
- The EU brings peace to its members where previously there was war
- Multi-national policies have led to less extremism



John Allbrook
Criticaleye Board Mentor
Chairman, Cellesce

John is a Criticaleye Board Mentor and Non-Executive Chairman of Cellesce, a leader in the field of regenerative medicine research and process design.

He recently concluded a spell as Executive Chairman of Syscap, one of the UK's leading independent providers of finance solutions to SMEs and educational institutions.

John also spent five years as CEO of GoIndustry and nine years at GE Capital.

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