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The UK is sleepwalking into a really dangerous situation. The Remain camp have the advantage in discussion about the economic consequences of Brexit (what the Leave campaign calls "Project Fear"), so Leave arguments tend to be concentrated on immigration. Introducing different arrangements for trade and immigration would probably mean reintroducing the border between Northern Ireland and the Republic, as well as for Gibraltar.

All the main studies, by institutions such as the Treasury, Bank of England, OECD, and IMF indicate huge costs to Britain of Brexit, whose scale depends on whether Britain opted for the Single Market, a free trade agreement, or what is often called the "default option" of the WTO framework. Whatever option is chosen negotiating any trade agreement takes years, creating uncertainty.

The Leave camp want Britain out of the Single Market of the EU, but the Single Market has benefited everyone, including Britain. The Treasury study is the probably the most extensive economic analysis, and suggests that if Britain opts for remaining in the Single Market with an arrangement like Norway or Switzerland, after 15 years the estimated cost to each British household would "only" be about £2600 a year. There is, however, a trade off between more market access and accepting more EU standards and regulations. Against this, much of this legislation, for example, on protection of the environment and fighting the monopoly power of huge multinationals such as Microsoft or Google has been of benefit also to the UK.

The preferred outcome of the Leave camp is thought to be a free trade agreement (like Albania, said Michael Gove, but Albania maintained this was just considered an interim arrangement while it is waiting for EU membership). Canada has been negotiating such an arrangement with the EU for 7 years now (with ratifications being blocked by Romania over visas and by Wallonia over standards). The 2 years deadline of Article 50 of the EU Treaty for withdrawal after notifying the EU would not be long enough. According to the British Treasury, by 2030 switching to a free trade agreement with the EU would involve an estimated cost to every British household of about £4300 a year. Both the Treasury and the Bank of England suggest very high immediate costs due to market volatility.

The Treasury places the cost of moving to a WTO arrangement (like Russia or Brazil) at an estimated £5200 or between 5.4% and 9.5% of GDP per year per household. The Director General of the WTO, Azevedo, has since said that the UK has never been a member of the WTO (which was founded in 1995) so would have to negotiate membership. The last country to do so was Liberia, which became the 162nd member after years of negotiations as these have to cover all aspects of trade.

The EU has 36 trade agreements with 58 countries and the UK would have to replace these. The economic weight of Britain in the world is much less than that of the EU, and outcomes depend on bargaining power. According to the FT, in the case of the USA Obama said Britain would have to go to the back of the queue (I'm sure he said "line"!). Also since 1973 the UK has not carried out trade negotiations. One of the experts in Brussels estimated that Britain would need about 475 negotiators, but only has about 25.

On immigration, the UK has an opt-out of EU policy so the issue in the case of the Brexit vote is immigration from other EU countries. The main EU immigrant groups in Britain are the Romanians, Poles and Italians. If the UK wanted to impose living or working restrictions or limits of use of the National Health and other services for immigrants from other EU countries it would have to negotiate with all 27 other member states together (not individual countries), and arrangements would probably have to be reciprocal. This is not good news for the 2 million Brits living in other EU countries, including the 66,000 in Italy. EU immigrants in the UK tend to be young and have jobs, so most studies find they are net contributors rather than a drain on UK public finances. EU enlargement would not change the picture very much as negotiations with Turkey are stalled and membership is extremely unlikely, while other candidate or potential candidate countries are relatively small.

The net UK contribution to the EU budget is about £8.4 billion a year or only 0.5% of British GDP. The scope for further deregulation of British markets is relatively limited, and Britain already has wide autonomy in deciding policies such as defence, foreign policy, education and so on. Britain has also benefitted considerably from EU programmes on research.

The Leave group argue that the EU needs the UK because the UK has a large trade deficit (perhaps not the best argument if you are trying to avoid volatility of financial markets). But the EU is far more important for the UK (53% of UK imports and 44% of exports were with the EU in 2015), while the equivalent share for the EU was about 10%). The main EU exporter to the UK is Germany and the Bertelsmann Foundation suggests that the negative effect for the UK would be about 10 times as great as that for Germany. Ireland, with about 16% of its exports to the UK (about 40% before EU membership) would be hit relatively hard.

The City would also be negatively affected, with financial institutions based in Britain probably losing their "automatic passport" to operate elsewhere in the EU, where they carry out about one quarter of their operations. Banks and other financial institutions are likely to start moving their activities to Frankfurt and Paris. In a recent opinion poll in the City three quarters of those interviewed were against Brexit.

Sterling is falling, and British investment is already down while firms and households "wait and see". If Brexit wins, the UK may not notify the EU immediately under Article 50 to gain more time, and the next few years will be spent in negotiations and uncertainty.