

The Brexit negotiation. Don't believe everything you read in the media. (Not that you would anyway.)

A week ago, Article 50 had not been moved. As a new week begins, it finally has been. This means that we now move into the negotiation proper between Britain and the EU27. Which makes this as good a time as any to say: don't believe everything you read about it in the media.

Leaks and briefings are the stuff of which political journalism is made – and thank goodness for that. Where would ConservativeHome be without it? But one be more than usually suspicious, during the weeks ahead, of being stampeded or spun, for three good reasons.

First and inevitably, Ministers will seek to manipulate public opinion. That is par for the course. But take what you read with a handful of salt – particularly if it involves threats to pull the plug on or walk out of the negotiation. Ministers know that Brussels and the EU27 read our newspapers. What they brief will be part of the game of bluff and counter-bluff. [We saw that last week](#) with the to-and-fro over security policy.

Second, there will be genuine leaks at our end. [Today's Sunday Telegraph story](#) about a Cabinet committee discussion of that policy, apparently based on leaked minutes, looks like one such, though one cannot be sure.

Third, Eurocrats and EU27 Ministers will seek to manipulate public opinion, too. For while our Ministers will feed information to journalists, they will want to keep most of their negotiating position under wraps: remember how long it took Theresa May to deliver [her big speech setting out the Government's position on Brexit](#). Our interlocutors will have no such inhibitions. They will brief anyone willing to listen about May's position, if they think it is in their interest – and garnish what they deliver with their own threats and counter-threats. The BBC, the *Guardian*, the *Financial Times* and Remainers everywhere will lap it all up.

Fourth, tales will surface that are, frankly, triumphs of wishful thinking. We hate to single out particular instances, but today's [Sun on Sunday yarn suggesting the return of blue passports post-Brexit is unsupported by its contents](#).

Fifth, stories will appear whose projection is more impressive than their content. The rumpus over Gibraltar is a classic. If Spain wants to use its veto over the matter, or push for support via QMV, or both (depending on what sort of deal is under discussion), it will – at considerable cost to its own growth, by the way. If it doesn't, it won't. What Donald Tusk put about Gibraltar in his letter is simply one of the negotiation's opening shots.

It is this site's duty to link to anything significant reported each morning

in our newlinks. If we're not entirely convinced by it, watch for the use of "appears" or "claims", or the swathing of entire chunks of texts between quotation marks.

We are no more or less prone to being spun, or caught up in the excitement of the moment, than is anyone else. But we will try to keep a cool head during the two years or so ahead, especially since the negotiation is unlikely to begin in earnest until the autumn, when the French and German elections are over.

[Newlinks for Saturday 1st April 2017](#)

Government accuses EU of trying to inflame Gibraltar dispute...



"The centuries-old dispute over Gibraltar is threatening to halt Brexit negotiations after the EU yesterday backed Spain's claim to the British territory. Brussels chiefs sparked a diplomatic feud yesterday after including a veto for Madrid over the Rock's future in their list of Brexit negotiating demands. UK politicians accused the EU of orchestrating a 'shameful' attempt to inflame the historic territorial wrangle. Despite Theresa May's insistence that Gibraltar would not be used as a political pawn, the EU said Spain should be given a say over any future decisions relating to the territory." – [Daily Mail](#)

- Spain charged with making a grab for 'the Rock' – [The Times \(£\)](#)
- What Gibraltar means for the UK and Scotland – [The Scotsman](#)

Scotland:

- Sturgeon threatens 'campaign of disruption' – [The Times \(£\)](#)
- First Minister sends letter seeking referendum – [FT](#)

Comment:

- The First Minister's guerilla strategy undermines May in Brussels – Alan Cochrane, [Daily Telegraph](#)

...as Johnson backpedals on security cooperation

"Boris Johnson insisted yesterday that Britain's commitment to European security was "unconditional" amid a mounting backlash over Theresa May's link between continued co-operation and a favourable Brexit deal. European leaders have widely condemned the prime minister for connecting security co-operation and trade in her letter to the European Union triggering Article 50. Mrs May made the connection 11 times in the letter and repeated it in articles in seven European newspapers, noting that the victims of last week's Westminster attack included nationals of other EU countries. European leaders accused Mrs May of threatening to withdraw co-operation crucial for the safety of the Continent if they did not bow to her trade demands." – [The Times \(£\)](#)

