## Achieving a 'good' Brexit: what David Cameron needs to do now



While formal exit negotiations cannot begin until Britain triggers Article 50, a three-month hiatus while the Conservatives selects a new prime minister will make it harder to achieve a 'good' Brexit. With our European partners and the Scottish government already laying down markers for their vision of the future, London risks ceding the initiative before the process has even begun, warns **Nicholas Wright**. He sets out the practical steps David Cameron should take to prepare for the forthcoming negotiations.

Politics, like nature, abhors a vacuum.

Even as the Prime Minister was announcing on Friday his intention to stand down, the Scottish First Minister and our soon-to-be former EU partners were responding to the political earthquake wrought by more than 17 million British voters.

Not surprisingly, much attention has been focused on the reaction in Berlin. German Foreign Minister Frank-Walter Steinmeier, consulting with his fellow foreign ministers from the EEC's founding states, stressed that they wanted to focus on 'the future of Europe'. Meanwhile a leaked eight-page strategy paper from the German finance ministry (paywall) revealed that any agreement with the UK must avoid 'setting wrong incentives' that might encourage others to head for the exit. Angela Merkel was more emollient, declaring that there was 'no need to be particularly nasty' in the negotiations – the UK would not be 'punished' for its decision.



Carl Bildt's tweet. Public domain

One message has been resounding, though: having made our democratic choice, our partners now want us to get on with it.

Their priority, understandably, is stability within the EU and its institutions and ensuring that the departure of one of its bigger states leads neither to disintegration or fragmentation. Their calculation is therefore a simple one: however important positive and friendly relations with a departed UK, they must

be achieved within the context of avoiding wider contagion and uncertainty. They may regret our leaving, but our capacity to reach an amicable post-EU settlement depends on our recognising that we are now formally semi-detached, with the gradual but steadily diminishing influence that entails.

If a 'good' Brexit is to be achieved, the UK must not find itself on the back foot from the outset of the negotiations. It is therefore a matter of urgency that the UK government sets out its Brexit strategy to the electorate, to the devolved institutions within the UK, and to our EU partners.

## Pragmatic diplomacy required

Legally, nothing happens until the UK Prime Minister triggers Article 50 by informing the European Council of our intention to leave the Union. Ostensibly, this ensures the UK retains full control of the process: it cannot be forced to begin negotiations – and therefore the two-year countdown to departure – until it is ready.

However, a certain diplomatic and political 'etiquette' needs to be observed. While our partners will show some understanding and sensitivity to the realities of the UK's current domestic political situation – not least the Conservative party's process for selecting a new prime minister – they will not have limitless patience and the prospect of a three-month hiatus will be unacceptable.

More practically, and starting at this week's European Council meeting, the remaining EU-27 will already be considering the kind of agreement they are prepared to accept. Herein lies the particular challenge for Britain: formally, it will not be party to these conversations and any one of the 27 has the capacity to veto the final agreement. This will become especially problematic as the two-year time clock starts to run down and the UK finds itself under pressure to make concessions and compromises it may not wish to.

As any EU official or member state diplomat will tell you, moreover, the time to influence policy is when proposals are first being drafted. Negotiating alternatives is much harder later on. The same principle applies here. The UK will have its own priorities and 'red lines': but the longer the formal commencement of this process is delayed, the more likely the EU-27 will have started to coalesce around their own 'red lines' and hardened their own negotiating positions.

In a situation where minimising the negative consequences of the UK's departure will be their priority, the UK cannot be the last to arrive at the party. The absence of clarity over what kind of 'Brexit' we want risks ceding the initiative to our negotiating partners.

## Minimising uncertainty

What does this mean in practice?

There are a number of practical steps that can be taken to ensure we retain the initiative and are not left in a position of reacting, while at the same time minimising uncertainty.

First, whilst he may consider himself now only a 'caretaker', David Cameron must **ensure the institutional and administrative structures are ready** and in place for the incoming 'Brexit' government. While Michael Gove has apparently given civil servants a 'green light' to begin Brexit preparations, the Prime Minister and chancellor need to think about and assign the kind of resources the civil service – and especially the Cabinet Office and FCO – will need in terms of money and staffing to drive the process to a positive conclusion.

The FCO has been significantly under-resourced over the last 15-20 years, and yet its diplomatic network (both in Brussels and across the capitals of the EU-27), treaty-drafting expertise and policy knowledge will all be essential to achieving a Brexit 'soft landing'. It is likely that former diplomats and experts have already been sounded out about returning. This should now be formalised into a clear process to draw on their expertise. In particular, we need to recruit – or re-recruit – the trade negotiators whose job it will be to construct the core element of the post-Brexit relationship. (We currently have only around 20 such experts.)

The Cabinet Office, the hub for the co-ordination of government policy, will similarly require additional resources and capacity. It may decide to launch an audit across Whitehall to establish how Brexit will impact on individual departments and where additional staff will be required. (The recent Balance of Competences review will provide a useful starting point for this.) The appointment of Oliver Letwin today as an interim co-ordinating minister sitting in the Cabinet Office – a minister for 'Brexit' – to oversee these preparations is a beginning.



Oliver Letwin in 2013. Photo: Policy Exchange via a CC-BY-2.0 licence

None of this would pre-empt the formal 'Brexit' programme the new government will wish to pursue. However, using the current interregnum to establish a robust administrative architecture, allocate the necessary resources, and identify a range of positions for ministerial consideration makes sense. Crucially, it also signals to our partners that serious steps are being taken as we prepare to formally invoke Article 50.

This, in turn, emphasises the importance of goodwill on both sides to achieve a 'good' Brexit. Discussions, however informal and tentative, between UK officials and their European counterparts will have begun in Brussels and national capitals. Maintaining a constant dialogue, particularly over more contentious issues, will be vital. It cannot be left entirely to the formal negotiating process in Brussels. The incoming 'Brexit' government will therefore need to acknowledge and respect the central role British officials and diplomats will play in securing the outcomes they desire, and listen to the advice they offer.

A final suggestion would be **for Britain not to take up its scheduled Council Presidency** in July 2017. By this stage, the UK will be fully focused on the withdrawal negotiations. Its capacity to act as the driver of the European legislative and policy agenda for six months will therefore be limited, not least by potential conflicts of interest and the need to focus its administrative and diplomatic capacity on the negotiations.

As the fallout from Britain's referendum continues, the forthcoming summer months – traditionally a quiet time in UK politics – promise to be difficult for the government. Domestically and internationally, the prevailing mood is one of uncertainty. Minimising this uncertainty as far as possible is now the priority, and even if we do not take steps in this direction, our partners will.

The current Prime Minister and the leaders of the Leave campaign must therefore act – and be seen to be acting – if a 'good' Brexit is to be achieved.

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

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