Is the Government's Contingency Planning a Disaster in the Making?

Belatedly the government has been <u>reported</u> to be undertaking <u>contingency planning</u> to avoid immediate severe disruption in the event of a 'No Deal' with the European Union (EU). Yet these undescribed, unproven, hopefully temporary, measures, even if feasible, are likely to flounder on the two unanswerable issues, for how long and how is recovery to normal to be achieved afterwards? Disruption for many and the economy as a whole (the 'cliff edge') are likely then to go on for a long time. This situation, of needing contingency planning, has arisen due to the government's shambolic complacency, <u>failure to understand how the EU and EEA works</u> and <u>recklessness</u> in deciding to leave the Single Market without a plan for frictionless trade.

Whilst it is obviously possible to introduce emergency or short term measures to for example, stockpile drugs, food, and components to avoid supply chain delays, hire electricity generating capacity to keep the lights on and beg the Americans to licence our airports to allow planes to land etc. this is only part of the problem. Stockpiles eventually run out, short term electricity generating contracts expire, and the US Federal Aviation Administration would (probably) need increasing resources as time goes by. Temporary measures then have different lifecycles before they effectively expire and need to be replaced by more permanent or longer term solutions, in this case by negotiating a practical Brexit that is agreed by the EU.

Yet emergency measures create further problems with the subsequent recovery to normal. They effectively create a different situation. Customers go elsewhere. Business cash flow and profitability deteriorates. Supply chains get re-configured. The production lines that produced the steady flow of production and then the stockpiles, with nothing then to do, could have been switched to something else. Similarly electricity generating capacity on the Continent used to top up supplies in this country, in the absence of a UK customer, could be happily supplying domestic customers and reducing their bills. And with airports the European Air Safety Administration could have sent into earlier retirement staff it no longer needs so even if EU legislation was changed, to allow it to resume its role in the UK, it could not.

The effects of perturbations tend to last long after the original cause has apparently ceased before anything like normal conditions are restored, if ever. That needs to be included in the original contingency or emergency planning — a viable long-term recovery plan for getting back to normal afterwards under changed conditions.

Contingency planning for 'No Deal' arises because of government <u>reckless</u> mishandling of Brexit negotiations and <u>failure to understand how the EU and EEA works</u>. There has never been a <u>practical plan</u> for leaving the political structures of the EU whilst retaining frictionless trade largely as at present. The government's latest efforts, its White Paper is <u>unworkable</u> and <u>unacceptable</u> to the EU

leading effectively to a No Deal situation. There also appears to have been no risk analysis and, therefore, no effective risk management of the various options for leaving the EU. This should have been an early priority to ensure that potential disruption to trade was minimised and any adverse effects mitigated. Then advice or guidance could have been provided to all stakeholders (businesses, regulators, customs etc.) here and in the EU in plenty of time instead of in a panic.

Yet the information both for contingency planning and to avoid the need for it in the first place has been readily available for some time. From early on the EU has been spelling out on their <u>dedicated</u> <u>website</u> in impressive (or terrifying) detail their 'public' vision of where Mrs May's Brexit is heading and the implications, which often look like business enterprise 'falling off a cliff edge'. Their <u>preparedness section</u> and Notices to Stakeholders (<u>Preparedness notices</u>) repeatedly spell out, as far as they can, what will undoubtedly happen across a wide range of activities and policy areas when the UK becomes a 'third' country after leaving the EU (on 29th March 2019) and the EEA. Recently they have gone further in COM(2018) 556 <u>Preparing for the withdrawal of the United Kingdom from the European Union on 30 March 2019</u>. Detailed analysis is also available in many of the posts on <u>Eureferendum.com</u> and <u>Campaign for an Independent Britain</u> also often considers practicalities.

Rather than being trapped under <u>EU hegemony</u>, as Mrs May is leading us into with her White Paper, or a chaotic 'No Deal' situation, we could remain in the Single Market under different, much more flexible conditions by re-joining the free nations of Europe in <u>The European Free Trade Association</u> (EFTA). The EFTA/EEA route is far better enabling us on 29th March 2019 to leave the political EU and its alien, autocratic straightjacket whilst still trading, as now, with the Single Market. As a temporary measure it could buy time for Free Trade Agreement negotiations. (see also <u>here</u>, <u>Brexit Reset</u>, <u>Eureferendum.com</u>). Even, now it is not too late to address the <u>misconceptions</u> about the EFTA/EEA route or <u>organise a change of direction</u>, from impractical chaos to the least disruption, effectively maintaining frictionless trade.

The government's contingency plans for 'No Deal' when they emerge are also likely to show a level of preparedness and advice that is woefully inadequate. Preparedness to date lags far behind other countries in providing the necessary resources and, once the public is informed, would show up government failings, not least in being honest with the people of this country. The drip feed of worrying news and information is likely to encourage public unease.

Advice needs to be realistic, expanding on the EU's work and provide recommendations, useful background, durations, long term recovery plans, examples, checklists etc. However, providing this information would again expose the failings of the government to date. And if advice turns out to be wrong could the government (and taxpayers) be sued for compensation or consequential losses? However, not providing adequate advice would indicate poor government competence and encourage further mistrust and public unease.

It is difficult to envisage those who chose the path to a highly disruptive 'No Deal' Brexit, being part of a change of direction to a practical, minimal disruption, Brexit. Surely they must know by now that their dithering, grandstanding and wishful thinking is going straight to the 'cliff edge' for much commercial activity. Yet the delusion and vacuity continues, for example, in Mrs May speech 20th July 2018 in Northern Ireland. In any case in an emergency absolute confidence in the authorities, their contingency plans, advice and actions is critical. Confidence is built on truth and competence which indicates strongly that a new team at the heart of our Brexit efforts is required.

Yet only the Conservative Party can initiate this change, from the top down – the longer the delay the worse the potential damage.