

# The debate about Britain's future is already settled. There will be an Open Brexit – because we have no other choice.

Six months ago, [ConservativeHome wrote](#) that Britain must make a collective decision about what kind of country it wants to be post-Brexit, and that there are two different roads it can take.

*“The first is what might be called Open Britain. Its starting point would be that our economy needs to be as open as possible if it is to flourish after Brexit. Business taxes would be slashed. So would regulation – including much of that social and employment law that Conservatives for so long itched to get back from Brussels. We would become a kind of Panama for money from overseas. Trade deals would be framed simply to get the best deal possible for exporters; those steel imports from China, say, would flow into Britain. All this sounds like a Thatcherite vision for our economy, but it does not necessarily imply a passive state. Government could be active in the sense of going for big infrastructure decisions more determinedly than has usually been the case. More runways would be tacked on to Heathrow and Gatwick; airports outside the south-east would be expanded. Migration would be relatively high.*

*London and the South-East would be likely to gain most from such a strategy, at least in the short-term. The losers from imports and high immigration would mostly be concentrated elsewhere – in the Leave-voting North and Midlands among the “ordinary working people” who plumped for Brexit.*

*Which leads us to the second option. It begins with the conviction that government cannot let down these voters, without whom Leave's referendum victory would not have happened. Social and employment law would be preserved in aspic. Migration would be low. Trade deals would not be signed if they would let those steel imports come pouring in – which suggests that few would be signed at all. Public services policy would stress more spending rather than reform. Taxes would in consequence be higher than they would otherwise have been. Investment from abroad would be seen through a national security lens only. This would be a Closed Britain. It is difficult to square this vision of the future with the vigorous construction of new airports or nuclear power stations. We would be more likely to put such decisions off and opt for lower growth.”*

The release of the Great Repeal Bill White Paper has stirred a mass of speculation about legal consequences (such as whether the executive is entitled to use so many Henry VIII clauses) and political tactics (such as whether the Scottish Parliament could block the Bill's effects in Scotland by refusing legislative consent).

But it has also reheated the questions that we asked last autumn. For example, the *Daily Telegraph* has chosen this week to launch a campaign “to promise a bonfire of EU red tape in its 2020 manifesto”. The effect of a Bill whose intention is to keep EU law in the short-term has been to unleash competing views of what Britain should look like in the medium and long.

Parts of this debate are clearly pertinent. For example, the future of British farming post-Brexit is a real unknown. As Richard Ali put it recently [on this site](#): “do we want a New Zealand model of little or no support or a Norwegian model of high levels of support designed to keep farmers on the land? What sort of countryside do we want to see, and who should pay?” It may well be that Britain’s urban areas are unwilling to fork out for its rural ones – nearly all of which are currently represented by Conservative MPs – but the question is a genuinely unresolved one, at least for the moment.

None the less, there is a temptation to exaggerate the scale and sweep of the choice. As we put it last autumn, a Closed Britain “is ultimately unsustainable – and, in political terms, not consistent with where the Conservative Party has pitched its tent in modern times”. Britain has a strong bias towards free trade, powered by our need to export goods. This basic disposition is not going to change post-Brexit. It could be that a Far Left government somehow wins office in 2020, and immediately begins to throw up tariff barriers and subsidise loss-making businesses.

But raising that possibility only reinforces how impossible such a posture would be to sustain. Britain needs businesses to come and invest, to create jobs and wealth. This is always true, and especially post-Brexit. Theresa May has got the message. The months following her Party Conference speech last autumn, which was perceived by parts of business as too inclined to bash it, saw a rhetorical and practical rowing-back. For example, Downing Street has quietly buried its original plan to compel companies to represent workers on boards. The Industrial Strategy has turned out to be an exercise in consultation.

Burning questions remain. Can Britain deliver social justice for its younger people, so many of whom are currently locked out of home ownership? As Russia flexes its muscles, are we prepared to devote a higher proportion of spending to defence? Will we make a necessary shift that from an over-expanded higher education sector – [see Graeme Archer’s column below today](#) – to our under-developed vocational and training one? Are politicians prepared to wean us off the quantitative easing that has shafted saving? Above all, can the country live within its means and end the structural deficit?

