

## Visit to Costco, Reading

I visited Costco at Green Park Reading following their invitation. They wanted to show me their facilities and talk about their employees and their relationship with the local community.

They assured me they paid above the market average, liking to recruit and retain good people. Their retention rate is good. They have training programmes, and assist employees who wish to progress through internal promotions. I am a strong supporter of employers paying decent wages, understanding the ambitions of their staff and giving them help to move upwards in the organisation.

They told me of the work they do to raise money for charity, and the way they have some charities as members to take advantage of their prices and service for the wholesale trade. The main issue they raised for government was the question of taking more action to defeat smuggling of alcohol, which adversely affects businesses like them as they of course have to pay full duty on their alcoholic drinks ranges, and maintain a licence to sell such products. I agreed to follow up on this issue, which sees law abiding businesses and government on the same side seeking to enforce tax laws.

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## The EU has nothing we want that is worth £39bn

We must leave the single market and customs union when we leave the EU. That's about the only thing the official Leave and Remain campaigns agreed about, and is also the view of the EU itself.

We cannot stay half in the single market, and we should not want to.

The government has to accept the verdict of Salzburg, that the EU don't want Chequers either.

We should offer a good Free Trade Agreement. You do not pay to trade.

The EU is merely offering a Withdrawal Agreement. That is all take for them and no give to us. We should reject it.

We should not want to spend another 21 months in the EU in a so called transition. It would be a transition to nowhere, with 21 months of uncertainty and argument over what the future might bring.

If we just leave just look at the upside:

An end to business uncertainty, and proof that the stupid scare stories were as wrong as the Remain economic forecasts for 2016-17.

£39bn to spend on tax cuts and public service improvements over two years, giving a good boost to jobs and our economy

The right to settle our own migration policy, and to encourage more people settled in the UK into jobs with better wages

Taking back control of our fish to rebuild our damaged fishing industry

Setting out our own agriculture policy so we grow more at home again as we used to before we went into the EEC/EU

Deciding on our own tariff levels – with lower tariffs or no tariffs where we cannot grow or make the things concerned.

Signing trade deals with many countries that want even better trading relations with us.

The government says it is getting on with No deal planning. So bring on the fishing, farming, trading and spending policies that we need and want, to use our new won freedoms.

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## [The EU is no bowl of cherries](#)

Mr Tusk's dismissive treatment of the Prime Minister was not the action of a peacemaker who wants to bring the two sides closer together. It reveals that the EU has little self knowledge, and no knowledge of how others see it. It is because the EU is no bowl of cherries that many of us wish to go. There are no cherries to pick.

As to cake, we have to pay for our own and pay for other countries cake too whilst an EU member. I look forward to us paying just for our own cake, and making more of it at home. That way we can have better cake and more prosperity. At least Mr Tusk has just made it a whole lot easier for us to leave without a Withdrawal Agreement.

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## [The EU is more preoccupied with](#)

## migration than with Brexit

So as I and my allies predicted, the EU has turned down the Chequers proposals. We tried hard to persuade the PM to move on from Chequers. We did not want her rebuffed for proposing the impossible. How do her advisers who disagreed with us and told her to throw all her political weight behind Chequers explain what they have done? What do those Cabinet Ministers who went along with it have to say now about the delays and loss of negotiating capital it has caused? Can they now see they set her up to fail? Will she now listen to pro Brexit advisers who want what is best for our country based on organising an early exit?

The Prime Minister got just ten minutes to state her case to the assembled heads of state and government after dinner on Wednesday at Salzburg. The long dinner conversation was about borders and security. The working session yesterday was also about security and borders, in preparation for decisions on these matters at the October Council. The 27 did have a lunch time conversation about Brexit in the absence of the UK.

This tells us something very important about the EU. They are very worried about the political movements in member states demanding a change of policy on migrants and borders. Maybe they do not see Brexit as sufficiently important to allocate proper time at member state level to discussing it, preferring to let their representatives from the Commission handle these matters. Maybe they were so annoyed at Chequers that largely ignoring it seemed the best response to them .

Given the position of the UK Prime Minister and the clear position of the EU on the integrity of the single market and its wide ranging associated policies, there is no deal in sight. They need to take that into account at the October Council. As someone who thinks leaving without a Withdrawal Agreement works well for the UK, the same cannot be said for the EU. Their one sided Withdrawal Agreement is a very good deal for them, which they can lose through the casual approach of the Council allied to the formal and legalistic approach of Mr Barnier.

