

ANDREW MARR SHOW

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AM: Of course the first thing to say is that at least we have clarity, and I suppose it's not surprising that Theresa May says we can't stay inside the single market, because if the Brexit referendum was heavily about immigration and taking back control over freedom of movement that means leaving the single market. But at least we have clarity.

NC: We have clarity, but it's the wrong kind of clarity. She has made a choice, it's a choice I disagree with but that's the choice she's made. I don't happen to agree with your characterisation. There's plenty of politicians across the European Union who are now volubly saying that they think there needs to be a change to freedom of movement. So there is scope for a Europe-wide approach to this which I think would satisfy some of the government's needs. But the choice has been made. But of course this is now very early days. This is the easy bit where the government sets out its stall. What will now happen is there will be a collision, in my view possibly quite a painful collision, with reality, with negotiating with 27 governments and parliaments, and also a collision with the contradiction of the government's own position. You can't, for instance, on the one hand espouse free trade and then yank yourself out of the world's most successful free trading area, the single market.

AM: There many other free trade deals you can do with America and China...

NC: But this week lots of people say, 'oh isn't it great that we're going to have this new trade agreement with America. No trade agreement with America, however ambitious, can replace or match what we are potentially going to lose on our own doorstep in Europe. Just dwell on this one statistic: if you double the trade with America, with Canada, with New Zealand, with Australia and

India, double trade with all of those huge countries, with all of the Anglosphere, you still would not trade as much as we do with our nearest neighbours in the European Union. The reason for that is because geography still counts. Countries tend to trade most, in goods at least, with countries nearest to them.

AM: People were told quite clearly during the referendum that if we voted to leave the EU we would vote to leave the single European market, and they said that was a price worth paying because of the immigration issue. And it seems sometimes the Liberal Democrats can't quite hear that message.

NC: No. My experience is that there are lots of different reasons why people voted Brexit. In my constituency in Sheffield, lots of people told me they were voting against Brussels because they were so fed up with London. But one person even told me, the last day, a few hours before the polls opened, that he was voting for Brexit because he wanted to buy a house and he wanted to see house prices come down. So in other words, as you know, there was no single manifesto from the Brexiteers saying what they wanted. But that's the past. The government has now stated what it wants to do. But one thing I can guarantee is that what will not happen is that the rest of the European Union will say, 'oh well in that case you can have your cake and eat it.' In other words, there are now two routes...

AM: There'll be some choices to be made, no one doubts that. My question for you really, however, is so you're very clear, you hate the whole thing, you wish the vote hadn't happened and you'd like to reverse it in some way if you could. But how can you actually have any effect on this? You've got nine MPs, you may do very well in council by-elections around the country, how can you possibly change anything?

NC: I think events will drive a lot of this. So of course if the government's plans turn out to be effortlessly agreed by the rest of the European Union and something happens which has never happened before, which is a highly complex free trade agreement

is negotiated and signed and sealed and done and dusted within 18 months, then of course people like me should have the humility to say they were wrong.

AM: Wolfgang Schauble says this could be done quite quickly, a free trade deal.

NC: I don't think even Wolfgang Schauble thinks that actually what you can do is complete the free trade agreement on the ambition which the Prime Minister has set up. And here's the fundamental contradiction. Whether we like it or not, the single market, the biggest destination of our goods and services, is a marketplace of rules. Even if we're out of it we'll have to abide by those rules. Once, I think, that becomes clear the British public I think will start having some doubts.

AM: At that point what happens? Because we've got the court case this week, which may require the government to take the Article 50 triggering issue to the House of Commons, but at that point presumably you and the other parties can come together and vote against it.

NC: Yes. Though I wouldn't hold your breath for any great drama in parliament at that point. Because it is very early on – I mean, people like me clearly will take a position that will say that we should have amendments, that there should be another referendum on the deal when that finally transpires. But I think most Conservative MPs will be sort of cajoled to fall into line, and the Labour Party appears to have suffered this catastrophic loss of nerve on the European issue. But I think as time goes on...

AM: So you won't win that. Later on in this parliament do you expect to see a motion down of no confidence after some business or other decides they're going to move to Europe? Is that how you see it?

NC: I think it'll very much depend on what happens next. My own view is the government is now in a sort of honeymoon phase, all the unbridled applause and praise from the Brexit press, the

Conservative backbenchers who are sort of quite zealous about this, acquiescent at the moment. This will change, because Theresa May basically has one of two options. She'll either have to compromise with the rest of the European Union, which I hope she does in the national interest, but in doing so she will aggravate and annoy a lot of very zealous people in her own party. Or she'll have to sort of stick with what she's got, dig her heels in, and that would be very bad for the country.

AM: She can't compromise on immigration can she?

NC: NO, but as I said there is a lot of – I personally am a supporter of Brits being able to work and travel and study elsewhere in the European Union and vice versa. But if you – which is the government's position – seeking some change, I would suggest two things: firstly why does Theresa May never mention the fact that immigration now from outside the European Union is still running at higher levels than from within the European Union? Many of the publicly expressed reservations about immigration are about pictures of people jumping on and off trucks in the middle of the night in Dover. Illegal immigration. Nothing to do with freedom of movement. Or indeed those pictures of those poor people travelling on dinghies across the Mediterranean. Nothing to do with freedom of movement. So my point is why clobber the number of German engineers or Latvian fruit pickers we have here when the issue of immigration from the public's point of view is wider? And secondly, why not reach out to those other European politicians who are now saying that they also believe there should be some qualifications, as there already are, to freedom of movement?

AM: Do you have no sympathy for the communities up and down the country who simply feel that they have changed too far, too fast? Look at somewhere like Boston, for instance, or Stoke-on-Trent. Vast, vast cultural change very, very quickly. It's not surprising that people are fed up, is it?

NC: Of course I do, of course I do. I meet many people in my own..

AM: Theresa May is listening to those people.

NC: But just clobbering the number of people who come from within the European Union is not the answer to illegal immigration in the dead of night in Dover. It's not the answer to mass refugees crossing the Mediterranean. It's not the answer to the fact that more people have come into our country from outside the European Union for the last 40 years.

AM: Most of it isn't illegal, of course, and that has been the problem, that is behind the Brexit vote.

NC: But if you're worried about numbers, which is what we're told, we have to have control over numbers, why are we talking about only squeezing that part of immigration which is actually very helpful to our country, and ignoring the larger part?

AM: A moment ago you mentioned that the Labour Party seemed to be very confused about all of this. And the Liberal Democrats have been doing very well in local council by-elections, and some people are saying this is going to be the big year of Lib Dem revival. What do you think is the future for the Labour Party in the north of England?

NC: I think there's a very real prospect now that the fate that occurred to the Labour Party north of the border will now, in one shape or form, happen south of the border. I think the Labour Party's in danger of being cannibalised by UKIP at one end and the Liberal Democrats at the other. And I think this ambivalence or this absolute clack of clarity from Labour about the biggest issue of our times, sort of dithering rather helplessly in the middle of the road, is only going to make their fate even worse.

AM: It seems almost risible to think that a party with nine MPs could suddenly become the main opposition party. But do you see

this as such a moment in our national choice, Brexit or anti-Brexit, that there a historic moment for the Liberal Democrats?

NC: I certainly think this whole dividing line between are you open, are you closed, are you in favour of sort of embracing Europe or not, is the new dividing line in politics and will continue to be so, particularly in the age of Trump and Putin and the sort of nativism and chauvinism of people like that. And you need to make a choice, where do you stand on that? And the Labour Party doesn't seem to stand anywhere. The Liberal Democrats have a very clear position and I think that will lead to very significant changes in the years ahead.

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