

INTRO

The focus of public discussion since the weekend has been, quite rightly, on how we should go about strengthening our resilience against the hateful terrorist death cult which led to the tragic loss of life in Manchester and London.

Today, however, I would like to turn attention back to the issue which Theresa May claimed was the reason for holding the election in the first place: Brexit.

The Prime Minister has insisted that Brexit is “the one, fundamental, defining issue” of the entire campaign. She was right to do so. It touches on every aspect of our lives – from the way our farmers farm and our fishermen fish to the increasingly sophisticated EU measures deployed to apprehend would-be criminals and terrorists across the continent.

The problem is, judging by the campaign so far, you would never have guessed that Brexit was important at all.

For the last six weeks, both the Conservatives and the Labour Party have colluded to evade all meaningful scrutiny of their Brexit plans, if indeed they have any.

All we hear from Theresa May are boasts of her supposed strength and stability and a spurious claim that every vote for her will somehow strengthen her negotiating hand in the Brexit talks.

All we hear from Jeremy Corbyn is a shopping list of giveaways, accompanied by back-of-the-envelope costings. It’s a promise of everything to everyone where no-one is expected to pay for anything.

Both of them are indulging in the politics of evasion and fantasy.

It would all be laughably absurd if it wasn’t now so desperately serious.

Because neither the Conservatives nor Labour are being honest with the voters about the crisis that is coming.

We are no closer today than we were a month ago to knowing what Mrs May or Mr Corbyn really believe Britain will look like after Brexit. Yet, the brutal truth is that both of them have already made fateful choices about Britain’s future while refusing to explain them to the British people.

Strip away the contrast in tone and the differences in language and a striking reality emerges: both the Conservative and Labour positions on Brexit are now more or less identical.

Pull Britain out of the Customs Union and the Single Market. Abruptly bring an end to freedom of movement. Deny the people any chance to decide on the final deal. They are in total agreement.

This identikit approach to Brexit is hardly unexpected. After all, Labour voted with unseemly haste to vote to trigger Article 50 and start the clock counting towards Theresa May's "hard" Brexit and, like the Conservatives, they also failed to vote to guarantee the rights of EU citizens when they had the chance in Parliament.

So in an election which we were told was about a clear choice, about two deeply contrasting visions, about a contest between Labour and Tory leaders with nothing in common, the truth is that there has been a pact of silence on Brexit between Theresa May and Jeremy Corbyn.

It is one of the most cynical acts of political collusion between the two larger parties in a generation, and it has made a mockery of Theresa May's insistence that this is a general election about Brexit.

Instead, with no attempt to discuss the detail and no effort to explain her approach, Theresa May exhorts the nation to "believe in Brexit", fabricates an EU plot to punish Britain, and blithely insists that a vote for her will bring about a better deal.

Well, if meaningless sloganeering and faintly paranoid anti-EU outbursts are all it takes to secure a good Brexit deal, then Theresa May would do Britain proud.

But by choosing the hardest of all Brexits, by refusing to prepare the British public for the necessary compromises that lie ahead, and by posturing as Europe's enemy rather than the friend we so clearly are, Theresa May has set our country on the most damaging course imaginable.

Our country cannot thrive without a strong economy.

Yet it is quite clear that we can't have a strong economy and an extreme Brexit.

Just look at the evidence, even if Theresa May and Jeremy Corbyn refuse to.

Because the evidence that Britain should brace itself for a painful Brexit slump is accumulating by the day.

EVIDENCE

Voters are already aware that the cost-free Brexit they were promised is off the table.

Remember the £350 million a week for the NHS? The VAT cut? The instant solution to immigration? Theresa May would rather you didn't.

Instead the grip of a growing Brexit squeeze on people's income and public services tightens by the day.

Last week we learned the grim news that while the UK was the fastest-growing economy in the G7 in 2016, in the first quarter of 2017 we're now the joint slowest with Italy.

GDP growth, 0.7% at the end of last year, has slowed to 0.2% in the opening quarter of 2017. The economy is nearing a standstill.

Since June 2015, Sterling has suffered a dramatic 20% fall against the Euro and a 19% fall against the dollar, a direct consequence of the uncertainty in the run-up to the referendum, the result of the vote, and the subsequent failure of this government to commit to staying in the Single Market.

Inflation, which registered at zero at the time of the referendum, today stands at 2.7%, the highest level since September 2013, and is predicted to go higher.

And with average earnings growth failing to keep up with prices, consumers are already beginning to feel the Brexit squeeze.

Price rises have hit energy bills, petrol, and clothes. It's enough to make anyone need a fortifying glass of wine - but last week it was reported that the average price of a bottle of wine has hit its highest price ever.

