

## **No-deal Brexit, the view of business, and Labour's policy**

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*A shorter version of this text was sent as a letter to The Guardian, but not printed.*

It is now clear that Boris Johnson is intending to make no substantial trade agreement with the EU by the end of the transition period (Rafael Behr, The harder the reality, the tighter Johnson clings to Brexit, *The Guardian*, 3 June). In common with other far right governments around the world, he is using the domination of the news by the pandemic, and the lock down of the population, to carry through his agenda (Jonathan Freedland, Covid-19 lets tyrants wreak havoc as we look the other way, *The Guardian*, 16 May).

No deal with the EU will be a double disaster for the majority of the British population. It will lead in the medium term to a sharp drop in investment and production in manufacturing, farming and even some sections of finance. And it will enable Johnson to cut regulation of labour conditions and the environment.

Some on the centre and left imagine that Johnson will change his line sometime in the autumn under pressure from business organisations. But this underestimates the support from business for the Brexiteers' key objectives: to further worsen wages, conditions and job security; to prevent increased taxation of business; and to further weaken environmental controls on property development and extractive industries. Moreover, manufacturing in Britain is now owned overwhelmingly by transnational corporations which have production sites within the EU to which production can be moved relatively easily. And a large part of British-headquartered business is unconcerned by a hard exit from the EU because its operations and sales are worldwide: investment banking and asset trading; large property development and civil construction; oil, gas and mining majors; food corporations; and armaments manufacturers whose sales are almost entirely to the Middle East.

It therefore falls to the Labour Party and the trade unions to stop a no-deal with the EU. They need to argue, at least, for remaining in the Customs Union. This involves convincing the public of two arguments. First, to maintain regulatory alignment on labour conditions and the environment. Second, to prevent the destruction of jobs in manufacturing, farming and sections of finance. The international recession caused by the pandemic makes both these arguments all the more pressing. Given the widespread illusions among the public in a hard Brexit, aka 'get Brexit done', this campaign needs to start now.

*For a much longer version of this argument, see my paper in this Blog site*

*'Fuck business': capital, Brexit and the Conservative Party.*