

Ask the FT

“Thankfully, a great many in my industry remain deeply committed to the cause of telling the truth, and media such as the Financial Times remain determined to practise impartial analysis and reporting.”

- Gillian Tett, The Financial Times, 14 July 2017.

Dear FT,

Now that the UK referendum to leave the EU has given us a conclusive verdict of ‘Leave’ and Article 50 has been implemented after approval from the UK courts, what is the best way for businesses to adapt to a post-Brexit commercial environment and all the trading opportunities that might come with it ?

- *Curious in Coventry*

Dear Curious,

..I sat at my desk wringing my hands, transfixed by the tragic slapstick of British politics..

We are in the biggest domestic political crisis of my life..

This is only the second time I can remember when the normal, trivial business of office life has stopped — and stayed stopped..

I’ve witnessed a few surprising general election results, a few terrible terrorist events, a few sporting triumphs and defeats where we stopped and gawped and worried or marvelled for a little, but it never lasted long..

The only other time I can remember when everything ceased was after 9/11..

Another acquaintance, who holds a senior management job at a well-known company, reported feeling so lethargic and powerless he cancelled all but the most essential meetings and sat in his office staring at the news on screen, feeling increasingly out of control..

Instead I went to work, and read more gloom about the UK economy. Sterling falling. Buyers pulling out of the property market. Decline in new job postings. And that is

before the productivity catastrophe created by all this lethargy and all-round uncertainty..

- Lucy 'Perspective' Kellaway, 'Carry on Post-Brexit, whether calm or not', *The Financial Times*, 3 July 2016.

Dear FT,

I'm a single, materially successful man in his mid-30s and I like to think of myself as reasonably good-looking. I would dearly wish to enjoy more meaningful relationships with women but I find myself painfully shy when approaching them. Do you have any advice ?

- *Hesitant in Hastings*

Dear Hesitant,

The UK once had a deserved reputation for pragmatic and stable politics. That will not survive the spectacular mess it is making of Brexit. Remember what has happened. In an unnecessary referendum, a small majority chose an option they could not understand, because it had not been worked out. Thereupon, a new prime minister, with no knowledge of the complexities, adopted the hardest possible interpretation of the outcome. She triggered the exit process in March 2017, before shaping a detailed negotiating position. Some 70 days later, in an unnecessary election, she lost both her majority and her authority..

The UK government has failed to prepare the ground for any of the necessary compromises. It could probably not do so, in any case, because a significant number of Brexiters fail to understand the weakness of the UK's hand: damage to access to the EU market would, for example, be far worse for the UK than vice versa, because the EU's economy is some five times bigger than Britain's..

The UK has become so ludicrous because the issue of the EU is so deeply felt by a significant part of the body politic. The Brexiters are the Jacobins of UK politics. Their ideological intensity has devastated the Conservative party and reduced British politics to its present shambles. There is, as a result, neither a comfortable exit from Brexit nor a plausible way of managing it smoothly. Whom the gods wish to destroy they first make mad. So it now is over Brexit.

- Martin Wolf, 'Britain is incapable of managing Brexit and calamity will follow', *The Financial Times*, 13 July 2017.

Dear FT,

I'm beginning to wonder whether you and your editor Lionel Barber (recently awarded the *Légion d'honneur* by France for his "positive role" in the EU debate) have now entirely lost all objectivity over the topic of Brexit. Whatever the economic newsflow, the *Financial Times* seems to reiterate constantly the downside of leaving the EU without reference to any positive characteristics whatsoever. It's as if you demand a second referendum to frustrate

the popular will demonstrated in the first one. You claim to see into and understand the no doubt complex motives of over 17 million people who voted to Leave. The country is clearly divided. An objective, calm and impartial news media is needed more urgently now than ever. But subjective statements of opinion are glibly presented as fact. Straw man arguments, including outrageous slurs about violence, are put forward and then just as quickly abandoned. The whole tone of the FT's Brexit coverage is specious, poisonous, and quite possibly treasonous. What do you say in response ?

- *Frustrated in Frinton*

Dear Frustrated,

The campaign to stop Brexit is gathering pace. The most obvious sign is the increasing chatter about a second referendum. At the moment it is still mainly former politicians, such as Tony Blair and Nick Clegg, who are explicit about their desire to prevent the UK leaving the EU. Active politicians tend to talk about a "soft Brexit". For some, this is simply a convenient code, or a staging post, for their real goal — stopping Brexit altogether.

