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BREXIT AND THE FUTURE OF LONDON

I want you to know before we start that I voted
to REMAIN

.....but only just

.....and would I vote the same way a second
time?

And these are my personal views only

“The UK’s going to have trouble with Europe, particularly the English.” (said to me in 1984)

The case of the curious Dutchman: “we Dutch just don’t understand: why does the UK want to LEAVE?”

The daughter-in-law’s email: why did I not?

Long-term factors: the Spanish Armada, the Boyne, Culloden.....272 years ago....

.....since then the conflicts have (mostly) been somewhere else

Medium-term factors: lack of: (Part 1)

- sense of historical necessity: war, security, borders, democracy, prosperity/austerity
- sense of opportunity: we looked to the US and the Commonwealth
- political buy-in before and after entry – by the public, not the political classes
- making of the case for being in, and of challenge to that case: all parties were “in”

Medium-term factors: lack of: (Part 2)

- VISIBLE benefits from being in: the UK a permanent net contributor
- recognition of the relationship between London's and the UK's economic progress and EU membership
- political flexibility by (some) other EU members (following the French vetoes in the 1960s)
- political engagement and relationship building by the UK Government: contrast the approach taken by business and individuals

Short-term factors: FUNDAMENTAL mistakes of: (Part 1)

- ignoring the groundswell: Freedom! Control! Global! In a democracy, “the people” have the votes
- believing the issue was economic – “they just don’t realise the cost” - when it was political: we hire (and fire) people to run the economy: they’re called governments
- allowing the “control of immigration issue” (note, not “immigration” or “immigrants”) to become identified with EU membership
- allowing a perception of an EU backed by a metropolitan elite disconnected from the rest – whatever the reality

Short-term factors: FUNDAMENTAL mistakes of: (Part 2)

- lack of flexibility by the rest of the EU in the pre-referendum negotiations: no “we want you to stay”
- political handling of the referendum and the campaign: nothing about the positive
- dismissive approach to “ordinary people” – “they just don’t realise the complexity”: we hire (and fire) people to handle complexity, eg lawyers
- the EU (institutions and people) showing anger and contempt at a democratic decision, and a hard-ball negotiation approach: “you must be punished”

Age and regional variations in voting: the margin was 2%

If it had been different, it would have been different....

....but, as it is, we are where we are. So we should:

- decide what we want and lobby for it: it does work if done coherently and consistently and in an organised and politically astute way
- not simply ask for “no change”
- not take politicians and the media too literally: they’re (mostly) doing their job in a democracy

- urge all to conclude the negotiations as quickly as possible: any damage there is will be less from Brexit itself than from the way it is handled
- concentrate on maintaining and enhancing what we're good at, eg Rule of Law: English Law and the UK legal sector, and on things technically unaffected by Brexit, e g arbitration
- not be totally distracted by Brexit

There are signs of a swing towards the practical, as the keener Leavers are seen more to be stronger on vision and principle than on practical answers and sense of cost and timescale: even the Daily Mail appears to be moving.....

Some “red lines” are softened by practicality, eg the role of the ECJ, when they appear to obstruct sensible solutions

Some issues in the legal and financial sectors:

- civil judicial co-operation: recognition and enforcement of judgements and choices of governing law and jurisdiction
- continuity of (cross-border financial) contracts, eg pensions paid by UK provider to German pensioners
- access to market infrastructure, eg clearing
- cross-border data transfer
- volume of treaties/laws/secondary legislation to be “transferred”: the *acquis*
- legal structures, eg cross-border law firms

Some policy matters: business/working visas

The City Corporation focuses on:

- Transition
- Talent
- Trade

All issues can be solved given will and time: the Irish border – complexity again.....

.....and is “it’s too difficult” code for “let’s stay in”?

In my view:

- there will be a deal
- it will be a long time before everything settles down
- the EU will not dissolve
- there will be no major reforms of the EU
- London will remain the biggest financial centre in Europe, with little fall in overall numbers employed – the “cluster factor” is very powerful – but maybe larger fall in tax revenues; Dublin will be the biggest gainer in EU but the numbers will be small; the biggest gainer will be New York

.....and every prediction will be wrong: the outturn will be somewhere in the middle....

So, what did I say to my daughter-in-law?

I didn't like failure and I wasn't sure we had the right structures and the right people in the right places to pull it off.....

DISCUSS!