And as thousands of families prepare for their summer holidays abroad, the devaluation of the pound will hit them in the pocket too. Everything paid for in euros, everything paid for in dollars, from accommodation to ice cream, will be more expensive.

The economic malaise goes further.

House prices have fallen for the third month in a row - the first time that has happened since the height of the financial crisis in 2009.

And inequality is on the rise as the combination of weak growth and Conservative cuts to working age benefits starts to bite.

The Resolution Foundation forecasts that the wealthiest third of households will be £2,100 a year better off by 2021, that the middle third of households by income will see their money stagnate, and the bottom third will lose 10% of their income, or £1,200 a year.

This, I should add, stands in stark contrast to the distributional record of the Coalition Government where, because of Lib Dem measures on taxation and our veto of gratuitously regressive Conservative welfare measures, inequality remained broadly stable.

And as people begin to feel the Brexit squeeze, they will also notice that our public services are another victim of Theresa May's extreme brexit.

Last November the OBR revealed a Brexit black hole in the public finances. The Chancellor has had to borrow an extra £59bn to plug the gap left by slower growth and lower immigration in the wake of the referendum vote. That's £15bn a year that could be used to help rescue our ailing NHS, or to pay for more teachers.

Something will have to give, be it further cuts or a rise in taxes to give our public services the funding they desperately need - something which the Conservatives have refused to rule out.

And remember, all this is before Brexit actually happens - we are merely feeling the first shockwaves of what is to come.

So as people up and down the country prepare to vote on Thursday, they should be made aware that just around the corner is a Brexit slump which will affect each and every one of us.

Theresa May's slavishly loyal foot soldiers will tell you that any warning about what lies ahead is an unpatriotic case of "talking Britain down" by perfidious experts, enemies of the people and assorted saboteurs.

But these aren't predictions. They aren't forecasts. They are simply the cold facts of Britain's economic reality today.

So has the government even attempted to calculate the long-term economic effects of its choices?

In May last year an official Treasury forecast calculated that we would suffer a £36bn annual loss to the public finances after 15 years, even if we managed to strike a post-Brexit bilateral trade deal of the kind which the Conservatives favour. No deal - meaning we would fall back on World Trade Organisation rules - would, according to the Treasury, mean a loss of £45bn a year, thanks to reductions in trade and the impact on growth and tax revenues.

To be clear, I am not making a judgement here about the supposed opportunities created by Brexit and whether they will materialise - those were priced in to the Treasury's calculations. Even in the best case scenario, a good trade deal still leaves us far, far worse off.

To put this in perspective, £45bn is more money than the entire schools budget for England. To plug a gap like that in the public finances you would either need to raise the basic rate of income tax by 10 pence in the pound, or to make cuts to public services and the salaries of those who work for them on an unimaginable scale.

This is what Theresa May means when she casually threatens to walk away from the negotiating table. No deal isn't a cuddly alternative to a poor deal. It's far worse. It's a disaster for Britain.

The Treasury figures are also an indictment of the central objective of Theresa May's negotiating strategy - to walk away from Margaret Thatcher's Single Market. This decision alone carries a long-term price tag of £16bn a year. For that money, you could give every hospital in the UK a £12m cash injection, or provide the average school with an extra half a million pounds.

When I challenged David Davis on the official Treasury numbers on Question Time last week, he refused to disown them. Yet David Davis himself has said the government hasn't commissioned any fresh analysis of the risks. Either they remain the official government calculations, in which case they are a stark warning as to how much public services will suffer. Or the government no longer believes these figures to be accurate, in which case Theresa May's failure to undertake her own analysis of the cost of Brexit is the height of irresponsibility.

To her, it seems, the details don't matter. The compromises of no concern. The damage - the inevitable damage - a mere distraction. All we must do is blindly trust her to negotiate on our behalf.

After a campaign that has been more weak than strong and more clumsy than stable, Theresa May's brittle performance – notably the embarrassing u-

turn on the “dementia tax” and the bizarre accusation of a “plot” in Brussels – has instead left many people questioning whether she is indeed a suitable candidate to lead Britain in the toughest and most complex negotiations it has ever faced.

And across the capitals of Europe, Theresa May’s performance over the last six weeks will not have gone unnoticed.

Negotiating Brexit is going to be a tightrope act. It requires subtlety, creativity and the ability to win friends. Above all, it requires sure-footedness to keep on top of dozens of simultaneous interlocking negotiations.

Instead, we are being asked to elect a leader who is unsteady in the limelight, incapable of straight talking, and prone to chaotic u-turns.

As for Jeremy Corbyn, he continues with his mission to fool voters into believing we can live in a world of free stuff even as our economy sinks. And on Brexit? Nothing. Merely the startlingly perceptive observation that no deal would be bad for this country and a vague promise that he would bring a different style to the negotiations.