- Exports boom as Britain becomes fastest-growing developed economy – [Daily Mail](#)
- What has the EU done for the UK? – [FT](#)
- Neil skewers Smith over gloomy Brexit forecast – [Daily Express](#)

Comment:

- Why is it fine for Brussels to threaten Britain, but not for May to state mere facts? – Asa Bennett, [Daily Telegraph](#)

David Davis, Britain's Brexit street fighter



"This time David Davis cannot afford to mess it up. The man who blew his chance to lead the Conservative party and then threw away a prospective cabinet career finds himself entrusted with the most sensitive political task in a generation: delivering Brexit. The cliff edge that has always seemed to fascinate him lies ahead. Mr Davis has waited a long time for this chance. At the age of 68, a politician whose time appeared to have passed now holds Britain's economic and political future in his hands. But this time, to the surprise of some, the Brexit secretary seems determined not to squander his shot at history." – [FT](#)

- 'Great Repeal Bill' will create sweeping powers to change laws – [The Guardian](#)
- Trade talks in October if you sort out money and migrants, May told – [The Times \(£\)](#)
- EU officials set sights on 'orderly withdrawal' – [FT](#)

- Tusk's sets out his ten red lines for a deal – [The Times \(f\)](#)
- Europe moves to bar Britain from axing red tape – [Daily Telegraph](#)
- Confidence in delivery of new customs system 'collapses' – [The Independent](#)
- Irish MEP says UK shouldn't be punished but must show respect – [Daily Express](#)

Immigration:

- Government's migration target 'all but dead', say senior Tories – [The Sun](#)
- EU nationals won't have same access to work or NHS, says Gove – [The Sun](#)

Comment:

- The Article 50 letter should have been only one or two paragraphs long – David Allen Green, [FT](#)

David Laws: Britain has a steely negotiator in May, as the Liberal Democrats discovered

"Mrs May is also a person who is direct and straightforward to deal with. She generally avoids the silly political games which are designed to look clever, but which can often only irritate opponents. And she is rarely attracted to political and policy gimmicks, which win one day's favourable media coverage, but unravel shortly after. Finally, this piece of advice: Mrs May is not one of the world's great delegators. In government, she probably shared information and responsibility less with her Liberal Democrat and Conservative colleagues than in any other part of government. So forget Boris Johnson. Forget David Davis. Forget Liam Fox. This will be Mrs May's negotiation and she – and only she – will speak for Britain." – [Daily Telegraph](#)

- If May does go for a soft Brexit it could yet tear the Tories in two – Peter Osborne, [Daily Mail](#)
- Brexit doom-mongers are holding us all back – Janice Turner, [The Times \(f\)](#)
- Enough Remainers remain to put a spanner in the works – Charles Moore, [Daily Telegraph](#)
- Stop the chest thumping: successful negotiators build trust – Jonathan Powell, [FT](#)
- Repeal Bill will give the Tories a free hand, and we can only watch – Sam Fowles, [The Guardian](#)

Editorial:

>Today: ToryDiary: [If Britain needs a new party, we'll only find out after Brexit](#)

>Yesterday:

Kremlin critic praises May for standing up to Putin



"A multimillionaire who campaigns against Russian corruption has praised Theresa May for her tough stance against Vladimir Putin. Bill Browder, 52, said that previous prime ministers were naive "fancy public schoolboys" seduced by the luxurious lifestyle of the Russian president and his associates, but that Mrs May was "a vicar's daughter who is not taking any shit from the Russians". Mr Browder has accused Mr Putin of the assassination of political rivals to cover up state-sponsored corruption." – [The Times \(£\)](#)

- Fallon claims Russia's worldwide meddling is a threat to Britain – [The Sun](#)

Comment:

- Be thankful for a Prime Minister who tells it straight – Clare Foges, [The Times \(£\)](#)

>Yesterday: Gagik Tsarukyan in Comment: [Britain shows Armenia the path to prosperity](#)

