

Going the last mile — Brexit myths and truths – Japan Times 16.12.20

The European Union has trade deals of various sorts with seventy-five other — or so-called third countries — and five more under negotiation. It is astonishing that the U.K., physically the EU's closest big neighbor and the second largest economy in the European geographical region, still cannot be one of them.

So what exactly is the hold-up? The uncertainty is excruciating and highly disconcerting for major industrial concerns that have invested in British manufacturing to have good access to the whole European market, of which Japanese corporations are prominent examples.

Britain, although at its height in the past was a wider oceanic power, has always been a key part of the tapestry of European history and culture, and remains linked — treaties or no treaties — by a thousand arteries. That negotiators cannot overcome a few obstacles leaves the public bewildered. Clearly, in the words of the British Prime Minister Boris Johnson, there has been “a failure of statecraft.”

Should there be surprise that it has all proved so difficult?

At one level, yes. A compromise trade deal, giving open access to the EU single market, but with some restraining conditions attached, should surely have been easy to arrange between these two parts of Europe. And in fact, many technical and practical arrangements have been quietly sewn up, such as between airlines, tourism agencies, key business sectors and port handling provisions.

Many of the supposedly insoluble issues have also been almost solved. The status of Northern Ireland has been agreed on — staying within the United Kingdom but with some EU customs checks on goods crossing the Irish Sea from the British mainland. And the fisheries issue — who fishes in whose waters — in the end is open to sensible compromise and has been all along.

But at a deeper level it becomes clear why the two sides still remain, in Mr Johnson's words, “far apart.” This is because just beneath the surface emotions and psychology have taken over, and above all, because some deeply fallacious notions have seized hold on both sides, poisoning the entire scene.

Here are four of the major myths and delusions, each one based on a mixture of fear and sheer intellectual ignorance, which are dragging the negotiations on from deadline to deadline, to everyone's utter frustration.

The British foreign minister can be heard asking plaintively why the EU cannot treat the U.K. “like any other country.” That he says, echoing the prime minister, is “all we are asking.” But every schoolchild knows that the U.K. is not just any other country. It is a central part of Europe's past, present and future, both economically and culturally. The thinking behind the question is erroneous. It is founded in historical ignorance and misunderstanding.

The of the European Commission, Ursula von der Leyen, keeps speaking about a level playing field of EU trade president rules and regulations to which the U.K. must adhere if it is to have EU market

access. She and her chief negotiator, Michel Barnier, insist on automatic sanctions if the U.K. deviates from these sacred standards. Yet have these distinguished EU Commission leaders not realized that this ill-informed fear of the U.K., as a cheap labor zone and cowboy financial center, is based on pure myth? The facts tell the opposite story. In reality the U.K. is one of the least subsidizing and most carefully regulated areas of Europe. All businesses of course need a helping hand during the pandemic and every government is doing what it can. But in more normal times it is in southern EU states where the funds are channeled into favored business on an American pork barrel scale.

Political leaders on the British side assert that if there is no deal then the U.K. will be free to do exactly what it wants in the way of law-making and trade policy. It will be able to, according to the popular phrase, “take back control.” This is myopic nonsense. In fact the U.K., like most other democracies that want to participate in open trade and be globally responsible, is bound by thousands of trade agreements and standards — and a vast web of international laws that inevitably constrict, control and define what measures can be passed domestically. Unless it wants to become a hermit kingdom, the U.K. can never do exactly what it wants. It’s called compromise, which is the essence of democracy. It is also basic self-interest.

Negotiators on both sides of the English Channel keep speaking of any deal being “final” and settling “forever” trade relations between the U.K. and the rest of the EU.

Have they not read Moore’s law, which states that the capacity and speed of microcircuits doubles every two years?

In five years the U.K. economy and trade base will just not be the same. And in five years’ time the EU, which is based on a 20th century obsolete model, will have quite different dynamics. Its eastern members are already detaching themselves from the old system.

European influence is, anyway, declining as Asian power rises, requiring a quite new approach to avoid being squeezed between the primitive rivalries of America and China.

These ill-informed notions are dominating what ought to be a common approach to new European challenges, posed not least by the current global pandemic and the looming climate threat.

It would be laughable if it was not so damaging to see trade policy throughout Europe distorted by such poor understanding of the real forces shaping our world today. The Anglican prayer-book calls on us to pray for the wisdom of those “set in authority over us.” Prayers are now badly needed.