

The art of the deal

Life requires a series of negotiations. If you are buying a good or service the negotiation with the provider may be over price, quality, specification or other matters. You may start as a buyer with an idea of the service you want and an idea of a low price. The provider may have to explain that the available service is different and dearer.

Sometimes you the buyer recognise that what you thought was on offer is not. You could decide to buy what is on offer, and accept it is dearer, but you are more likely to decide that as what you want is not available it's better to save your money or buy something else.

Other times you reach agreement over the style and quantity of service, and have to strike a compromise over the price. The buyer has to weigh up how much the provider needs the business, and the provider needs to guess how much you want the service. More often than not a bargain is struck, but one or both sides may miscalculate and end up with no deal. If one or other side is unable to walk away from the deal, then they will usually get a bad deal. The other party will exploit their weakness to a greater or lesser extent.

Most people understand this. Many people have bought a house, bought a car, or negotiated with a builder or some other domestic service provider. They have also often walked away from a house or a car as they turned out not to be good deals. They know you walk away unless you really want something, and that you have to be willing to walk away if you want to keep pressure on for good quality and good value. This makes people all the more frustrated when they see how the UK has not done this in negotiating with the EU. We have seen time and again how the opposition to Brexit in Parliament and in the establishment have constantly been undermining efforts by the UK to pursue a firm line in the negotiations. Mrs May refused to walk away when the EU came up with a very damaging sequencing to the negotiation, giving them all they wanted in the first part, the Withdrawal treaty, and leaving everything the UK might want open until after the first part was signed. She then refused to walk away when the draft Withdrawal Agreement took shape with a huge move to keep our money, keep us under the EU control for longer, and to invent an Irish backstop as a possible means to keep us indefinitely in the customs union and following single market laws. Now some of these same people have decided to cripple the UK's attempt at a renegotiation by ruling out walking away, our best card to get the attention of EU negotiators.

The big advantages we have are manifest. We pay them money, they don't pay us money (net). They sell us far more imports than we sell them. Much more of their trade faces tariffs if we leave with no agreement than we face. We can trade quite successfully under WTO rules, with lower tariffs on fewer products out than in. We can regain control of our money, our laws, our borders and our fish. If only the opposition would let the government negotiate against the possibility of No deal. Armed with such formidable advantages we would have a decent chance of getting them to agree to free

trade talks and no new barriers on exit. As it is the EU sniffs weakness and continues to offer nothing in the hope that the opposition will do their work for them. As Mrs May used rightly to say, no deal is better than a bad deal. In this case a lot better as what is on offer is a very bad deal.