Fallon won't rule out cuts to Royal Marines

"Defence Secretary Sir Michael Fallon yesterday refused to rule out axing Royal Marine numbers – amid claims 200 could go. Insiders confirmed reports that plans had been drawn up to reduce the size of 42 Commando, cut overseas training, and re-role it from a frontline Commando unit to a training outfit... Under plans – that are yet to be enforced – Plymouth based 42 Commando will stop being one of three high readiness infantry outfits along sister units 40 and 45 Commando. Instead they will be re-roled to provide training exercises – including playing the enemy during war games." – [The Sun](#)

- Cutting Marines a threat to Special Forces, ex-officers warn – [The Times \(£\)](#)

More defence:

- Defence Secretary announces £90 million support for new F-35 fighter – [The Sun](#)
- UK defence role lies with the US, insists Fallon – [The Guardian](#)

Hunt to ban 'ambulance-chasing' law firms from advertising in hospitals



"Hospitals are set to be banned from letting ambulance-chasing lawyers advertise on wards and in waiting rooms. The Health Secretary will introduce fines for trusts that continue to allow law companies to distribute flyers on their premises. Jeremy Hunt said he was becoming 'increasingly concerned' at how lawyers are 'intimidating' patients and families. He also paid tribute to the Mail for exposing the 'aggressive and opportunistic tactics' used by these firms to win new business." – [Daily Mail](#)

- Ban on nurses working agency shifts is dropped after protests – [The Times \(£\)](#)
- NHS chief abandons waiting time targets for non-emergency surgery – [The Independent](#)

Comment:

- Four radical ideas that really would save the NHS – Kate Andrews, [Daily Telegraph](#)

Javid condemns developers using Help to Buy to trap people in punishing leaseholds

"Developers are abusing the Government's flagship Help to Buy scheme by selling new-build homes with punishing leases. By the end of last year, leasehold houses made up 15 per cent of properties in the taxpayer-funded project. But the arrangement means buyers do not own their home outright and are forced to pay yearly ground rent to the freeholder – with some fees doubling every decade... Communities Secretary Sajid Javid this week criticised the 'practically feudal practices' of developers who build new houses and sell them as leasehold and is planning a clampdown." – [Daily Mail](#)

Hilton joins campaign for Osborne to resign from the Commons





“Steve Hilton, the former No 10 strategist, backed a crowdfunding campaign yesterday to force George Osborne out of the Commons. The former Downing Street guru, known for his blue-sky thinking, had a fraught relationship with Mr Osborne when the pair worked alongside David Cameron. Mr Hilton left his role as strategy director in 2012 as tensions escalated. Despite a close friendship with Mr Cameron that went back to the 1990s, Mr Hilton proceeded to criticise his former boss’s policies and manner of governing. Now he appears to have turned on Mr Osborne. He linked on social media to the fundraising campaign, which is calling on the Tatton MP to give up his seat now that he has accepted the editorship of the *Evening Standard*.” – [The Times \(£\)](#)

- Cameron starts to ‘put some hay in the barn’ on £120,000-a-time speaking circuit – [Daily Mail](#)

Warsi wants Britons who fight for Israel prosecuted

“British citizens who volunteer for the Israeli army should be prosecuted like others who fight for foreign forces, according to Baroness Warsi. The former Senior Minister of State for Foreign and Commonwealth Affairs said people should only be legally allowed to fight for the state they are a citizen of. It is currently possible for anyone to join the Israel Defence Force (IDF) through the “Mahal” program if they meet specific background and age requirements. But while people fighting for various foreign forces have faced prosecution upon their return to the UK – including some who claim to have been opposing the Assad regime in Syria – those who temporarily join up with the IDF have not. Baroness Warsi said the UK government’s current policy on the issue was not “brave enough”. – [The Independent](#)

Fresh poll blow for Corbyn





"Jeremy Corbyn is less popular in London than the leader of Ukip despite the capital having voted strongly for Remain in the referendum. The Tories, meanwhile, have closed the gap with Labour under his leadership in the capital. A poll of London voters by YouGov found that Mr Corbyn is the least popular of all the national party leaders. The overwhelming majority of 2015 Labour voters in the city believed that he was doing a poor job, with 60 per cent saying he was doing badly and 25 per cent saying he was doing well." – [The Times \(f\)](#)