Could the two sides get an agreement? Only if both change their approaches substantially. The UK has to give up the ideas in Chequers that we stay in the single market for goods whilst leaving the rest of it and leaving the customs union. The EU wishes to preserve the integrity of their bureaucratic single market, and not have a country half in it. We need to abandon the idea that we will collect their customs dues for them. The EU has to give up the idea that it can split the UK by treating Northern Ireland differently to the rest. Then there is a simple question for both parties. Do they want a comprehensive free trade agreement like the Canada one or not? If they both do, it could be agreed in time for exit on 29 March 2019, based on the Canada draft with some added advantages that come from starting from a tariff free position on all items.

My view is as there is no legal obligation to pay a Withdrawal sum there is

no need to sign the Withdrawal Agreement, and no need to pay for a Free Trade Agreement. Doubtless some in the government would be willing to compromise on this approach in order to get something agreed. In order to get any compromise through the UK Parliament, it has to be visibly better than simply leaving without a Withdrawal Agreement. £39bn is a huge sum of money that could do a lot of good at home. Trade under WTO rules with the rest of the world works fine for us, so we can manage on March 30th with no Withdrawal Agreement and no so called transition or further delay. The sooner the UK sets out its tariff schedule for March 30 next year the better. The tariffs do not have to be as high as some EU ones are. EU tariffs are high on food and 10% on cars. Much of our export activity including all services will be tariff free even on EU tariff schedules.

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## What do we want our army to do?

Listening to those who lead and manage our armed forces, I have been struck by the significant change in the army as we detach ourselves from Middle Eastern conflicts. During the Blair/Brown/Cameron years the UK made a substantial military commitment to Iraq and Afghanistan, as allies of the US and as part of a wider coalition of the willing. The UK accepted the US analysis of the need to respond to the atrocity of 9/11 by seeking to root out terrorists from some parts of the Middle East, and sought to assist in defeating terror groups in the interests of establishing more stable democratic states. Over the years of these conflicts the army had to direct its training to the difficult task of counter insurgency, to fighting with restraint in troubled urban environments. It required a change in equipment as well, with arguments over the number and effectiveness of armoured personnel carriers, and over the best style of military policing of areas with a terrorist presence or threat.

The nation rightly remained strongly loyal to our armed forces, who usually showed bravery, restraint and professionalism in difficult circumstances. The political nation was more divided and unsure about the remit given to our armed forces, and over the wisdom of these military interventions. It was one thing to support troops who did succeed in moving terrorists out or in stabilising an area. It was another thing to be able to assist in the creation of a stable democratic system, a good government and a more flourishing economy to replace the terror ridden troubles of many communities. The interventions did not create stable prosperous democracies quickly, and maybe could not do so. If there was a failure it was a failure of politics, or an over reach by the West who may not be best placed to transform the domestic politics of the area. I was one who thought we intervened too much. I also thought we asked a lot of our young soldiers on the front line, who had to show great restraint when afraid of attack, unable to speak the local language and finding it difficult to identify who the enemy might be amongst a civilian population they were trying to protect.

Today we need to ask what do we want our army to do now? To be ready, seems to be the answer. It needs to be ready in case danger or need arises. That makes training difficult, as you cannot be sure what you are training to do. Some in the army think it makes managing the army more difficult. Providing a positive and exciting career if you all you do is train is a challenge. Whilst most of us like peace and are pleased to be spared the risks and dangers of war, some who join and train to be soldiers do so to be placed into dangerous situations where their actions can make a difference.

The last thing we should want to do is to find a dangerous situation to put our troops at more risk. It is the highest success if having an army there are no wars for it to fight. I am one who thinks the main reason we have a good professional army is as an insurance and deterrent. What do I most want the army to do? To persuade any adversary that it is not feasible to take military action against our home islands and protectorates. My second wish is to have armed forces that are strong enough and professional enough to be able to intervene many miles from home should need arise. That capability means our diplomacy has teeth, and makes negotiated solutions more likely. At the end of any war you need to sit down and organise the peace, establish a new rule of law, and allow self government where you have intervened with force on the ground. If you can sort things out like that without the war, we are all better off. As a member of the Security Council of the UN and a country with interests around the world, we do need to be able to project and use force away from home.

So I invite you to tell me what you want our army to do.