

## Deal or No Deal? Brexit Negotiations Near the Cliff's Edge

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### **COMMENTARY**

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he first thing you see when you go into most British grocery stores in the morning is a wall of packaged sandwiches. Whether on the way to work or a "day out", many thousands of Britons will pick up an egg and watercress, prawn salad or ploughman's to get them through the day. A new report suggests that if a Brexit deal has not been signed by the March 29, 2019 deadline, this lunchtime staple will be one of the first casualties. With many ingredients coming from the EU, key ingredients could be stuck at the border, leaving the shelves empty.

A report on the fate of sandwiches seems a rather trivial window on the conscious uncoupling of two major economies, but it exemplifies two key features of the Brexit muddle as Britain's parliament breaks for its summer recess.

The first is that British life has become so intertwined with the EU in 45 years of membership that everything now has to be reconsidered. This may seem obvious in hindsight, but the full reality is only just sinking in as reports from many industries have been completed. Food availability is one concern; another has been the availability of medicines from the EU. Earlier in July, renegade Conservative MPs defied the government and ensured that Britain will remain aligned with EU medicine regulations. Nonetheless, reports suggest that Britain's National Health Service has plans to stockpile medicines in the new year if the chances of a deal dwindle.

The second is that talk of a no-deal Brexit – reaching March 29, 2019 without an exit deal in place – has gone mainstream. For more than a year, ardent "Remainers" have worried about the threat of not coming to an agreement with the EU, while hard-line "Brexiteers" have welcomed such an eventuality. In the past few weeks, a tumultuous period in national politics means that a no-deal Brexit is increasingly likely.

One reason is that the British side is even further from getting its message straight. (The EU, despite its many other problems, has been a remarkably united and organized opponent). There are still deep divisions between Brexiteers and moderates (or even Remainers) in the ranks of the governing Conservative Party. This was meant to be solved on the first Friday in July, when cabinet agreed on Britain's negotiating position after an all-day retreat outside London. After a weekend of good-news stories, the picture for the government turned unmistakably sour. First, the foreign secretary, Boris Johnson, resigned in protest at the terms of the new approach, preferring less of a compromise. Next, the cabinet secretary in charge of Brexit negotiation, David Davis, also resigned. While Davis' resignation may have little practical effect on negotiations in Brussels – he was almost never there – the dissension further weakens Britain's government. It is well known that Johnson covets the prime minister's position, though there was little interest in the party for a coup. After days of constant speculation, Prime Minister Theresa May's government has survived, but only just.

While May faces down the threat within her own party, she also has to contend with a razor-thin minority in Parliament. An ever-present danger is that discontented Tories will vote against the government (as some did in the debate over medicine regulations). The opposition Labour leader, Jeremy Corbyn, would welcome the chance to bring down the government on a confidence motion





and force an election, because he thinks he will win. If the government falls or there is a hung parliament, what will Britain's negotiating position be then?

The EU contends that this division makes it difficult to know if the British government will stick to its proposals. Any position the government takes – hardline or compromise – is unpalatable to a key bloc of MPs.

The headlines about May's faltering government do conceal the fact that much progress has been made towards the first negotiating goal – a deal on the terms of Britain's exit from the EU. Davis' replacement, Dominic Raab, optimistically thinks that a deal will be done by October. Yet two major issues have not been resolved.

The concern in mainland Britain is still with the terms of a customs deal with the EU. This may be achievable in some form, although the EU has just rejected one plank of May's latest proposal. But a final deal will likely require Tory Brexiteers to accept a compromise; they may not.

But the question that still lacks a solution is the Irish border. Unless there is a very closely guarded, secret, technologically flawless proposal for free movement across the border between Northern Ireland and the Republic of Ireland that also allows the U.K. to take back control of that border, there is no way out of this problem. The leading Brexiteers – who are overwhelmingly English – may want to forget Irish concerns entirely (as the English have done for centuries). But the EU is determined not to abandon a member state. The Irish border has always been the toughest question to solve in the Brexit negotiations.

The U.K. public has a wide variety of language to discuss the possibilities before it: a no-deal Brexit, a cliff's-edge Brexit and so on. We may become more familiar with all of these in the coming months.

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