News in Brief:

- Fifty grammar schools change admissions to favour poorer pupils – [Daily Mail](#)
- Taxpayers' £31 million debt to Google – [The Times \(f\)](#)
- Venezuela's Supreme Court shuts down parliament – [Daily Telegraph](#)
- Trump demands solution to US trade deficit with China – [FT](#)
- Le Pen's request for a £2.6 million loan from Russia – [The Sun](#)
- Biggest rail spending cuts since the crash 'could endanger lives' – [The Independent](#)
- Expenses watchdog accidentally leaks salaries of MPs' aides – [Daily Mail](#)
- Congress set ablaze as riots sweep Paraguayan capita – [The Guardian](#)
- Spending on Scottish pupils falls by £1bn in seven years – [The Scotsman](#)
- Northern Irish parties invited to 'intensive' talks to restore devolution – [Belfast Telegraph](#)

[Newslinks April 2017](#)

If Britain needs a new party, we'll only find out after Brexit

In this week's *New Statesman*, [George Eaton's cover piece](#) is a call to arms for 'liberal Britain' to find some vehicle – any vehicle – for opposing

Theresa May's Conservatives whilst Jeremy Corbyn is busy irradiating Labour.

Remarkably, he revealed that "a close ally" (often, but not always, code for "the man himself") of George Osborne has been going around pitching the idea:

"A week after the EU referendum, the Liberal Democrat leader, Tim Farron, was taken by surprise when a close ally of George Osborne approached him and suggested the creation of a new centrist party called "the Democrats" (the then chancellor had already pitched the idea to Labour MPs)."

Further down we find Anna Soubry (quelle surprise...) basically saying that she's on board as soon as someone can get it off the ground: "If it could somehow be the voice of a moderate, sensible, forward-thinking, visionary middle way, with open minds – actually things which I've believed in all my life – better get on with it."

Such talk will surely gladden the hearts of men such as Stephen Daisley, who has [in the Spectator called](#) for a caucus of 25 or so patriotic Europhiles to resign the Conservative whip and give the legislature control of the Brexit process (although they have yet to muster to many rebels on even a single vote).

Nonetheless the challenges to setting up a new party are formidable. Set aside the hurdles erected by our electoral system – they've been overcome before, as any Liberal will tell you. Ask instead: what would a new party actually be for? Who would it serve?

British party names usually denote a philosophy, like 'Conservative' and 'Liberal', or a sectional interest such as 'Labour' or 'Scottish National'. 'Democrats' basically describes everybody, and so doesn't really describe anybody.

Such a bland name speaks to the fact that it's far from clear what the various bits of the ancien régime are supposed to unite around. They may have all found themselves on the same side during the Brexit referendum, but that doesn't mean that there aren't real differences between them. Liberalism can only claim so much political territory – to supplant Labour a new party would have to reach out left or right, and that's where the problems kick in.

An obvious answer to the sectional interest point might be 'the 48 per cent', but it can't be stressed enough that this just [isn't a bloc of coherent interests](#) on which to build anything so permanent as a party, let alone a wholesale realignment of the party system. Nor are the 52 per cent. If you doubt it, just see how [the latest NatCen research](#) is exploding the myth of a united and outraged 'Remain Scotland'.

The referendum seems to have set something in train, certainly, but apart from a period of Tory hegemony it's not yet clear what that is. As Tony Blair once put it: "The Kaleidoscope has been shaken. The pieces are in flux. Soon they will settle again." But they may not settle soon enough for Osborne and co.

It seems probable that any new party, should one emerge, would be much better

for coalescing once the fault-lines of post-Brexit British politics are clear, rather than being cobbled together on the fly to conduct a Europhile rearguard action during the negotiations. A successful new party must be forward-looking; one created to 'hold the Government to account on Brexit' would be fundamentally nostalgic.

There's certainly space for a larger liberal party, now that the liberals who until recently ran all three of the major parties may need to settle for just the one. But actual liberalism is very rarely a mass-market product and it's not clear why that tendency will result in anything other than a somewhat restored Liberal Democrats.

