

“Britain's Plans For An Orderly Brexit” (3)

The British government tried to calm fears this morning about the possibility that the U.K. may have to leave the European Union with no new trading relationship. With just seven months to go before Brexit, the U.K. is really running out of time to avoid crashing out of the EU, which could cause a lot of disruption and economic pain. NPR's Frank Langfitt is in London this morning. Good morning, Frank.

FRANK LANGFITT, BYLINE: Hey. Good morning, David.

GREENE: So what's the government saying - basically, everything is going to be OK? Don't worry? How are they handling this?

LANGFITT: Well, the concerns here are that, come the end of March, when the U.K. leaves the EU, you could see new customs borders, possibly food shortages, maybe a need to stockpile medicine. And, Dominic Raab, he's the Brexit secretary, he basically came out today in a press conference kind of to reassure people, said that the government is planning for the worst-case scenario. And it's in the process now of issuing some explanations about what it's going to do in case there is no deal and also telling different sectors of the economy how they should plan themselves, including banking and pharmaceutical industry.

GREENE: I mean, you're not talking about small industries.

LANGFITT: No.

GREENE: These are industries that an entire country relies on.

LANGFITT: No. This could affect a lot of industries.

GREENE: Yeah. So what contingency plans is the government making?

LANGFITT: So I'll give you just an example that Raab gave this morning. He said that the U.K. would just accept EU standards for testing of medicines to keep medicines flowing after March when it's scheduled to leave.

GREENE: To basically have their own little trading relationship, even if it's nothing formal.

LANGFITT: Well, and basically sort of said, listen, you know, we'll go along with you guys, and then - in hopes that you would go along when we send our medicine over. And what was kind of striking in this press conference was how much Raab talked about the need for good faith and hope that the EU would just reciprocate on certain issues, planning, actually, hinging on, you know, the EU going along. And so John Pienaar - he's with the BBC - he asked this sort of - he pointed out this whole tone in this question.

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JOHN PIENAAR: As a Brexiteer and a leaver, you're asking Brussels to back off from red lines and, if there's no deal, to cooperate in the way that you want. Did you always envisage that so much of your Brexit plan would rely on wishful thinking?

GREENE: That's direct.

LANGFITT: It's very direct. But there are a lot of people who do feel that way right now in the United Kingdom. Now, Raab pointed out that the EU also has an interest in trading with the U.K. and keeping goods flowing, and he tried to sound upbeat. And here's part of what he said in answer to that.

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DOMINIC RAAB: We're going into this with energy and ambition. We're showing the flexibility and the compromises that need to be made. And if that's matched on the EU side - and I've got every reason to believe it can and should be - then we'll get a deal.

GREENE: I mean, the EU has not come out and said, hey, Britain, we'll do whatever you need here. They've taken a sort of tough line. So given that uncertainty, how concerned are British businesses about having no deal?

LANGFITT: Some, David, are very concerned. You know, remember; the EU is this single market of over 5 million consumers - 500 million consumers. And many businesses opposed Brexit, and they're concerned that the impact is going to be pretty tough on them, losing seamless access to the market. There was a woman at the press conference. Her name is Marta Krajewska, and she's with Energy UK. And here's how she put it.

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MARTA KRAJEWSKA: I couldn't stress more that a no-deal scenario will have disastrous consequences for the energy sector. And we very much hope that a deal with Brussels will be achieved.

GREENE: So Frank, we said that the window is closing but not closed yet. Could there still be some kind of deal?

LANGFITT: Well, Raab said he's still optimistic. He said they've got 80 percent of some of the disputes basically out of the way. But earlier, there was a meeting this week on the European continent, and the EU's main negotiator Michel Barnier said, effectively, the U.K. is still asking for special access to parts of our market but refusing to allow EU citizens to move freely to the U.K. And that's kind of an ironclad rule of getting access to the market and being part of the EU club. So for now and for a long time, that's been a red line for the EU that it's just not willing to cross.