## Twitter Thread by Robert Colvile





What is startling about Brexit is that even at this late stage - especially at this late stage - literally no one knows what is going to happen. But have bashed out a few rough thoughts on where we are, and what happens next.

At the moment, the likely outcomes seem to be polarising between two extremes, each with its own army of hashtagged usernames on Twitter - effectively no deal or no Brexit.

There is no perfect solution on offer, but if we are going to get a deal which delivers the Brexit mandate (while acknowledging its 52/48 nature), avoids excessive trauma, and satisfies the EU, it requires a leap of imagination - on the EU side above all.

In the macro, it shouldn't be impossible to get a realistic deal. Britain suffers significant but not crippling impairment to its access to the EU market (eg keeping it in goods but not services), there is free movement for workers not all-comers...

...Britain accepts some but not all of the EU's regulatory corpus, can sign its own trade deals, and pays in for areas of continued close cooperation. (You can nudge the sliders on each element up or down according to taste.)

A big problem is that the negotiations have been structured to make such an outcome more difficult to reach. In particular, Britain has been required to make all its concessions up front (esp over Ireland), then beg the EU politely to give it something in return.

(Structuring negotiations so that they lead towards its preferred outcome is, to be fair, one of the EU's key skills.)

It was always clear that the EU had the whip hand in these negotiations. But its position has been increasingly theological rather than pragmatic.

For example, <u>@donaldtusk</u> says an FTA is still on offer. But this is not true. It is on offer to Great Britain, not the United Kingdom. The only all-UK offer is of, in effect, a shoddy photocopy of EU membership, with all of the obligations but precious few of the rights.

Chequers was, for all its flaws, the closest thing you could get to Brexit once you'd signed up to the Irish backstop (discounting the deus ex machina of better border technology etc). Anything else creates a land border or sea border around NI. Neither is acceptable.

The EU rejected Chequers, as it was always going to. But it has not produced a constructive solution of its own. It has merely demanded more concessions from Britain - on top of the concessions already made.

As <u>@HenryNewman</u> points out, the EU is not being an honest broker in this. The bits of the December deal it likes - the Irish backstop - are sacrosanct. The bits it doesn't - the commitment that Britain will leave the single market and customs union - are reversible.

The EU also insists the four freedoms must remain sacrosanct. But Switzerland has a goods-not-services, regulation-by-agreement deal. The US was offered - by Michel Barnier - frictionless trade in financial services. There have been limitations/qualifications on free movement.

No one is pretending Britain has handled these negotiations as well as it could or should have. And we've certainly tried to have our cake and eat it. But the EU's offering a plate with a few scattered crumbs and pretending it's a showstopper from Bake Off.

The extended transition doesn't solve these problems - it buys time, but still points towards no deal/no Brexit unless circle can be squared. And given the limits on what any PM can accept - let alone one with such limited room for maneouvre - that needs to come from EU side.

Either by treating UK plan as a genuine basis for negotiation, or coming up with its own all-UK offer that respects the whole December deal, including the bit about actually leaving the EU.

Otherwise, we're left with various harsher or softer permutations on no deal or no Brexit. (And probably the former at a guess.)