

Newsletter to subscribers – May 27th 2018

21 hours ago

by [Briefings For Brexit](#)

98 Views

Written by [Briefings For Brexit](#)

If you haven't caught up with this week's new content on www.briefingsforBexit then please do. We provide a summary of it.

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Dear Subscriber,

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It emerged that Theresa May will ask the European Union for a second Brexit transition period. This is to allow time for a customs and regulatory

alignment implementation period from 2021 to at least 2023 to avoid the need for infrastructure or checks on the Irish border.

Meanwhile, HMRC's permanent secretary Jon Thompson said the "maximum facilitation" plan supported by Boris Johnson and other Brexiteers could cost businesses up to £20 billion a year.

By contrast, the "new customs partnership" (NCP) proposal, which is favoured by other ministers, would see the UK collecting tariffs on goods bound for EU markets, with businesses claiming rebates later. Thompson claims this would cost much less to implement and could be said to come at zero cost to business. We dispute these figures. We expect the real cost of the "max-fac" plan is probably one twentieth of the HMRC figure.

We hope to publish our own article on this next week.

We also do not agree with Mark Carney's claim that Brexit is already costing each household £900 per annum. The Bank of England has a poor forecasting record and is not to be trusted on this. Our estimate is £1 per week, which given the margins of error is close to zero.

Another row developed over the UK's bill for the Galileo satellite navigation system after Brexit. UK ministers are angry about the EU's decision to limit access to Galileo, an alternative to the US GPS system. On Friday in Brussels the Chancellor Philip Hammond warned that the UK will build its own satellite navigation system to rival Galileo if Brussels carries out its threat to block access.

The UK played a major role in developing satellites for Galileo, which is expected to be fully operational in 2026. It wants the EU to repay £1bn of its costs to date. David Davis's Brexit department says the scheme could cost the EU an extra €1bn (£876m) without the UK's continued involvement.

Our recent Galileo Blog on this by Gwythian Prins and Sir Richard Dearlove has had 2,500 views. <https://briefingsforbrexit.com/the-galileo-spat-lesson-for-ministers/>. In it they argue that Britain should pull away from any association with either defence or space collaborations with the EU after Brexit; it should look after British defence, security and industrial

interests and take advantage of this exciting and optimistic moment. It appears that the UK government is listening. But much of the media commentary has focused again on the Irish border which is still the number one issue that needs to be resolved and could potentially derail the talks before the European council summit in June. We have written a number of Blogs and spoken in the media on how this is not an insolvable problem and is being overblown to suit personal political agendas here in Brussels and in Ireland itself.

Our blogs

The Anglo-American ‘Special Relationship’ in the Post-Brexit Era

By Dr Thomas Mills

who is Lecturer in Diplomacy and Foreign Policy, Department of Politics, Philosophy & Religion, Lancaster University.

<https://briefingsforbrexit.com/anglo-americanin-post-brexit/>

In our BfB Global Strategy after Brexit series Mills argues that in voting for Brexit the British people took a momentous decision to take control of their laws, economy and borders. Britain should use this moment of opportunity to recast its role in the world and forge a foreign policy truly independent of both the United States and the European Union.

He writes: “EU Customs Union and Single Market could entail a decline in British trade with Europe. But this could be more than compensated for by an increase in trade with emerging economies in Asia, Latin America and Africa – already the fastest growing of Britain’s international trade partners. Moreover, having taken control of its trade policy, Britain could tailor this to complement humanitarian goals of aiding sustainable growth in developing countries, rather than hindering it, as EU trade policy often has.

More broadly, Britain should take this opportunity to ensure an alignment between its foreign policy and its professed values, forging a role for itself in the world based on protecting human rights, tackling climate change and promoting peace.

In voting for Brexit the British people took a momentous decision to take control of their laws, economy and borders. This historic moment should also be seized to redefine the role Britain plays in the world. Having taken back control from Brussels, it would be a sad irony indeed, if we squandered this opportunity by handing authority over our foreign policy to Washington."

Subscriber's View

A No-Deal Brexit with the UK-EU Trade on WTO Terms is the Best Hope for Brexiteers

By J Longworth, Co Chairman, Leave means Leave. Member of the Advisory Board of Economists for Free Trade and the Advisory Council of the IEA. <https://briefingsforbrexit.com/category/subscribers-views/>
He begins: "The slogan "No deal is better than a bad deal" – a refrain briefly taken up by the Prime Minister but then dropped. The way things are going, no deal – which means reverting to trading under World Trade Organisation rules governing the vast majority of countries in the world – is our best and last hope.

The need for us to be ready to walk away from the table and abandon our supine efforts to secure a deal with the EU – a deal at any cost – is becoming daily more apparent. The revelation that we are now apparently prepared to remain in the customs after 2021 and until we can find an alternative to a hard border in Ireland is just the latest example of how our defeatist establishment, working hand in glove with Brussels, is humiliating the British people for their temerity in voting for Brexit.

Unbelievably, at this rate it will take longer to leave the EU than it took to defeat the Continental powers in World War II, if indeed we really leave at all."

We recommend you read on.

More Blogs

France and Brexit: lessons from history By Professor John Keiger

a Director of Research at the Department of Politics and International Studies at the University of Cambridge. NB: First published in The Spectator 'Coffee House' <https://briefingsforbrexit.com/france-and-brexit-lessons-from-history/>

In another of our BfB Global Strategy after Brexit series, Professor John Keiger reminds us that almost 50 years before Brexit, there was a 'Frexit': France left the military command structure of NATO. Despite ill feeling, France was not 'punished', indeed the process was facilitated in the interests of the alliance. By similarly smoothing Britain's withdrawal rather than hampering it, President Macron would secure a longer term advantage for France and for Europe.

