BRITAIN STRONGER IN EUROPE

EXPERTS ON THE ECONOMY

Our economy is stronger, safer and better off in Europe – through access to the single market of 500 million people, and all the jobs, lower prices and financial security this brings for British families.

The Organisation for Economic Cooperation and Development (OECD), International Monetary Fund (IMF), Price Waterhouse Coopers (PwC), Institute for Fiscal Studies (IFS), the Treasury and the London School of Economics (LSE) have all confirmed the UK would be worse off under Brexit – confirming the economic consensus that families' economic security is at risk if we leave.

Key quotes

- **IMF Managing Director Christine Lagarde*:*** *"*It would hurt both the UK and the EU if the UK was to go" link
- **World Bank President Jim Yong Kim:** "this is an economy … that is not going to do well with more uncertainty" link
- **OECD Secretary-General Angel Gurría:** "We see no economic upside for the UK whatsoever" from leaving. link
- **Bank of England Governor Mark Carney:** Leaving the EU is "the biggest domestic risk to financial stability" link
- **Sir Richard Branson** has said: "The damage it will do to this country… will be enormous".
- **Paul Johnson, Director of the Institute for Fiscal Studies, has said: "**leaving the European Union, leaving it would be bad for the British economy and households"
- **Martin Lewis, money saving expert, has said:** "I would say on balance of probability it is more likely we will have less money in our pockets if we vote to leave"
- **Paul Krugman**, **Nobel prize winner, has said:** "So Britain, don't do this. You would pay a fairly large economic price" link
- **Credit Suisse Analysts:** "If the UK vote to leave the EU, it is likely to entail an immediate and simultaneous economic and financial shock for the UK" link

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Economic Analysis

HM Treasury

- HM Treasury have analysed the impact of Brexit and concluded we would be worse off in all scenarios:

> "If we take as a central assumption that the UK would seek a negotiated bilateral agreement, like Canada has, the costs to Britain are clear. Based on the Treasury's estimates, our GDP would be 6.2% lower, **families would be £4,300 worse off and our tax receipts would face an annual £36 billion black hole.** This is more than a third of the NHS budget and equivalent to 8p on the basic rate of income tax."
> *HM Treasury, April 2016, link*

The CBI/PricewaterhouseCoopers

- PricewaterhouseCoopers (PwC) have warned of the impact of leaving on the economy[1] that leaving Europe could cost the UK £100 billion in GDP and 950,000 jobs lost by 2020.

Oxford Economics

- Oxford Economics have also published a report on the impact of Brexit[2]:

> "The report states that "in any plausible scenario the UK economy is likely to be smaller by 2030", with consequences including a fall in GDP of 3.9%.

LSE's Centre for Economic Performance

- The London School of Economics' Centre for Economic Performance[3]:

> "Our analysis first quantifies the 'static' effects of Brexit on trade and income. In an 'optimistic' scenario, the UK (like Norway) obtains full access to the EU single market. We calculate this results in a 1.3% fall in average UK incomes (or £850 per household). In a 'pessimistic' scenario with larger increases in trade costs, Brexit lowers income by 2.6% (£1,700 per household)"

OECD

- The OECD have also confirmed UK GDP would be hit.

> "By 2020, these effects could shave off over 3 percentage points of UK GDP, with costs equivalent to GBP 2200 per household."
> *Source: OECD,* link

[1] http://news.cbi.org.uk/news/leaving-eu-would-cause-a-serious-shock-to-uk-economy-new-pwc-analysis/leaving-the-eu-implications-for-the-uk-economy/
[2] http://www.oxfordeconomics.com/brexit
[3] http://cep.lse.ac.uk/pubs/download/brexit02.pdf

International Monetary Fund

- The IMF have highlighted the "severe" damage that Brexit would cause:

  "In the United Kingdom, the planned June referendum on European Union membership has already created uncertainty for investors; a "Brexit" could do severe regional and global damage by disrupting established trading relationships"

  World Economic Outlook, April 2016, link