MICHAEL GOVE

ANDREW MARR SHOW
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AM: Can I ask you first of all about the slew of official forecasts we’ve had this week? Pretty terrifying. Now, we’re not economist and all of that, but 200,000 job losses they’re talking about, an extra £60 billion hole in the public finances and a miserable decade of almost no growth in real wages for most people. It’s possible that they’re right, isn’t it?

MG: Well, for me it felt like déjà vu all over again. I remember during the referendum campaign that we had a litany of warnings. The sky was going to be dark, there’d be plague of frogs on the street if we voted to leave the European Union. And the reality, as you pointed out at the top of the show, is that actually over the course of last –

AN: We’ve had the Land Rover announcement. We’ve had lots of good news.

MG: Exactly. And I think that therefore the Chancellor and the Prime Minister are right, obviously, to respect the independence of the OBR, but right also to take it, as the Chancellor says, with a pinch of salt. Because there’s a challenge here, not so much for the government as for many of those who were so heavily invested in what became known as ‘Project Fear’. Because the economists and the opinion pollsters –

AM: Almost want to be proved right.

MG: It was one of my concerns. And also economists overall I think have to recognise that their profession is in crisis. That the economics profession failed to predict the 2008 financial crash, that economists in the past argued almost to a man and woman that we should enter the single currency. They were proven wrong. And as a profession they were proven wrong about the impact of Britain voting to leave the European Union.

AM: So we’re watching them very carefully, but neither of us are economists and it is the Institute of Fiscal Studies, who are pretty
respected, and the OBR people themselves who have lots of expertise. Now, they may be right and they may be wrong. But when you look at the range of possibilities ahead, as a non-expert, as I’m a non-expert, surely you have to accept the possibility – the possibility – that they may be right?

MG: Yes, you have to accept that possibility. Now, I’m, as you can tell, radically sceptical about some of the claims that are made. But I respect the fact that there is an integrity to the individuals making these predictions. They look at the information they have, they draw the conclusion which they consider appropriate. In the circumstances, that’s why I think that Philip Hammond, as Chancellor, handled the autumn statement about right. He didn’t embark on a lurch in any particular direction. He, I think wisely, allowed some additional measures to ensure that there would infrastructure spending in order to sustain economic growth in the future, so that there was a fiscal boost alongside the monetary measures that have been taken in the past. But to return to the whole area of prediction: one of the things you mentioned right at the beginning of the programme as well is that I was critical of experts. In the now notorious comment that I made - I was actually cut off in mid-stream, as politicians often are, - and the point I made is not that all experts are wrong – that’s manifestly nonsense. Expert engineers, expect doctors, expert physicists. But there is a sub-class of experts, particularly economists, pollsters, social scientists, who really do have to reflect on some the mistakes that they’ve made. And the same as a politician I reflect on the mistakes I have made.

AM: And reflecting on mistakes, if, as I say a big if, if they were right and we do face a dreadful decade, would you then apologise to people for embarking us down on this path?

MG: Well, I’ve always been ready to apologise for mistakes that I’ve made – not necessarily immediately, but certainly after a period of reflection. But as I say, I’m radically sceptical about these claims because we’ve been told beforehand that doom is
going to follow – it hasn’t. And why look in these crystal balls when you can read the book? And the book tells us, the reports tell us that, as you mentioned, that there has been significant initial investment in the British economy, that we have record low unemployment, that inflation is still at a decent and tamed level, and that economic growth is higher, and the recession which it was predicted that we would have if we voted to leave –
AM: By now.
MG: Yes. Has gone like a puff of smoke.
AM: Okay, now since we have you here as one of the architects of the whole Leave campaign and we’re trying to work out what’s going on, can I just check a few things with you. Am I right to say that if we were in the customs union we would not be able to do the free trade deals around the world that will be essential to our future outside the EU, and that therefore, in your view, we could not be in a customs union?
MG: Yes. I can’t see how you can. And I think that when people voted to leave the European Union they voted to take back control of our money, our laws, trade deals and our borders. And that means that the single market, which is basically a bureaucratic web, we need to be out of. And the customs union, in so far as it prevents us from forging trade deals with other countries, we should be out of that too.

AM: And control means control. So I’m trying to work out what the government could do, because obviously business wants maximum access to these markets, 500 million people and so forth. If we had some kind of deal whereby we did sector by sector deals to allow groups of EU workers to carry on coming into this country – you know, the construction industry says we need X number of plumbers or the NHS says we need these numbers of gynaecological nurses or whatever it might be, they get a ticket from the government, those people can come in, and in return for that we get tariff-free access to key markets. That would be a deal that you could live with?
MG: It’s up to the government to decide. I could live with it. My own view and preference, strong preference, is for a fair migration policy which does not discriminate between EU citizens and others. I don’t see just because you happen to be Bulgarian why you should have any more right to come here than someone from Bangladesh. It should be a case of skills. And as you say, if it is the case that there are particular skills that people have that can aid our NHS, they should come here. But my own belief, my own conviction is that you should have a colour blind, non-discriminatory immigration policy. But also I think there’s a tendency to overcomplicate this. We can, I think, fairly quickly say to the other European nations, all your citizens who are here, they’re safe. We hope that UK citizens will be safe in the EU. We’ll guarantee that. We’re a civilised country. And I think we can also say –

AM: Are you saying that right now?