He writes: "To President Macron, who has his finger on the pulse of history, digging out the story of France's selective withdrawal from NATO institutions could prove instructive as to how France should deal with Britain's negotiated departure from most EU institutions. France's future, whether economic, given her enormous trade surplus with Britain, or in the realm of foreign defence and security policy, will remain linked with that of Britain for the foreseeable future. France and Britain's defence budgets alone account for half of all European defence spending. France's foreign and defence establishment has long acknowledged that it is really only with Britain that it can partner effectively in international institutions and in terms of force projection play a world role. France's 2017 *Strategic Review of Defence and National Security* says as much. Despite the large political, strategic, financial and logistic problems created, France was not 'punished' for her withdrawal from NATO's integrated command, indeed the process was facilitated. President Macron should bear in mind that President Johnson's conciliatory approach bore fruit: if anything, after 1966 the French felt that they had to demonstrate a heightened solidarity to their NATO allies by participating more actively than most members in NATO missions such as Bosnia, Kosovo or Afghanistan. By smoothing Britain's withdrawal rather than hampering it, Macron would secure a longer term advantage for France and for Europe."

The Limited Impact of the EU on UK Trade Costs:

<https://briefingsforbrexit.com/the-limited-impact-of-the-eu-on-uk-trade-costs/>This blog was posted as we went to press last week so you might like to catch up on it. It quotes from our new Report posted on our Reports Page which looks at how EU membership has had a limited impact on trade. This original research undertaken by a senior private sector economist for this website applies a standard method to measuring trade barriers. The results cast doubt on the notion that EU membership has a much bigger positive effect on UK-EU goods trade than might be generated by a free trade arrangement.

It says: "Overall our results suggest that differences between EU membership, single market membership (i.e. through the EEA arrangement), and free trade deals may be somewhat smaller than much of the Brexit-related literature suggests. The effects of the EU single market (which, importantly, also led to the abolition of routine customs checks within the EU) on goods trade barriers between the UK and EU-6 seem to have been relatively modest and hard to disentangle from globalisation effects..."

Twitter

(@briefing4brexit)

We have also been busy on Twitter <https://twitter.com/briefing4brexit> retweeting the daily events that bring Brexit to the fore in the National News.

[John Bell @JohnNemoBell](#) RT an Economists4FreeTrade Tweet. Jacob Rees-Mogg: "The Governor of the Bank of England cannot even get his forward guidance on interest rates right which is his main responsibility so his endless crying wolf over Brexit simply discredits him and sadly the Bank".

BrexitCentral @BrexitCentral picked up on this BBC Newsnight discussion: "Former Labour Europe Minister [@CarolineFlintMP](#) says that she remembers very clearly during the referendum the Remain campaign said a Leave vote would mean that 'we wouldn't be able to be in the single market, we wouldn't be able to be in the Customs Union'."

The [Department for International Trade @tradegovuk](#) gave us all some good news: "Today we have published our statistics guide telling you what

you need to know about UK Trade in Numbers. In 2017: UK exports = £622bn UK trade with non-EU countries trade with the EU And the UK's top trading partner was..." Find out more here (these stats are worth reading) numbers <https://www.gov.uk/government/statistics/uk-trade-in-numbers...>"

@BrexitHome tweeted out the BBC news story that: <http://www.bbc.co.uk/news/uk-politics-44244395>: "A Leave-backing MP has resigned from her junior government role saying she wants to "fight for Brexit". Andrea Jenkyns quit as a parliamentary private secretary, saying she wanted to "commit" to other duties."

@DExEUgov (Exiting the EU Department) told us that: "@DavidDavisMP, Karen Bradley @NIOgov, and @GregClarkMP have been speaking to representatives from freight, cross-border businesses and the community in Northern Ireland as part of their work developing the max fac customs option."

Facebook

([https://www.facebook.com/BriefingsForBrexit/.](https://www.facebook.com/BriefingsForBrexit/))

We have enjoyed your engagement with us on Facebook. Here is a flavour of one recent strand.

How you can help

Do keep reading our posts, and tell others about us. We want you to share links to our quality content so that others can understand how Brexiting the EU can be good for the UK economy and for our own democratic governance. By sharing our content and articles we hope that we can increase public understanding of the real impact of Brexit on the UK.

We aim to educate our critics to think differently and more positively about the long term impact of Brexit and from the number of views we are getting for our posts and reports it looks like we are achieving that.

Why not catch up with the top six read blogs on our site in the past two months which are:

<https://briefingsforbrexit.com/eu-at-clear-risk-of-collapse-warns-major-new-report-by-gwythian-prins/> = 6,186

<https://briefingsforbrexit.com/the-eu-is-at-clear-risk-of-collapse-and-the-remainiacs-just-dont-see-it/> = 4,217

<https://briefingsforbrexit.com/the-galileo-spat-lesson-for-ministers/> = 2,618

<https://briefingsforbrexit.com/the-caricature-of-authoritarian-brexiters-and-liberal-remainers/> = 1,913

<https://briefingsforbrexit.com/prof-robert-rowthorn-contribute-to-briefingsforbrexit/> = 1,762

<https://briefingsforbrexit.com/where-are-we-on-the-irish-border/> = 1,661

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