## A Tale of Two PowerPoint Slides

CIB committee member **Dr Lee Rotherham** explains why the famous 'Barnier staircase' PowerPoint slide is misleading, and why EU precedent and the Commission's own terminology show there are many more options available than Barnier's simplistic slide would suggest. This article was originally published by Global Vision and is reproduced with kind permission.

"It was the spring of hope, it was the winter of despair, we had everything before us, we had nothing before us, we were all going direct to Heaven, we were all going direct the other way"

So runs part of the famous 'best of times/worst of times' opening paragraph to Charles Dickens' tale of love, revolution, over-enthusiastic prison reform, and eighteenth century knitting.

Today, the city to be paired with London in a time of fervour and tumult is not Paris, but rather Brussels. Yet the confusion over direction remains the same.

In part this might be attributed to a certain latterday Jacobin's stairwell. In an infamous Powerpoint slide, Michel Barnier set out a summary of the options before the UK negotiators. To Brexit-watchers it's recognisable at a glance:



The context is fairly clear. The UK had set out a series of negotiating limits or "red lines", which were logical — indeed they came from basic criteria that Vote Leave had defined what Brexit meant. So by the power of elimination, according to the

Commission's slide, that supposedly left only either a Canadian or South Korean style free trade deal, or WTO terms.

But this is extremely deceptive. If the reader can bear with the small print, rather than seven options narrowed down to a binary choice, in reality there are very many more. EU precedent — as defined by the Commission's own terminology, and by its own descriptions of what the trade deals actually contain — looks more like the following grand stairwell.

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That is a very, very busy slide. So let's lift out just a handful of key points and summarise it as follows:

- 1. There are actually at least 50 (arguably 53, possibly more) distinct types of officially-recognised EU economic arrangement, with an immense range in the level of integration with the EU project demanded. Most require none.
- 2. The Canadian example, lifted from Barnier's jerry-built plinth, sits in reality only a third of the way down the range. It's also distinct from the South Korean model. One can debate the exact order, but what is clear is that under Commission terminology there are several other models that would similarly qualify as an "association agreement" as called for in the Political Declaration.
- 3. Basically the block in green is the UK's target area, falling between being caught inside EU political and judicial systems (and ambitions for "ever closer union"), and not delivering on the free trade aspirations.
- 4. Additionally, having a 'barebones' arrangement lower down the staircase does not stop you having a set of side deals that acts as an 'escalator', aggregating to push the trade relationship higher up compared with other countries.
- 5. If it helps, you can also portray it another way.

Imagine instead the whole list pivoting and rotating around the EU flag point at the very top. You can compare the best place to be (the green area) with the 'Goldilocks Zone' in astrophysics — the optimal range of planetary orbits around the star for life to flourish. You don't want to be either too close and too politically hot, or too far and too economically cold. (On trying to theorise the underlying principles, and why the optimal range varies from state to state, there's this paper.)

6. The scale of the 'hierarchy' of treaties, and the precedent for countries transitioning over time, demonstrate that the UK-EU model will end up *sui generis*, and subject to further evolution and development. The wording from the latest MEP motion calls it a "balanced, ambitious and comprehensive FTA" — already establishing a new term, and anticipating a unique set of arrangements behind it.

Why's this case study in 'death by Powerpoint' important? Because it prompts us to note that there's no simple binary option here, no simplistic cliff edge Team Barnier will shove us off.

That will be a key point for commentators to remember, as the Commission negotiators soon start grandstanding the tiresomely familiar No Deal threat unless the UK caves in over the latest excessive negotiating demands. So, cause then for optimism — and no reason to tremble over the guillotine of  $31^{\text{st}}$  December.