

## Chequers produces the best and most elaborate fudge available



*Does the text the cabinet agreed at Chequers amount to a soft Brexit or a soft-ish Brexit? Neither, says **Jim Gallagher (Centre on Constitutional Change)**: it is yet another fudge that defers a decision on the final shape of the deal into the transitional period, and beyond.*

“What I tell you three times is true”

Lewis Carroll

After a long day at Chequers, Theresa May’s European approach remained on what might charitably called its course. Brexiteers in Cabinet came quietly, it seemed, and signed up for an elaborate plan for a soft-ish Brexit. So was everything settled?



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Hardly. As I have argued in this blog twice before, May’s only objectives are to leave the EU next spring, and not destroy the Conservative party in the process. Nothing else matters. That is what we have seen this weekend. The policy problem was postponed, not dealt with, and for two whole days a fatal Cabinet split was avoided. Now that David Davis has finally resigned, over the ‘softness’ of the proposed Brexit, Tory party divisions are all the more evident – but they may not be enough to topple May.

In part, this is because the government’s plan for a post-Brexit trade relationship with the EU is not so much soft but, as predicted, a fudge. To be fair, it is the best and most elaborate fudge that ingenious official minds could devise. Staying in the single market for goods arguably avoids the need for physical border checks on trade for compliance reasons, helpful in the Irish context. The customs plan, however, is simply a combination of the two previous plans (max-fac, a cosmetic for a hard border, and a customs partnership, already rejected by the EU).

The question is not whether the EU will accept or reject these plans. Of course it will reject them. The question is whether the EU will engage in discussion about a future trade relationship, even knowing what these plans are. It is that discussion which will get May and her party over the line of leaving the EU next spring. That depends on other parts of the plan. First, the backstop – what happens in the absence of agreement. The government apparently accepts that there will be a legally enforceable backstop, certainly for Ireland, and (in the absence of the border across the Irish Sea) applying to Great Britain too. Second, the transition. Here May has not done so well, and has accepted the transition will end in 2020; she might yet come back to that, or may simply rest on the backstop of continuing membership of both the single market and customs union.

What will an exasperated EU make of these plans? Logically, they might conclude that since Britain is looking for a status which does not exist – neither a third country nor a member of the EU, or even EEA or EFTA – there is little point in negotiating. Let a hard Brexit happen, and then deal with the UK as a non-member hoping to establish a new relationship. The economic and political consequences for the UK would be seismic. The government's European policy would have failed disastrously, and there would be pressure for an immediate general election. A party which wants to be sure of winning that election would offer a "people's vote", most likely with the choice hard Brexit or no Brexit.

But although it might be tempting to Michel Barnier, he is unlikely, as I've argued before, to take that route. His initial response to the government's announcement was emollient: he would study the white paper against the EU's objectives. So long as the transitional period means no change in customs and regulation, and the backstop for Ireland guarantees that at least it remains inside the single market and the customs union – with the more or less explicit acknowledgement that it will drag the rest of the UK with it – why should he bring forward a hard Brexit to 2019? Disruption and the loss of UK EU contributions are not in his interest.

And the chances are he will not be holding this dossier in Brussels when the problem comes to a head again later on.

So [down the road](#) the can will be kicked. The UK will still be arguing about Europe, and little else, in 2020 and beyond. Avid Brexiteers in the Cabinet are telling themselves that once the UK has left, they can argue for or engineer a hard Brexit; middle-of-the-road ministers hope that immediate economic disruption can be avoided, and sensible long-term arrangements emerge. Both are presumably relieved that May is not Sir Robert Peel, who decided over the corn laws that the national interest mattered more than keeping the Conservative party together. The rest of us might not share that relief.

*This post represents the views of the author and not those of the Brexit blog, nor the LSE.*

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