

The lady is not for turning as Tories aim to 'plough on' with Brexit plans despite election result



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15 JUNE 2017 • 9:34PM

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Many backbench Tories are uneasy with the Prime Minister's plan

There is no sign of retreat. Perhaps that will change but, for now, the Government position on Brexit [appears to be "plough on"](#). There is an inexorable logic to this decision. The staunch Brexiteers in office are afraid of opening a can of worms by triggering any kind of leadership contest. They won the argument in Cabinet before the election and their best hope for executing it is to seize the initiative now, before their opponents can get organised.

The problem with this strategy should be obvious. [Brexit](#) isn't a momentary decision or a single bill. It's not like a box that can be closed one minute and opened the next. It is more like building an enormous cathedral over many years. The architects of one particular plan might be very keen to get started, but if they forge ahead without checking everyone is on board, their chance of success is extremely low.

In Brexit's case, the masons, carpenters and painters reside in Parliament. Brexit cannot be implemented properly without passing laws. And whereas the definitive result of the referendum had pushed both chambers of parliament into a quiescent state, making them

ready to fall into line in spite of their strong pro-Remain tendencies, the inconclusive election result has reawakened the spirit of rebellion. Many backbench Tories are uneasy [with the Prime Minister's plan](#) and although Labour's manifesto outlined a similar approach, that position commands little support among MPs.

In short, the Government's original plan has become unworkable. Many Brexiteers do not yet see it that way, imagining they might be able to ram a deal through Parliament by presenting it, at the last minute, as the only alternative to no deal at all. But because of the many new areas of law Britain plans to take back from Brussels, Brexit requires Parliament to pass a series of bills – on immigration, fisheries, agriculture and so on – and MPs cannot therefore be held to ransom at the eleventh hour.

The decision to press ahead obliviously is fraught with risk. [Negotiators in Brussels](#) will be entitled to question whether May can actually deliver any promises or concessions she offers, and will also wonder why they ought to give any ground when it's not clear if Parliament would vote through any deal. This heightens the risk of the talks collapsing.

For businesses, this is a nightmarish cocktail of political risk. Everything suddenly seems to be back on the table, from a "hard" Brexit with no deal to none at all. Those hoping that Brexit can now somehow be averted are ignoring the toxic electoral politics of such a move but, equally, Brexiteers who think nothing changed last week are in for a surprise.

The simplest way out of the current mess would be for Theresa May to seek [a transitional arrangement](#) that buys more time for both politics and business to adjust. She would probably have had to do so anyway, because it is unlikely that a comprehensive trade agreement could have been finalised in the next 18 months. Her shaky support at home makes a transitional arrangement even more important as a way of creating parliamentary consensus and protecting the economy from an unnecessarily sudden shock.

There is only one obvious, ready-made template suitable for a transition: joining the [European Economic Area](#). This would not yet allow the Government to deliver on its immigration promises, but would set Britain on a smooth path out of the EU while we get our house in order and negotiate the finer details of whatever our new relationship is.

Joining the EEA would require the permission of its current non-EU members – Norway, Iceland and Liechtenstein – but assuming they can be persuaded, it is the obvious halfway house. Shunning the EEA and seeking just to join the European Free Trade Association, as some Brexiteers advocate, isn't actually much simpler than going for a fully complete Brexit, because in order to maintain full market access it would be necessary to negotiate a lot of bilateral agreements with the EU, as Switzerland has done.

EEA membership, by contrast, is relatively straightforward. It allows unfettered market access in return for an agreement to obey whatever regulatory diktats come out of Brussels. Britain would get back control of home affairs and could request, separately, to remain part of the customs union until we are ready to sign our own, new trade deals and work out a new tariff schedule.

Before any Remainers get too excited by the prospect of this [watered-down Brexit](#), however, it should be made clear that EEA membership is not a permanent solution, as a permanent arrangement it is the worst of all worlds, requiring obedience to Brussels but allowing no input into its rule making. The fact that it denies the Government the ability to control immigration will also be unacceptable to voters in the long-run.

It makes sense, therefore, to set a clear time limit on the transitional arrangement. Five years, extendable by mutual agreement, should allow enough time to work out a proper long-term trade agreement between Britain and the EU, while giving businesses and investors time to understand and adjust to the changes.

Most Brexiteers understand that Brexit cannot be pulled off in the blink of an eye. Their fear that it might never happen does not, however, justify a headlong rush into the unknown when there are better ways to approach it.

Voters have forced the Government's hand and it is no longer possible for May to set her own pace and priorities. Parliamentary involvement might be annoying and inconvenient, but there is now no way around it. The Government will negotiate more effectively if it recognises its new situation at the outset, rather than facing a crisis later when it can't deliver on its promises.