Obviously, Brexit will have a scarcely-underestimable impact on the answers to all these. But so does the last Conservative Manifesto, with its protection for richer older retired people (the pensions triple lock; NHS ring-fencing). Ditto the unwillingness of Tory backbenchers to reduce the rate of growth of public spending. Revolts under David Cameron killed plans for disability benefit and tax credit reform. An uprising under May stifled Philip Hammond’s plan to change National Insurance Contributions. The point here is not whether any or all of these plans were right or wrong. It is

that the Commons isn't currently up for the scale of the challenge.

It is true that Ministers should embrace Brexit as the great challenge which Britain must meet, and tell a story about its plans will rise to it – [something that the Chancellor failed to do in the Budget](#). It should also start planning now: last autumn, we said that he should begin to consult on the post-Brexit regulatory regime. But the Government has limited room for manoeuvre between now and 2020. Much of the Conservative plan for Britain's journey must thus be reserved for the 2020 manifesto.

This places a big responsibility on George Freeman, who heads Downing Street's Policy Board, and Number Ten's Policy Unit, led by John Godfrey. But while the pace of the journey is debatable, the destination is not. We are heading for an Open Brexit – not because politicians and voters will always opt for one, but because it is the only option in the modern world for survival, let alone jobs and prosperity.

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## [Iain Dale: May moves Article 50 – and the BBC plunges into a period of national mourning](#)

*Iain Dale is Presenter of LBC Drive, Managing Director of [Biteback Publishing](#), a columnist and broadcaster and a former Conservative Parliamentary candidate.*

Listening to the BBC coverage of triggering Article 50 earlier this week, you'd have thought that we were entering a period of national mourning.

It started with the *Today* programme, which relished interviewing anyone who had anything negative to say – and believe me, most of their carefully-chosen guests did. In the section I listened to they had one pro-Leave business guest. She was given all of two minutes to make her case. The five or six Remainers were left to witter on with hardly a challenge from the presenters.

We're going to have two more years of this. But the die is cast. Article 50 has been triggered; there is no going back. I had hoped that there would be a realisation from the likes of Nick Clegg and Hilary Benn that the course to take now is unite behind Brexit, and make the best of it. I suppose it was always a forlorn hope. Clegg seems to have cast himself as Remainer in Chief, having declared that "the phoney war is now over", and that Brexiteers must be held to account "for their false promises".

If he wishes to go to war with the British people over the way they voted, that's up to him. We should admire those who stick to their principles – but we shouldn't have any truck with politicians who fight the battles of the

last war. Everyone's attentions should now be directed to how we make a success of Brexit – or if you are of a less optimistic persuasion, make the best of a bad job.

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It says a lot about the state of the British media that on the day before Article 50 was triggered, all we could talk about were the respective legs of the Prime Minister and the Scotland First Minister. Who'd have thighed it?

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I wonder when Keir Starmer looks himself in the mirror – and with that gelled hair, he must do so quite often – does he see the reflection of John Moore staring back at him

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A lot has been written about the rise in inflation during the last few weeks. Those who know nothing about economics appear to attribute it all to Brexit and the fall in the pound.

The truth is more simple. Since Brexit, the price of oil has risen by about 60 per cent, and the effect has now begun to come through in the inflation figures.

Were the rise in inflation all connected to Brexit, the rate would be far higher. In fact, it's only 0.1% higher than Germany's rate, and on a par with that of most of the rest of the main EU economies.

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Alex Salmond is a genial cove. I host him every Wednesday afternoon for a half-hour phone-in on LBC. He and Nicola Sturgeon are adamant that Scotland should have its own deal, since voted to Remain by 62 per cent to 38 per cent.

I am sure that Salmond genuinely believes the case he is making. And of course, I am also sure that if Dumfries & Galloway or the Borders vote in a second Independence referendum vote to remain in the UK, he'd also allow them their own special deal to stay in the UK. And pigs might fly.

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There were two new books out this week which may be of interest to ConservativeHome readers. Sayeeda Warsi has written a book called [The Enemy Within](#), which is allegedly how some people described her when she was a minister in the Cameron government.

It's certainly not a kiss-and-tell account of her time in government. Instead, it's a thoughtful tome about the place of Muslims in Britain today. It's incredibly well-researched (and heavily footnoted), and I hope it gets a much wider readership than simply Muslims who are interested to read about the views of Britain's first Muslim cabinet minister. It deserves to.

Douglas Carswell has also written a weighty tome called [Rebel](#). It's a call to arms to overthrow what he calls the oligarchs and political interests that control our society. It's a powerful polemic, and ought to have a readership across the political spectrum. It's certainly not a right-wing treatise; indeed, at times you think you're reading the words of someone on the far left.