But you never know. British politics seems to divide itself up into eras defined by the lifespan of whichever party isn't the Conservatives, punctuated by periods of Tory dominance as their opponents find their new shape. We see that pattern between the fall of the Liberals and the rise of Labour, and between the last 'Old Labour' administration and the rise of New Labour.

No party rules forever, and it's more likely than not that when this Conservative administration does leave office it will bequeath it to a new-look opposition of one sort or another. But just as you couldn't see the Attlee Government from the 20s, or the Blair one from the 80s, we probably can't see that new movement from here.

[Newslinks for Friday 31st March 2017](#)

Brexit: Davis says Britain will scrap EU 'Charter of Fundamental Rights'...



"EU rules blamed for making it harder to keep out foreign criminals and terror suspects are to be axed as part of a bid to restore sovereignty to the UK. David Davis told MPs that the vast majority of EU laws would be transferred on to the statute book in a Great Repeal Bill designed to ensure a 'smooth and orderly' Brexit. But he said ministers would take the opportunity to ditch the controversial Charter of Fundamental Rights, which has been blamed for hampering the fight against crime and terrorism." – [Daily Mail](#)

- Brexit Secretary accused of 'power grab' over EU law – [The Times \(£\)](#)
- Ministers and businesses line up against 'bonfire' of rules – [FT](#)
- Top judge warns that Government may get dragged back to the Supreme Court – [The Independent](#)

Opposition:

- Remainers plan 'legislative warfare' and fresh legal challenge to Repeal Bill – [Daily Mail](#)
- May faces battle with Remoaners over fate of EU legislation – [The Sun](#)
- Sturgeon threatens to block Bill if powers aren't devolved – [Daily Telegraph](#)

Law:

- Legal battles will rise after 'copy and paste' of statutes – [The Times \(£\)](#)
- European Court of Justice rulings will still carry weight – [FT](#)

Analysis:

- The Repeal Bill white paper is not bad, but flimsy – David Allen Green, [FT](#)

Editorial:

>Yesterday:

...as Fox 'seething' at exclusion from inner circle

"Liam Fox has been locked out of Theresa May's inner circle on Brexit negotiations, No10 announced last night. The International Trade Secretary has not been asked to join the PM's new Cabinet committee on how to carry out the high stakes 'Article 50' exit talks over the next two years. Dr Fox was said by one Whitehall insider to be "seething" about the decision last night. The prominent Leave campaigner is the only one of the Three Brexiteer Cabinet ministers with specific EU exit-related jobs to be excluded. The PM will chair meetings of the ultra-tight group of five, officially known as the EU Exit and Trade (Negotiations) sub-committee." – [The Sun](#)

- May celebrated Article 50 by dining with Johnson – [The Times \(£\)](#)
- Prime Minister writes in EU newspapers – [The Sun](#)
- Britain calms nerves over security cooperation – [The Guardian](#)

Europe:

- Hollande backs Merkel's snub to trade talks – [The Times \(£\)](#)
- EU blasted for failing to deal with worsening migrant crisis – [Daily Express](#)

Analysis:

- Wishful thinking won't deliver the deal there is to be done – Tim Harford, [FT](#)
- If May pays the EU £50bn, the backlash will drown out the deal – Asa Bennett, [Daily Telegraph](#)
- Tough EU line undermined by 'neighbourliness' rule – Patrick Christys, [Daily Express](#)
- London will remain Europe's financial capital despite Brexit – Nils Pratley, [The Guardian](#)

>Today:

>Yesterday:

...and Soubry says to 'get on' with setting up a new party



"A pro-Remain Tory MP has indicated she may be open to joining a "moderate, sensible, forward-thinking" new party. Anna Soubry, a former business minister, has been a vocal opponent of the government's handling of Brexit and its decision not to keep Britain inside the EU's single market. Asked about the prospect of a political realignment by the *New Statesman*, she said: "If it could somehow be the voice of a moderate, sensible, forward-thinking, visionary middle way, with open minds – actually things which I've believed in all my life – better get on with it." Nick Clegg, who was seen chatting on the Labour frontbench yesterday, also declined to rule out a new party." – [The Times \(£\)](#)

