

The Labour Party Must End its Ambiguity Over Brexit

By Alex de Ruyter, Director at Centre for Brexit Studies

News yesterday of the Parliament's Public Accounts Committee's damning verdict on the Government's handling of Brexit should drive the Labour Party to stand up and call for the UK to re-join the Single Market and Customs Union.

For Labour to challenge the Government to "Make Brexit Work" is disingenuous – to "make" Brexit work is a near-impossible challenge and Labour know this. The hard Brexit pursued by Boris Johnson and his party has already cost the UK economy billions (£66 billion estimated between 2016 and 2019) and continues to cost businesses and consumers every day, with every border check and every customs consignment that is filed.

In so doing, Brexit thus is depriving the UK Treasury of £billions desperately needed to pursue funding the NHS and social care, or to add material substance to the UK Government's "levelling up" agenda of addressing the sharp regional economic disparities between the South-East and the rest of the country.

Little wonder the Government has delayed the introduction of import checks on inward goods from the EU. Should these be imposed on the 30% of our food (50% of fresh produce) that we import from the EU^[1] then consumers really will notice shortages on the supermarket shelves as produce is held up at Calais and Dover.

Covid-19 has given this government ample political cover whilst demand and cross-border movements have been subdued but now that the pandemic is abating we can expect more people to travel and the flow of goods to increase, which will only add to further congestion at our ports and further hold-ups.

In this context, for Jacob Rees-Mogg to be given a made-up Cabinet role of Minister for "Brexit Opportunities" – at public expense – exposes the vacuous space at the heart of the Johnson Brexit project.

Rees-Mogg is on record as stating that the "benefits" of Brexit could take up to 50 years to materialise^[2]; the asset management firm he co-founded set up an operation in Dublin due to "Brexit uncertainty"^[3]; and any attempt to water down EU standards will have no impact on the 50% of our trade with the EU as UK companies that want to sell in the EU must – and will – continue to conform to EU regulations.

If the best that can be said from a lead "Brexiteer" is that the benefits of Brexit might take decades then I am reminded of that priceless quote by the great economist John Maynard Keynes – "in the long run we are all dead".

However, from this Government no change of approach can be expected, as they must keep up the Brexit fiction or otherwise be exposed as liars to their own supporters.

And there we have it. Brexit was a con-job led by a con-artist in which the prospects and livelihoods of millions in the UK have been compromised in the vain pursuit of one man's blind political ambition.

And in the case of Covid-19, with the highest death toll in Europe (over 158,000)^[4], innocent lives have literally been inadvertently sacrificed by Johnson and his cabal to appease the fundamentalist, libertarian right wing of the Conservative Party (the same people who pushed for Brexit) – as the

notorious purported comment by Johnson of let “the bodies pile high” rather than endure a third lock-down attests^[5].

The same people who led the “European Research Group” of hard-Brexit supporting Tory MPs (e.g., Steve Baker) are now clamouring to get rid of net-zero targets to combat climate change. However, calculations (based on information from the Office for Budget Responsibility) suggest that Brexit will end up costing the UK twenty times as much by 2050 as meeting net-zero, at an eye-watering £3.6 trillion (compared to an estimated £321 billion for net-zero, or 40p per person per day to 2050).^[6]

And little wonder, for the UK Government’s own analysis states the much hyped prospect of a trade deal with the United States (as improbable as that now looks), which was regarded by Brexiteers as the ultimate prize (funny how they are quiet on that now with Biden in the White House) would only add 0.16% to UK GDP over 15 years^[7]. Other trade deals such as that with Australia, or the mooted joining of the Trans-Pacific Partnership add similar derisory figures to GDP.

Hence, if Labour are to take advantage of the current travails they must detail an alternative and present real options for change. As the economic and political costs of Brexit continue to mount (especially on those regions like the West Midlands that heavily voted for it), it’s time for Labour to come off the fence and lead an honest public debate....

[1] <https://www.bbc.co.uk/news/business-55408788>

[2] https://www.huffingtonpost.co.uk/entry/jacob-rees-mogg-economy-brexit_uk_5b54e3b5e4b0de86f48e3566

[3] <https://www.independent.co.uk/news/uk/politics/brexit-jacob-rees-mogg-scm-ireland-city-move-eu-withdrawal-dublin-a8398041.html?r=29891>

[4] <https://www.worldometers.info/coronavirus/>

[5] <https://www.bbc.co.uk/news/uk-politics-56890714>

[6] https://twitter.com/mac_puck/status/1484823945031344128?s=11

[7] <https://www.bbc.co.uk/news/uk-politics-51706802>