

## EU White Paper 23.07.18

### Lord Howell of Guildford – Speech to House of Lords at 23.00 at end of 7 hour debate

ML, My Lords,

At the risk of being labelled an absurd optimist, I am in some ways very encouraged by the debate that we have been conducting all this afternoon and evening. Why? It is because it has made all the dead ends, blind alleys and disaster scenarios which lie ahead much clearer. It has therefore made the need—the absolute necessity—for a compromise of some clever kind much more essential and clearer as well. When we hear all the awful alternatives to the Chequers Plan – a second referendum? crashing out chaotically? cancelling Article 50 and crawling back asking to rejoin the EU? a Tory leadership struggle? another General Election? a Marxist Government taking over? – then we know that that there is in hard pragmatic practice no alternative to the White paper and the present course. . TINA is back with a vengeance, like it or not

. That was obvious not only from the negative speeches about the White Paper, of which we heard plenty, but also from the positive ones such as those from my noble friends Lord Bridges and Lord King, the noble Lords, Lord Boswell and Lord Taylor, and several others. Theirs were voices of logic and common sense on the point that we have been driven to amid all the cascade of criticism and uninspired gloom, from every angle and viewpoint, which we heard regularly throughout the debate.

My second reason for being encouraged instead of cast down is that whatever the diehards and extremists on either side tell us about the EU standing rock-solid firm, about how its four freedoms cannot be challenged and how it is bound to reject the White Paper, I hear the real voice of Europe sounding a very different note.

This morning, we heard a German Minister saying how the Chequers plan was a step forward and how Germany was anxious to meet it. Last week the *Financial Times*, where most stories are usually slanted almost comically against Brexit, carried a letter from a Polish authority reminding us of the reality: that the famous four EU freedoms and principles are certainly now much more an aspiration than a reality. That article in the *FT* said:

carried a letter from Poland reminding us of the reality – that these four famous EU free movement principles, are certainly now more aspiration than reality.

I quote ‘The European Commission states that unfree services amount to almost 40% of Union GDP. Capital flows are famously imperfect, myriad barriers block the free exchange of goods’.

As for the free movement of labour we see now that borders are being closed between member states, as Central Europe – and now Austria - simply reject Brussels rule’

Why is all this important? Because it tells us that those who insist the EU will ‘never’ accept the British plan, and will not compromise their sacred freedoms when confronted with a clear British compromise, are likely to be quite wrong.

This kind of blinkered view takes no account of the immense changes going on inside the EU, nor of the immense changes of recent years in the whole pattern and nature of international commerce.

ML, Technology is now racing ahead and leaving politics far behind. The proposed common rule book – which causes the hard-line Brexiteers such agony - covers a diminishing area of UK-EU trade, of which in turn only a tiny proportion – 4 percent at the most – will be checked at border posts for tariffs and destination, , if that.

As for the so-called EU single market in services - this has never really taken off. The rules governing services and data and digital exports are anyway global, as is the market for them. The White Paper is quite right to keep them clear of EU restrictions - except for financial services where a special arrangement to help *all* European interests is entirely achievable.

ML, The whole body politic in the UK, and the hysterical media commentariat, have become obsessed with a polarizing issue – in or out of the Customs Union - which in the real world is only marginal.

As for talk of Britain becoming a vassal state or colony, or in limbo, this gets the situation completely upside down. It implies that the EU is an empire, to which we would be in vassalage, which right now with the EU hard pressed to hold together at all, is just about as far from the truth as one can get.

But not only that, it seriously downgrades and underestimates the capacities and strengths of the British nation – which anyway has not been a vassal since the time of King John and will never again become one. The whole concept is a ridiculous notion.

ML, In a totally transformed international order Britain now needs a sensible, friendly and constructive accommodation with continental Europe, with which we have been deeply engaged for the last 1000 years and will always remain so.

There never was a prospect of the ‘clean break’ with Europe– that really was a dream – anymore than there was a prospect of a permanent break with the Commonwealth network back in the ‘seventies - to which we are now at last mercifully returning, as we realize where our friends and our markets are going to be , and as we find new networks to take us deep into booming Asia and rising Africa.

ML, My hope (which I believe is well within reach of realisation) is that Brexiteers and Europhiles alike - and all those on the benches opposite who want to put – in the N.L. the Labour leader’s fine words the other day - ‘national interest before party interest’ – will come to their senses. That wise advice from the N.L. applies just as much to her own party as to ours.

ML, We should be confident enough and united enough to bring the same message to Brussels. The ‘no deal’ scenario is probably a lot more manageable than the scare stories allow. In practice there will always have to be a deal or arrangement of some kind.

I accept that a No-Deal outcome would all the same be economically uncomfortable and hurtful for us and for Europe as a whole. The far better way is to recognise that the White Paper offers a clear pathway forward out of the current political maze, AND a workable compromise this side of the Channel.

This should now be matched by compromise the other side of the Channel - which the EU authorities and member states, the great economies and the great peoples of Europe would be foolhardy – to put it at its mildest - not to buy into and accept.

That is the optimistic note on which I wish to end this evening from the Back Benches. Let us now see whether we hear the same optimism from the Front Benches.

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