What Barnier really said

False trail from UK-EU reporting

by William Keegan in London

Wed 6 Sep 2017

On Monday I returned from the annual Ambrosetti economics forum north of Milan, focusing on 'Intelligence on the world, Europe, and Italy'. After learning of the reports of the speech given there by Michel Barnier, the European Commission's chief negotiator on Britain's European Union withdrawal, I scratched my head and wondered whether I had been at the same conference.

The tone of the reporting from the BBC as well as from the more serious press was captured by one headline, proclaiming: 'British need to be taught Brexit lesson, says EU negotiator.' I was present through Barnier's talk, and spoke to him afterwards. I detected regret about the Brexit vote, but not hostility.

Barnier's speech was supposed to be in accordance with the Chatham House rule. As The European House, the consulting firm hosting the conference, put it, the Rule states participants are free to use the information received, but neither the identity nor the affiliation of whoever said it may be revealed, unless there is an explicit consensus.

I was reminded of the time some years ago when I chaired a seminar at Chatham House on the subject of the UK's relations with the EU, and reminded those assembled of the Rule. On that occasion the panel, one by one, said they were happy to be quoted – an explicit consensus. But there was no suggestion that Barnier thought he was speaking on anything other than a background basis.

However, given Barnier's identity and affiliation have been revealed, I feel free to consult my notes and attempt to give a flavour of what he was really trying to say.

He began by saying that Brexit had become part of a debate about the future of Europe, and 'a moment of truth' about how solid and capable the single market is. With regards to Brexit, he did not adopt an aggressive or punishing mood, but observed, 'The British government tells us today that they want also to leave the single market and customs union.'

He respected the decision, but went on to point out this had 'extremely serious and important consequences, which we should not underestimate.' He added, not without some merit, that these effects 'have not been explained properly to the British people'.

This has been the problem for those political commentators, such as myself, who believe passionately that, if we do end up with Brexit, it will be an act of needless self-harm which the nation will eventually regret deeply.

In a new book on how the UK reached its present Brexit condition – entitled Guilty Men by 'Cato the Younger' – the pseudonymous author (more specifically, the pair of prominent political commentators behind the alias) blames, among other things: 'Decades of negative reporting on the EU since the 1980s, with little rebuttal or political leadership from the top putting a positive case.' The book argues 'it was the long-term impact of these stories, rather than lurid headlines during the actual [Brexit] campaign itself, which was primarily responsible for moulding public opinion.'

The reporting in Britain on Barnier's comments shared precisely the same hallmarks. So much of the commentary gives the impression that the UK still wants to 'have its cake and eat it'. There are few better examples of this than the UK's attitude towards the so-called 'divorce bill'. As far as Barnier is concerned, the position is simple: there is no exit bill, and no punishment. It is a matter of fact that the UK undertook, in accordance with the agreement reached in 2014, to pay 14% of all [EU] expenses' for seven years from 2014. These are funding commitments.

Exasperated by the British media's latest spin on events, Barnier tweeted on Monday that Brexit was an 'occasion to explain single market benefits to all countries, including my own.'

William Keegan is Senior Economics Commentator for The Observer.