Some of his solutions for dealing with out-of-control capitalism could come from the pen of Jeremy Corbyn. Indeed, if the latter has any sense, he will read this book and adopt a lot of its conclusions. But as I say, the key phrase there is "if he has any sense". No doubt he and his little helper Seumas Milne couldn't bring themselves to read a single word of a book they would regard as being written by someone on the extreme right. And therein lies their problem. Carswell is far more in tune with the views of the ordinary Brit than they ever will be.

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I like interviewing Amber Rudd, although I don't do it that often. On Wednesday, she was on my LBS show talking about triggering Article 50. I asked her if she thought that people on both sides should moderate their language and stop the insults.

"Yes," she said: "they should". I immediately retorted, "Well, that's enough about you and Boris." She giggled and said: "Well, I rather let myself in for that one, didn't I?" Good on her. It's a pity that more politicians don't react in the same way rather than go all hoity-toity.

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## [The ambition for home ownership is stronger than ever](#)

The annual [English Housing Survey](#) came out this month. It suggested that in the last financial year 62.9 per cent of English households owned their own homes. So that was very slightly down on [last year's figure of 63.6 per cent](#). A fall of 0.7 per cent, after a rise of 0.3 per cent the previous year. Some media coverage suggested [the fall was significant](#) – although the survey itself suggested it was within the margin of error. At any rate there has yet to be any progress getting back to the peak of 71 per cent in 2003.

Furthermore this was before Gavin Barwell, the Housing Minister, sent out the [depressing message](#) that there was to be less emphasis from the Government on wider home ownership. A better response would be for the Government to redouble its efforts – notably with [a right to shared ownership](#) and a big expansion in supply to ease affordability with a crackdown on [state land banking](#).

The most startling figure in the survey was how the determination to buy has actually increased. The “proportion of renters who expect to buy” is at 44.1 per cent, up from 41.0 per cent last year. That increase is probably more than the “margin of error” (the survey is based on interviews with 13,300 households). It is also the highest since the survey began. One might have thought that the expectation of home ownership would decline as property prices rose. This indicates that the ambition is very strong. Politicians would be well advised to take note – rather than assume everyone on average incomes has just shrugged and given up on such aspirations.

Another point of interest is that the number of us living in tower blocks continue to decline. Those in “purpose built flat, high rise” consisted of 516,000 dwellings according to the 2014/15 estimate. The latest Survey puts it at 425,000. The number of Council tower block homes is down over the last year from 139,000 to 113,000. They were the future once.

[home ownership Housing](#)

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## [Euro sceptic MPs must resist the temptation to meddle with the Great Repeal Bill](#)

No sooner was Article 50 triggered than David Davis’s “Department X” sprang into action. The Secretary of State has today [launched the white paper for the Great Repeal Bill](#).

The Bill gets its name from its immediate, crucial effect: the repeal of the European Communities Act 1972. This is the prerequisite to restoring full Parliamentary sovereignty over our laws, but it isn’t the only thing that needs to happen to ensure a “smooth and orderly exit”.

It’s for that reason that, despite its name, the Bill’s second effect will be to vastly extend the UK statute book, effectively copying and pasting all current EU law into UK law. This means inserting thousands of regulations and directives into British statute, a reminder of the degree to which Brussels exerted its powers during our membership.

Doing so has two benefits – first, it ensures that on the day after Brexit there is no immediate disruption by a sudden reversion either to pre-1972 laws or to a vacuum in areas where Westminster hadn’t the power to legislate while we were in the EU. And second, it ensures that any deviation from or scrapping of EU laws that takes place as part of Brexit will require Parliament’s approval – a right and proper restoration of democratic control.

This approach brings with it two complications, one objection and one temptation.

The first complication relates to the role of the European Court of Justice. ECJ case law – the thousands of judgments on how EU law should be interpreted – is an important extra element of the way in which EU law operates in this country. To copy across the legislation and regulations but not to incorporate the case law would blunt the effect of the Bill, meaning that Brexit would still see sudden adjustments in the law overnight.

Davis's solution is for the Bill to "provide that any question as to the meaning of EU law that has been converted into UK law will be determined in the UK courts by reference to the CJEU's case law as it exists on the day we leave the EU." This means that May will remain true to her promise to end the authority of the ECJ over our law post-Brexit – no new rulings in Luxembourg will have any power. Parliament will be able to overrule and alter those past judgments, as will the Supreme Court. In effect, a current snapshot of EU law, including its case law, will be transposed, to be edited at will by sovereign British institutions whenever they might wish to do so.

