

A middle way emerges on the road to Brexit – Japan Times 18.07.18

BY DAVID HOWELL

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LONDON – “They’ll none of them be missed” — so goes the lyric in Gilbert and Sullivan’s famous opera “The Mikado” — as the Lord High Executioner ponders who is next for the chop.

Much the same could be said about the spate of ministerial departures from the British government as its leader, Prime Minister Theresa May, struggles to achieve a sensible middle-way compromise between Britain’s obvious and continuing obligations to its European neighbors, and its desire to be free of the excessive restraints of a plainly outdated protectionist bloc.

The ministers now exiting May’s team are not the compromising sort. Their departing language, especially that of the colorful ex-foreign secretary, Boris Johnson, is full of phrases about Britain remaining a colony or vassal state of the European Union. They insist on seeing the prime minister’s latest and final statement of British Brexit aims, with its proposal of keeping to “common rules” with the EU in manufacturing production, as some kind of surrender.

Of course these expressions betray a deep flaw in the whole understanding of the departing ministers, and of their vociferous supporters in Parliament. Words like “vassal” and “colony” reflect the assumption that the EU is indeed a big commanding empire demanding allegiance and subservience. That might have been true in earlier days, and may yet still be a dream of some of an older generation of Eurocrats and idealists. For those such as Jean Monnet and his postwar generation this was indeed the plan for an integrated, centrally governed united states of Europe.

These were great figures of their time, but visionaries about the future they were not. About the amazing digital world ahead and the deep transformation it would bring not just to trade but to every sphere of international relations they had not the slightest inkling.

The EU of today faces totally different conditions and outside forces from the European Community of the 20th century. Instead of integrating further and assuming superpower characteristics it finds itself hard pushed to prevent further fragmentation and dissolution.

Borders within the supposedly single market are being closed to check tidal waves of migrants, while populist political parties are rising, dedicated to shedding central EU controls from Brussels and to far more localism and stronger national identities. The doctrine of “ever closer union” has been set aside as Europe’s leaders struggle to keep even the present degree of cooperation and coordination in place. The imminent British departure leaves the whole wobbly structure dominated by the giant German economy at its center — the very situation most Europeans, including the Germans themselves — wanted to avoid.

This is no empire demanding vassals or marching toward unity. On the contrary it is becoming a dangerously unbalanced and weak community requiring urgent reform. A new and far more subtle alignment has to be worked out for the whole of Europe between practical cooperation between states and the determination of Europe’s peoples at the grass roots to have a much greater say, involvement and independence.

This kind of looser and more flexible connectivity was always something that the British used to urge in Europe, given their long experience of constitutional adaptability and their diplomatic prowess. Even now, as Britain exits the current EU treaties, it is still not too late for the British to make a major contribution to European reform.

This is precisely the spirit in which May’s compromise plan is being put forward. The critics who see it as retreat, or “the end of the Brexit dream” as Johnson puts it, are not only overestimating the power and pull of the current EU, they are severely underestimating the strength and vitality of their own country — Britain. They are also utterly failing to comprehend how the central nature of trade flows and international commerce have been transformed in the last five to 10 years by the information revolution (still very much ongoing) and the amazing power and impact of digitalization.

The “common rules” for trade in goods with the EU they fret about in fact only cover a small — and diminishing — proportion of U.K. commerce with the rest of continental Europe. They also remove the need for further physical border controls between Northern Ireland and the Irish Republic.

By far the most dynamic areas in the future will be in export of services, which admittedly in Europe faces a mass of local regulatory barriers, licensing procedures, etc. For this whole sector the May proposals seek no EU control at all, simply some readiness to make equivalent arrangements and recognize each other’s high standards. Much of the most promising markets for this kind of trade may lie outside Europe in coming years anyway.

The chances are that May's own party, the Conservatives, will close ranks behind her approach, tired as they certainly are of the endless squabbling by the two extremes of dogged Brexiteers versus unrepentant Europhiles. They also understand, as the extremists do not, that situations can evolve and change in the years ahead — as they certainly will.

The next task will be to avoid the outright opposition of the opposition Labour Party, eager to bring her down but hesitant about what it would do instead.

The final and maybe biggest challenge will be to get acquiescence from the EU negotiators in Brussels that compromise is necessary.

For European leaders struggling to hold their union together, and wondering where to start on urgent reform, it may just possibly have now occurred that having a friendly and constructive Britain as a neighbor, and one ready to help in many spheres — such as security and crime control and migration issues — could be much better than having a disgruntled and antagonized Britain, departing chaotically, to add to all the other EU troubles.