The reasons that Remainer politicians are still so cautious about explicitly rejecting Brexit is that they are worried about sounding undemocratic. As the evidence mounts that Brexit is going to be bad news for the economy, so Leavers are increasingly falling back on one main argument: "the people have spoken"..

If Remainers are to have any chance of blocking Brexit, they have to find a response to the democracy argument. But that will become increasingly easy, as the contradictions in the Brexit project become evident.

The key lies with Theresa May's most famous and fatuous sound bite: "Brexit means Brexit". This statement was meant to signal resolution and clarity. In reality, it was a meaningless tautology that underlined the fact that "Brexit" could mean a great many things.

The 52 per cent majority of voters who chose Brexit were actually two minorities, voting for two incompatible ideas. The largest minority seem to be in favour of "hard Brexit", which prioritises control of immigration over access to the single market. But a substantial minority of the Brexit vote place a higher priority on free trade than on border controls. These two minorities were turned into a majority because the "Leave" campaign successfully convinced enough voters that there was no choice to be made. Britain could have frictionless trade with Europe, while ending free movement of people and stopping payments to the EU.

It is now obvious that this vision of a painfree Brexit was an illusion. As the real choices become clear, the slim pro-Brexit majority could easily fall apart. That is all the more likely because opinion polls have consistently suggested that a majority of voters are not prepared to pay a personal economic price to secure Brexit.

The more that it becomes apparent that the Brexiters' original vision is collapsing, the more shrilly they will insist that a second referendum would be undemocratic. But the Leavers' view of democracy is similar to that of a third-world dictator — "one man,

one vote, one time”. In other words, once a decision has been taken by referendum, it cannot be revoked..

Some opponents of a second referendum reject the idea not because it is undemocratic but because they fear a backlash from Leave voters. There is a violent nationalist fringe in Britain that could be stirred up by an effort to reverse Brexit. The murder of Jo Cox, a member of parliament who was a vocal supporter of immigration and the Remain campaign, is a reminder not to take that prospect lightly.

But if Brexit is stopped, it will be through a lawful, democratic process, not a coup d'état. And no law-governed society should allow itself to be intimidated by the threat of violence..

- Gideon Rachman, 'The democratic case for stopping Brexit', *The Financial Times*, 17 July 2017.

This final piece was written (not in the FT) in the immediate aftermath of the UK referendum, published on 5 July 2016:

A lesson of the past few days is the danger of groupthink. Along with the major international institutions, the assembled might of establishment opinion – in the CBI and TUC, massed legions of economists and a partisan Bank of England – was confident that the existing order here and in Europe would be preserved by promises of unspecified reforms. Until around 2am on the morning of Friday 24 June, the bookies and currency traders followed the playbook that had been given them by the authorities and the pollsters. Then, in a succession of events of a kind that is becoming increasingly common, the script was abruptly torn up. A clear majority of voters had reached to the heart of the situation. Realising that the promises of European reform that had been made were empty, they opted for a sharp shift in direction. The consequences can already be observed: rapid political change in Britain and an accelerating process of unravelling in the European Union. The worldwide impact on markets and geopolitics will be long-lasting and profound.

There are sure to be concerted efforts to resist the referendum's message. The rise of the hydra-headed monster of populism; the diabolical machinations of tabloid newspapers; conflicts of interest between baby boomers and millennials; divisions between the English provinces and Wales on the one hand and Scotland, London and Northern Ireland on the other; Jeremy Corbyn's lukewarm support for the Remain cause; the buyer's remorse that has supposedly set in after Remain's defeat – these already commonplace tales will be recycled incessantly during the coming weeks and months. None of them captures the magnitude of the upheaval that has occurred. When voters inflicted the biggest shock on the establishment since Churchill was ousted in 1945 they signalled the end of an era.

Predictably, there is speculation that Brexit will not happen. If Britain can vote for Brexit, it is being argued, surely anything is possible. But those who think the vote can

be overturned or ignored are telling us more about their own state of mind than developments in the real world. ***Like bedraggled courtiers fleeing Versailles after the French Revolution, they are unable to process the reversal that has occurred. Locked in a psychology of despair, anger and denial, they cannot help believing there will be a restoration of an order they believed was unshakeable.***

- John Gray, 'The strange death of liberal politics', The New Statesman, 5 July 2016. Emphasis ours.

This will be our last word on Brexit, at least for a while. As the FT and its columnists fail to observe on an ongoing basis, there are actually other things happening in the world.

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