As the whole country faces up to these incredibly complex challenges, we deserve so much more from the man, and woman, who wish to lead us into the Brexit talks.

UNKNOWNNS

Instead, only a few days before polling day, the Brexit unknowns just continue to mount up.

Take the NHS. It relies on thousands of highly-skilled and hard-working nurses and doctors from non-UK countries, all of whom have come here to help all of us. And yet they tell us they no longer feel welcome and are considering returning home. To replace thousands of Portuguese nurses, Spanish doctors and Italian midwives will cost the NHS millions of pounds. Have we heard a Brexit plan for the NHS from the Conservatives or from Labour? Not one word.

What will immigration look like after Brexit? Still Theresa May clings to her illogical pledge to drive net immigration down to the tens of thousands. But what will it mean for our economy when the German engineers, Danish architects, Lithuanian fruit pickers and Hungarian truck drivers go home? Without a credible plan to replace them, what effect will this have on our economy? Not a clue.

How will Britain be kept safe after Brexit? Theresa May has vowed to pull Britain out of the jurisdiction of the European Court of Justice, a decision which means we would no longer have access to vital EU-wide databases of criminal activity. Just last year, a not-so-distant era when Theresa May made perfectly rational arguments against leaving Europe, she warned that being in the UK makes us “more secure from crime and terrorism”.

She herself has now exacerbated that risk by refusing to abide by the rulings of the ECJ. So where are the contingency plans when our police forces find themselves unable to check the databases of 28 EU countries at the touch of a button? If only she would deign to tell us then maybe we could judge.

How about businesses that are reliant on exports to the continent? How is the government preparing them for the moment when their products will - for the first time since the 1970s - have to go through customs checks? When every joint of meat needs an export health certificate and a country of origin form? When every computer chip or car seat has to be accompanied by reams of paperwork proving its compliance with European regulations?

What about the tech firms and entrepreneurs that make this corner of London so vibrant? What reassurance can the government offer to companies whose access to European markets depends on a common system of data protection rules?

Again, nothing. Instead - by all accounts - business leaders are invited in to Whitehall to meet Ministers who sit there and parrot the Prime Minister's empty slogans back at them.

I remember that David Cameron, Theresa May's predecessor and a man I worked with closely for five years, was often dismissed in the media as an essay crisis prime minister, a man who preferred to wing it and leave things to the last minute. Whether that caricature was fair or not, most of the time the essays emerged, in the end. Even a short essay by Theresa May on how she intends to meet the challenges of Brexit would be a massive step forward. Not only has she failed to produce the Government equivalent of an essay – she's barely produced a coherent paragraph in one whole year.

No wonder David Davis now boasts that over twelve months he's produced the sum total of 100 pages of “notes” about Brexit. At that rate, the Brexit negotiations – an undertaking which will involve hundreds of thousands, possibly millions, of documents – will barely get to first base by the middle of the century.

ENDING

For those reasons, I issue this stark warning today:

As people up and down the country prepare to vote on Thursday, they should be aware that they will soon be the victims of an act of national self-harm, imposed on us by Theresa May and Jeremy Corbyn, which will affect each and every one of us.

Whatever happens in the relative fortunes of the Conservative and Labour parties this Thursday, the country will be trapped on a path which, if left unchallenged, will remorselessly lead us to a Britain of lower trade, less prosperity, rising prices, a weakened NHS, and undermined security.

It is a bleak prospect and a grim future.

It is the future that Theresa May has chosen for us by setting us on the riskiest possible path to Brexit, a path which Jeremy Corbyn has fully endorsed.

But we can choose a different future.

Because this is not a future that I want for this great country.

It is not a future that I want for my children.

It is not a future that the many young people in this country voted for last June.

So while Britain may stand on the brink of a self-destructive Brexit, we can stop it happening.

There is a way to change course.

There is a way to steer us away from the rocks which can already be seen on the near horizon.

What this country needs are Members of Parliament who are prepared to be open with voters about the risks, and the unavoidable compromises, ahead.

Members of Parliament who are prepared to hold this government to account as it blindly drags us towards this hardest of Brexits.

Members of Parliament who will fight every step of the way to keep Britain in the Single Market and the Customs Union.

And at the end of the process, Members of Parliament who will offer you a chance to vote on the final deal.

I have no intention of giving up, and neither do the Liberal Democrats.

Because only the Liberal Democrats will provide the opposition to Theresa May and Jeremy Corbyn that this country so desperately needs.

This election really is about Brexit.

Just don't let it be the Brexit of Theresa May or Jeremy Corbyn.

There are three days left to stop the Brexit crisis.

Vote for a brighter future for Britain.

Vote Liberal Democrat on June 8th.