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Instead of wasting time trying to replay Project Fear, banks must help us get the best deal from Brexit

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Unlike most people, I like bankers. We should be happy that so many are based in London, and that the City is one of the world's great financial centres. As long as financial firms are properly managed, well capitalised and easily resolvable, it's a case of the more the better, as far as I'm concerned: the jobs and tax revenues they generate for this country are great.

Until a few months ago, this was a deeply unfashionable position. At the height of the credit crunch, I used to get immense amounts of flack for saying this sort of thing, especially when I went on TV trying to rebalance the debate about the causes of the financial crisis. It became pretty hairy on at least one occasion: the swivel-eyed, demented and irrational hatred was hard to fathom.

But trade-offs are inevitable. The idea that the UK should give up on Brexit because a few thousand banking jobs may (or may not) end up being lost is not just ridiculous but deeply insulting too. The fact that so many Remainers – many of whom used to hate the City and campaigned to shrink or even ban what they called "casino banking" – are now so fixated with this one issue demonstrates just how politically clueless they have become. By aligning themselves with such people, the City and its pressure groups risk shooting themselves in the foot.

Brexit is a historic decision about who governs our country. Set against this, the fact that Lloyd's of London could lose 5pc of its business under a clean Brexit with no new trading deal unless it creates a EU-based subsidiary is neither here nor there. It barely registers in the overall cost/benefit analysis; companies often lose or gain that sort of volume of business in one single year.

All of this helps to explain why the City has lost most of its erstwhile free-market allies on the British centre-Right. The last attempts by some quarters to engage in Project Fear-style loud, public propagandising is increasingly being seen as a deliberate attempt at undermining government policy – not a course of action that the May government appreciates or forgets easily.

So what do we know? Any job losses here would be caused by EU protectionism: if the UK is able to strike a proper deal with the EU, then there could be zero changes to access and zero job losses. If the UK isn't able to do so, equivalence rules may be enough to maintain most access, but there could be some job losses (in my view, 10,000 would be a realistic maximum under a worst-case scenario).

Because of the possibility of no deal, some banks may rent offices in the eurozone and hire or move a few people this year already as a precaution. The view, still prevalent a few weeks ago, that the City will be mortally wounded if May is forced to walk away with no deal is fortunately nonsensical. Some who should know better are still screaming about massive job losses; such people need to realise that they are destroying not just their own credibility but also that of an industry that has specialised in crying wolf for years.

Fortunately, most City leaders have moved on and now acknowledge that London will remain Europe's dominant financial centre whatever happens. Jes Staley, boss of Barclays, argues that the hit would be "on the margins". Stuart Gulliver, boss of HSBC, says that any Brexit loss would be recouped by the City in two to three years. Roughly 20pc of his UK investment banking operations are governed by the relevant EU rules, so that would be the maximum share of that business (and maybe 1,000 staff) that may have to move if the EU goes full-on protectionist and refuses to strike any sort of deal once we leave the single market.

All bond and equity trading and underwriting would remain in London. Speaking to Bloomberg in Davos, Goldman Sachs's Lloyd Blankfein was equally measured: he said that any job losses would "depend … on how things work out. It totally depends on a treaty that's not even in draft form." He said that the impact so far was that fewer jobs were being transferred to London.

It is also crucial to retain a sense of proportion: far more jobs have been lost in recent years as a result of the cutbacks to bloated bank balance sheets than anything we will realistically see as a result of Brexit.

Banks need to start behaving like other companies and understand that they need to make peace with the public. They need to sound positive, explain that they like being in London and that they will do their very best to keep job losses to the minimum necessary to comply with any EU protectionism.

Above all, bank bosses need to stop sounding boastful or gleeful when referring to the possibility of job cuts. No other industry would dare to behave in this way, for good reason. Instead of wasting time trying to replay Project Fear, they should lobby European governments and industries, explaining that their ability to raise funds would be severely impaired if they cut themselves off from the City.

They should lend some of their technical expertise to the Government, helping it craft the right draft deal to maintain access to the EU while extending proposed trade deals with other countries to financial services. The Government has pledged to maintain the UK's competitiveness if the EU refuses to do a deal and we end up reverting to WTO rules: the City should make its case that this should mean loosening key rules and slashing taxes, cushioning the blow. Brexit is happening; the politics is settled.

The devil is now in the detail, and the City's role is to do its best to help the Government clinch the best possible deal.