- UK customs risks being swamped by Brexit surge – [FT](#)
- Former senior UK diplomat to EU takes lobbying role – [The Guardian](#)
- Adams urges Irish government to publish ‘negotiating position’ – [Belfast Telegraph](#)
- Argentina tries to use Brexit to threaten Falklands – [Daily Express](#)

Comment:

- May offers a lifeline to we Remainers who forgot how ordinary people live – Tina Stowell, [Daily Telegraph](#)

Julian Jessop: The ‘Great Repeal Bill’ won’t repeal anything without sunset clauses

“In this case, British laws based on EU directives could simply cease to apply after, say, five or ten years, unless they are specifically reaffirmed through the UK legislative process. This would put the burden of proof firmly on the shoulders of those who wish to retain regulation. It would allow parliament to debate and change legislation later if desired, addressing the concerns about sovereignty. And it should still provide the reassurance to households and business that worthwhile regulations will be maintained.” – [Daily Telegraph](#)

- Now is not the time to cut the number of MPs – Tom Harris, [Daily Telegraph](#)
- Six ways Britain leaving the EU will affect you – John Rentoul, [The Independent](#)

Sketch:

- MPs set to work... but what was Clegg whispering about? – Quentin Letts, [Daily Mail](#)
- Watch out Davis, or the backbench Brexiteers will get you – Michael Deacon, [Daily Telegraph](#)

Ministers 1) Tech companies agree to get tougher on terror after Rudd summit



“Technology giants have pledged to join forces in efforts to tackle terrorist content online following a summit with the Home Secretary. Facebook, Google,

Twitter and Microsoft committed to explore options for a cross-industry forum and step up collaboration on technical tools that aim to identify and remove extremist propaganda. The plans were announced after a meeting between senior executives from the four firms, as well as figures from other companies, and Amber Rudd.” – [Daily Mail](#)

- The Home Secretary’s tough talk to tech firms is a PR win for both – Alex Hern, [The Guardian](#)
- Israel can teach us how to counter the new terrorism – Will Quince, [Times Red Box](#)

Ministers 2) Greening insists that new grammars will help bright, poorer children catch up

“A wave of new grammars will help stop bright poor children going on to earn less than dimmer wealthier classmates, Justine Greening said yesterday. The Education Secretary added that more selective schools could transform the lives of deprived pupils by giving them the same access to academic excellence. In a speech on social mobility, she spoke of the unfairness that clever deprived students are around a third less likely to earn a high wage than less intelligent richer peers. Ministers plan to overturn a ban on opening grammars imposed by Labour in 1998.” – [Daily Mail](#)

- Pupils from wealthy homes tend to earn more – [FT](#)

More education:

- SATs for seven-year-olds to be scrapped after u-turn by ministers – [Daily Mail](#)

>Yesterday: Local Government: [Restoring order to the classroom](#)

Ministers 3) Grayling has ‘absolute confidence’ in HS2 as project ‘plunges into chaos’



“High Speed 2 was plunged into chaos today as its top boss walked out amid a sleaze scandal and furious MPs demanded a public inquiry into the Government’s £55 billion project. Director General David Prout quit just hours after a dodgy £170 million contract to build part of the track was

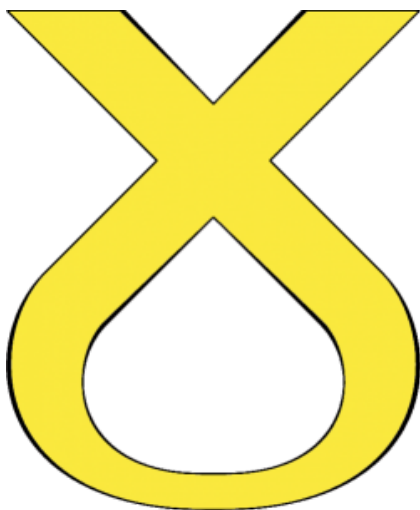
pulled because it had been awarded to a company with close ties to senior HS2 execs. Furious MPs demanded a public inquiry into the mess, but Transport Secretary Chris Grayling hit back claiming it was “not a massive issue” and claimed to have “absolute confidence in the project.” Tonight snubbed engineering firm Mace threatened to Judicially Review the decision.” – [The Sun](#)

