

How Theresa May will face down the European Union



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11 JULY 2016 • 6:00PM



The next prime minister of the UK CREDIT: JASON ALDEN/BLOOMBERG

Theresa May has some breathing space. Instead of fighting a two-month leadership contest, our next Prime Minister can appoint a Government and use the summer to focus on the issues, assuming she doesn't call a snap general election.

She has good reason to avoid time spent on electioneering. Brussels shuts down in August, but in September, 27 EU states will meet without Britain in Bratislava to discuss the future. In October, Britain will attend a meeting of all 28 states. The Government needs to have a negotiating position by then, so Ms May should set up her Brexit department quickly and commission work from the civil service on Britain's bargaining position, the positions of our allies and enemies and what strategic options we have.

That does not mean she need trigger Article 50 any time soon. Starting the formal process to leave the EU gives away one of our few advantages: control over the timing. Ms May could, in fact, wait until late 2017 after French and German elections so that negotiations don't start during the lockdown that always grips the EU in big election years. Waiting will anger hard-liners in Europe, but there's nothing they can do about it.

So far, Brussels says it won't talk until Article 50 is triggered. Ms May should eventually be able to sidestep this absurd decree, perhaps by starting with a relatively simple issue like a reciprocal guarantee for [the status of EU nationals in Britain and that of Brits in Europe](#).

More broadly, the Government must stop the negotiation from becoming a narrow discussion about trade, which the European Commission would prefer, and instead aim for a holistic deal for our relationship with the EU. That is because some of our biggest bargaining chips have nothing to do with trade.

One of Britain's best bargaining chips is in an area familiar to Ms May: our security cooperation with the EU. Our spies help ferret out criminals on the continent and our military is one of only two major defence forces in Europe, alongside France's. Ms May would do well to open conversations on these topics with Eastern European states, which are nervous about Russia.

[We are also a major contributor to the EU budget](#). Rejigging it will be a political nightmare for Brussels, so the UK could win some concessions in return for continuing contributions. Although Brexit will probably bring free movement to an end, the UK could still offer some preferential access for EU citizens.

Our trade deficit might make some EU countries reluctant to risk tariffs by cutting us out of the single market completely. And an implicit threat to turn Britain into a low-tax, loosely regulated competitor on the EU's doorstep might concentrate minds on striking a deal.

Ms May must cultivate [our natural allies in Eastern Europe](#). Many eastern states, like Poland, the Czech Republic and Slovakia (which just took over the EU presidency) share Britain's dislike of Brussels. They are dismayed to see us leave and share a British vision of a union based on trade rather than political federalism. However, their voters also highly value the right to emigrate here.

Other EU states divide into two camps, according to Raoul Ruparel at Open Europe. The pragmatists, like Ireland, the Netherlands, Denmark, Sweden and Germany's Angela Merkel have strong cultural and trading ties to Britain and are open to negotiation. But there are counterweights to them: the punitive, protectionist instincts of France, Luxembourg, Belgium, the German socialists and EU institutions.

Several elections and referendums in the next year could shift the landscape. Ms May will need to act like a master statesman to boost the influence of our friends and neutralise the others. She ought to enlist American influence to help: the US has good reasons to stop its closest European ally from being frozen out.

Even if Ms May plays Britain's hand skilfully, however, success is not guaranteed. All 27 countries in the EU will have to ratify its deal with Britain. That's a lot of banana skins.