The second complication is that a perfect, word-for-word, copy of EU law won't quite do the job once we leave the EU. For obvious reasons, it routinely refers to the powers of EU institutions, to the EU treaties and to all manner of other organisations and legal structures that we will have left once we leave the EU.

To take a random example, the legislation which defines [the framework for agricultural regulation](#) is needed for all the other, product-specific, agricultural regulations to function and make sense; Parliament would want to retain that, at least in the short term, to ensure a smooth Brexit. But in its current form it empowers the EU Commission to change the definitions of products and alter how tariffs apply to them; Parliament obviously wouldn't want to give the Commission that power after we have left the EU.

This means that there are many small amendments that need to be made during the copying across process in order to make these laws work in a solely British context – mostly changing references from EU institutions to UK institutions, and altering references to the treaties to become references to other parts of the Great Repeal Bill.

This could all just be done in the drafting of the Great Repeal Bill. But that would take time up-front, and would risk bogging the important principles of the Bill down in niggling. Davis's answer is for the Bill to provide for a power to make these alterations through secondary legislation after the Bill has become an Act.

It is this power that gives rise to the objection. Such powers, known rather arcanelly as "Henry VIII" powers, inevitably reduce Parliamentary scrutiny over the changes that are being made. The Government argues that the timing is too tight to have full debates and votes on every one of what could be thousands of what are really technical edits. Furthermore, the White Paper points out that some of the detail won't be agreed until when (or if) a

Brexit deal is struck – and waiting on the whole process until then is impractical given the need to ensure an orderly Brexit. Critics fear that ministers will use their new power to change the nature, rather than just the technical wording, of the law – ditching particular regulations outright, for example. The words “Tory power grab” are sure to issue forth from one Labour, Lib Dem or SNP MP before long.

The White Paper includes a promise that this won't happen: “The Great Repeal Bill will not aim to make major changes to policy or establish new legal frameworks in the UK beyond those which are necessary to ensure the law continues to function properly from day one.” Opposition MPs might not find that sufficiently reassuring, but there is another aspect which allays their concerns rather more strongly. Because EU law is also in effect in the devolved nations, the Great Repeal Bill will also give the same power to ministers in the devolved administrations. Even if May and Davis harboured a secret desire to implement sweeping policy changes without Parliamentary approval, they would be very unlikely to grant Labour in Cardiff and the SNP in Holyrood the opportunity to do the same. Devolution acts as a disincentive for the UK government to over-reach itself.

This leaves us with the temptation presented by the Great Repeal Bill. The power of the moment – the return, at last, of full democratic control over our laws – and the name of the Bill itself whets Eurosceptic appetites to start instantly tearing up the EU laws that they have railed against for so long. Why not start tabling amendments to the Bill now, to delete bad regulations and torch red tape instantly, without having to wait to undo it after March 2019?

There is plenty of demand for a bonfire of EU red tape. [This site called in November](#) for the Chancellor to establish a task force to advise on a new and better post-Brexit regulatory regime. The *Daily Telegraph* followed our call [this week](#) and has launched a campaign on the topic.

But it would be a serious error to go jumping in with attempts to deregulate instantly by meddling with the Great Repeal Bill. There is a good reason why we and the *Telegraph* have both suggested that the Government should prepare for action after Brexit, rather than start cutting out particular EU laws in the Brexit process. Those who wish to hobble Brexit, or even prevent it entirely, are studying the Bill with a wolfish eye. They can see that it is complex, and that it must run on a tight timescale. They know that complexity equals opportunities to raise concerns, mount attacks and perhaps inspire rebellions. They view it as a major opportunity for their promised “fightback”.

If Eurosceptic MPs were to start trying to mess with the Bill, they would be giving Farron, Heseltine et al exactly what they want. They might even find themselves in the same lobby as those who loathe everything they believe in.

Last year's referendum victory was the product of a sustained exercise in self-denial. When Eurosceptics indulged our temptations, talking high theory and dragging out historical analogy, we lost. When we exercised self-denial, studying to learn what would win and working to focus on the issues that



interested less obsessive voters, we won. This trial is just the same: do what makes you feel good, and risk losing the great prize; knuckle down and do what must be done, and finally secure what you have always wanted.

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## **WATCH: Wallace debates Article 50 – “People who thought themselves powerless get to see the powerful do what they want”**

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