Ministers 4) Truss launches review of new car insurance rules

“A major review was launched yesterday into a controversial personal injury compensation scheme after anger that it is penalising millions of drivers. Liz Truss unveiled an urgent consultation following a backlash over a new formula for calculating payouts for victims that added up £300 to the premiums of older drivers. Despite insisting she will not reverse the shake-up in the short-term, the Justice Secretary unveiled a wide-ranging review of the rate for deciding cash claims in future. She suggested the current system was ‘not fit for purpose’.” – [Daily Mail](#)

>Yesterday: Profile: [Elizabeth Truss, who does not quite know how to talk to the judges, and vice-versa](#)

Sturgeon formally requests a second referendum



“A letter formally requesting a second Scottish independence referendum signed by Nicola Sturgeon and dispatched to Theresa May is expected to arrive at Downing Street later. The Scottish Government tweeted a picture of the First Minister with her feet on a couch in her Bute House residence writing the Section 30 letter on Thursday evening. MSPs voted by 69 to 59 this week in favour of seeking permission for an independence referendum to take place between autumn 2018 and spring 2019. Ms Sturgeon said her mandate for another vote was “beyond question”, and warned it would be “‘democratically indefensible and utterly unsustainable’” to attempt to stand in the way.” – [The Scotsman](#)

- A permanent cacophony of grievance from the SNP – Brian Wilson, [The Scotsman](#)

Philip Collins: May needs to distribute power around the country

"It is no wonder that regional inequality in Britain is vastly greater than it is in any other European nation. All the big decisions in politics, economics, law and the media are made in one place. A poorly located city in the country's southeast corner is the entry point for most visitors. When Disraeli was extolling the virtues of Manchester, the economic powerhouse was in the north and the political powerhouse was in the south. Theresa May has been accused of wanting to turn the clock back to the Fifties. As long as she means the 1850s there is nothing wrong with that." – [The Times \(£\)](#)

News in Brief:

- Armed Forces face £10bn shortfall after costs soar – [The Times \(£\)](#)
- NHS plans weekend GPs for everyone by 2019 – [Daily Mail](#)
- Trump's fired national security adviser seeks immunity to testify – [Daily Telegraph](#)
- Ofcom to introduce price controls on fibre products – [FT](#)
- Low-income worker priced out of property market in most of England – [The Sun](#)
- Anti-Semitism allegations putting almost a third of voters off Labour – [The Independent](#)
- Dozens of alleged hacking victims join action against Sun publisher – [The Guardian](#)
- Royal Marines may be sacrificed to keep struggling Navy afloat – [The Times \(£\)](#)

[Newslinks March 2017](#)

The debate about Britain's future is already settled. There will be an Open Brexit – because we have no other choice.

Six months ago, [ConservativeHome wrote](#) that Britain must make a collective decision about what kind of country it wants to be post-Brexit, and that there are two different roads it can take.

"The first is what might be called Open Britain. Its starting point would be that our economy needs to be as open as possible if it is to flourish after Brexit. Business taxes would be slashed. So would regulation – including much of that social and employment law that Conservatives for so long itched to get back from Brussels. We would become a kind of Panama for money from

overseas. Trade deals would be framed simply to get the best deal possible for exporters; those steel imports from China, say, would flow into Britain. All this sounds like a Thatcherite vision for our economy, but it does not necessarily imply a passive state. Government could be active in the sense of going for big infrastructure decisions more determinedly than has usually been the case. More runways would be tacked on to Heathrow and Gatwick; airports outside the south-east would be expanded. Migration would be relatively high.

London and the South-East would be likely to gain most from such a strategy, at least in the short-term. The losers from imports and high immigration would mostly be concentrated elsewhere – in the Leave-voting North and Midlands among the “ordinary working people” who plumped for Brexit.

