

Pragmatic solutions needed for Brexit

Last Friday I attended the Securities Industry Conference 2017 in the City, and unsurprisingly there was much talk about Brexit. There were several notable contributions on that topic, two of which put forward thoroughly pragmatic solutions.

The first was from Gina Miller, who took the Government to court over the question of whether Parliament should approve Article 50 lodgement and won her case: she has also made a significant contribution to Share Radio in the past. The second was from Angela Knight, the former Treasury minister who is now Chair of the Office of Tax Simplification. Both put forward strong arguments for putting pragmatic Brexit arrangements in place: a vital issue if we are not to see an increasing exodus of financial services from the United Kingdom. If sufficient progress cannot be seen following the European summit next week, this looks highly likely.

Gina's view is that we should re-join the European Free Trade Association, which includes Switzerland, Liechtenstein, Norway and Iceland, as a basis for establishing new trading arrangements with the European Union. She accepted that Norway would have reservations, but pointed to the logic of being part of an existing trading framework while maintaining our own sovereignty.

In my view the case for this would be stronger if it could be seen as part of a wider realignment. The chart shows the current status of the Eurozone within European countries. The European Union has had considerable success in getting its member states to adopt the Euro, but there are still a number of countries who have their own currencies, un-pegged to the Euro: including Sweden, Poland and a number of other East European states.

Also, if the EU cannot establish unified political leadership (which in my view means a directly elected head of state) which can disperse economic activity, it is highly probable that the Eurozone will lose several countries as they re-introduce their own currencies in order to revive their economies. It would therefore make sense for a strengthened EFTA to be there, ready and waiting, to receive them.

The United Kingdom could therefore make overtures to Sweden to explore its appetite for realigning to EFTA, and Gina's proposal would gain more momentum.

Whatever solution emerges for trading arrangements, Angela Knight's proposal for a cross-party Grand Committee to provide a forum which would mould the Brexit arrangements into shape before they return to the House of Commons seems eminently sensible: particularly in the current parlous condition of the Government. We badly need a sufficient modicum of cross-party agreement to keep the whole process moving, and this seems to make good sense.

Personally I believe that Angela Knight should herself be persuaded to take a much bigger role in Brexit negotiations. She understands the European Union, the mechanics of Government and the financial services industry very well, and has a pragmatic no-nonsense way of moving things forward.

So that's Brexit solved: next week I hope to return to more domestic issues.

Gavin Oldham, Share Radio