

Negotiating a deal

Both the EU and the UK government would be wise to study why their last negotiation before the referendum went so wrong. The two parties wanted the same outcome – a deal which enable the UK to vote to stay in the EU. Their failure has left the EU struggling with the departure of one of its largest paymasters, and saw the end of the Prime Minister and Chancellor in the UK who signed off the deal.

On that occasion with full civil service encouragement the UK Prime Minister went round the EU asking leaders what they might grant the UK. They told him they could not grant much, so he asked for not much. As this was always going to be a negotiation the EU did not feel they could let him have all he asked for, so a low bid which he had made was scaled back further. When the UK voters saw it gave us no remission from high financial contributions, prevented us running our own migration policy and did not even fix the issue of letting us make our own decisions about benefit payments, they rejected it.

There is now a strange German movement to say they might be able to fix some of the things Mr Cameron said he wanted fixed, now they have seen the outcome. The truth is it's too late to do that. Many UK voters anyway do not think Mr Cameron asked for enough. He made a mistake, but so did the EU in refusing even his modest demands.

Today the UK government now needs to be sure to ask for enough from a Future Trade and Partnership Agreement, otherwise what has currently been outlined will be judged a bad deal by many UK voters. The EU would be wise to understand if they deliberately set out to make a tough deal which the UK thinks is an unfair deal that could backfire. It might result in the UK leaving with no deal. The UK government has rightly said on many occasions No deal is better than a bad deal. Past experience shows the EU quite likes bad deals. That is why it is facing the exit of one of its major paymasters and one of its main single country export markets.