Which leads us to the second option. It begins with the conviction that government cannot let down these voters, without whom Leave’s referendum victory would not have happened. Social and employment law would be preserved in aspic. Migration would be low. Trade deals would not be signed if they would let those steel imports come pouring in – which suggests that few would be signed at all. Public services policy would stress more spending rather than reform. Taxes would in consequence be higher than they would otherwise have been. Investment from abroad would be seen through a national security lens only. This would be a Closed Britain. It is difficult to square this vision of the future with the vigorous construction of new airports or nuclear power stations. We would be more likely to put such decisions off and opt for lower growth.”

The release of the Great Repeal Bill White Paper has stirred a mass of speculation about legal consequences (such as whether the executive is entitled to use so many Henry VIII clauses) and political tactics (such as whether the Scottish Parliament could block the Bill’s effects in Scotland by refusing legislative consent).

But it has also reheated the questions that we asked last autumn. For example, the *Daily Telegraph* has chosen this week to launch a campaign “to promise a bonfire of EU red tape in its 2020 manifesto”. The effect of a Bill whose intention is to keep EU law in the short-term has been to unleash competing views of what Britain should look like in the medium and long.

Parts of this debate are clearly pertinent. For example, the future of British farming post-Brexit is a real unknown. As Richard Ali put it recently [on this site](#): “do we want a New Zealand model of little or no support or a Norwegian model of high levels of support designed to keep farmers on the land? What sort of countryside do we want to see, and who should pay?” It may well be that Britain’s urban areas are unwilling to fork out for its rural ones – nearly all of which are currently represented by Conservative MPs – but the question is a genuinely unresolved one, at least for the moment.

None the less, there is a temptation to exaggerate the scale and sweep of the choice. As we put it last autumn, a Closed Britain “is ultimately unsustainable – and, in political terms, not consistent with where the

Conservative Party has pitched its tent in modern times". Britain has a strong bias towards free trade, powered by our need to export goods. This basic disposition is not going to change post-Brexit. It could be that a Far Left government somehow wins office in 2020, and immediately begins to throw up tariff barriers and subsidise loss-making businesses.

But raising that possibility only reinforces how impossible such a posture would be to sustain. Britain needs businesses to come and invest, to create jobs and wealth. This is always true, and especially post-Brexit. Theresa May has got the message. The months following her Party Conference speech last autumn, which was perceived by parts of business as too inclined to bash it, saw a rhetorical and practical rowing-back. For example, Downing Street has quietly buried its original plan to compel companies to represent workers on boards. The Industrial Strategy has turned out to be an exercise in consultation.

Burning questions remain. Can Britain deliver social justice for its younger people, so many of whom are currently locked out of home ownership? As Russia flexes its muscles, are we prepared to devote a higher proportion of spending to defence? Will we make a necessary shift that from an over-expanded higher education sector – [see Graeme Archer's column below today](#) – to our under-developed vocational and training one? Are politicians prepared to wean us off the quantitative easing that has shafted saving? Above all, can the country live within its means and end the structural deficit?

Obviously, Brexit will have a scarcely-underestimable impact on the answers to all these. But so does the last Conservative Manifesto, with its protection for richer older retired people (the pensions triple lock; NHS ring-fencing). Ditto the unwillingness of Tory backbenchers to reduce the rate of growth of public spending. Revolts under David Cameron killed plans for disability benefit and tax credit reform. An uprising under May stifled Philip Hammond's plan to change National Insurance Contributions. The point here is not whether any or all of these plans were right or wrong. It is that the Commons isn't currently up for the scale of the challenge.

It is true that Ministers should embrace Brexit as the great challenge which Britain must meet, and tell a story about its plans will rise to it – [something that the Chancellor failed to do in the Budget](#). It should also start planning now: last autumn, we said that he should begin to consult on the post-Brexit regulatory regime. But the Government has limited room for manoeuvre between now and 2020. Much of the Conservative plan for Britain's journey must thus be reserved for the 2020 manifesto.

This places a big responsibility on George Freeman, who heads Downing Street's Policy Board, and Number Ten's Policy Unit, led by John Godfrey. But while the pace of the journey is debatable, the destination is not. We are heading for an Open Brexit – not because politicians and voters will always opt for one, but because it is the only option in the modern world for survival, let alone jobs and prosperity.