MG: Yes. And we can also say at the same time, look, if you really want to, you can start a trade war with us, but we don’t want that, we want to have continued tariff-free access, you sell more to us than we do to you, so we’re actually doing you, net, a favour. But we want to be good neighbours.

AM: Okay, very clear. Let me ask about a few other things that have come up recently. First of all, John Major, your former leader, has suggested that if we don’t like the deal that we’re getting there should be a second referendum. Democratically is there any reason why there shouldn’t be?

MG: Well, I think that people would be rightly angry if there were a second referendum. I saw something recently that said that after the Battle of Hastings in 1066 there should have been another fight in order to discover whether or not we were going to have a hard Norman Conquest or a soft Norman Conquest.

AM: They did that in the North of England, it didn’t go well!
MG: No, the truth is that we had long, passionate, at times wrenched referendum debate. In the end the vote was clear. And overwhelmingly now almost everyone who voted Leave, and a significant section of people who voted Remain, want the government to get on with it. And we have a Prime Minister who understands that, a government that are attuned to that. And while I respect John Major’s huge history of service to this country, I think in this area his reported comments are wrong.

AM: Alright, let’s move on to something else. You mentioned Theresa May just now, she is worried, reportedly, about there being a cliff edge at the end of this process. We’ve had Mark Carney, the Governor of the Bank of England, now saying there should be a transition or a buffer period, of maybe an extra two years or so, so that there is a smooth transition from being inside the EU to being outside the EU. A lot of business-people will say that is a very sensible suggestion.

MG: Well, I’m open to the case for a transitional period, but I’m not convinced that we need one. Because again there is a tendency to over-complicate this process. There are all sorts of things we can do with our European partners in the future and we should carry on doing. We should carry on cooperating with them in defence and security, we should carry on cooperating with them on environmental and terrorism areas. But outside the European Union. And these are ongoing processes, ongoing conversations that we have as a good neighbour. But my worry is that there are some people who can’t get over the fact that the British people voted to leave the European Union and want us to have a transitional arrangement which is as close as possible –

AM: As a way of avoiding Brexit, in essence.

MG: Exactly. And some of these phrases, you know, people talk about hard Brexit, what they’re really trying to do is to make a liberation sound like a punishment. I think it’s far, far better to provide people with certainty, and to do so by having a clear, clean and simple approach which allows us to enter a new phase
– Britain as a sovereign nation outside the EU cooperating with our friends and neighbours.

AM: Mr Verhofstadt, who greeted David Davis with, 'welcome to hell' when he arrived in Brussels recently, has said since then that he thinks that individual British people ought to have the ability to buy individual membership of the EU. So you could have two passports, you could be British but also an EU citizen, do you think that’s a good idea?
MG: I don’t think it’s a good idea. But the thing about Guy Verhofstadt is that he is a witty man, and I think that –
AM: That this was a joke?
MG: Well, I think it was a tease, a provocation. I think the interesting thing is that, to be fair to the EU’s negotiating team, they’ve been broadly clear that they want to hang tough at this stage, and that’s why I think Theresa May is absolutely right to keep her cards close to her chest. The people who want more detail about our negotiating stance are the opposition, because they want to try and trip her up, and the media because – as a born-again journalist myself, we always want the next chapter of the story. But having been a Minister, far back, I recognise that Theresa’s playing it right.
AM: Talking about hanging tough, what about the suggestion from Mr Schauble, and indeed Mr Barnier as well, that we will be paying into the EU budget possibly until 2030 in terms of our commitments to people’s pensions and so forth, for a very long time?
MG: Well, that’s part of –
AM: Will that be acceptable?
MG: Well, part of the Article 50 negotiation is to work out what the divorce arrangements are. I can see us, once we’ve left, still paying into common EU funds on things like science. But I think that again, Mr Schauble and Michel Barnier seem to be trying it on rather. It’s also interesting that there are a range of voices in Germany, the Bavarian economics minister was saying just this
weekend that it is absolutely vital, more for Germany than for Britain, that we have a free trade deal. So I think at this stage there's a lot of shadow boxing. Let's make sure that when we get down to the proper negotiations we do so with – I think that the government are clear about this – a clear end date at the end of which we're outside the European Union, and while we may be paying some legacy sums they're tiny.

AM: Okay. Now you were very clear again during the referendum campaign that we were going to go into a new world of free trade deals around the world. Since then we've had Donald Trump, who is a protectionist, anti-free trade deals, being elected in America. I was talking to Marine Le Pen, who is a protectionist in France – we'll see what happens there. But aren't we heading out into a free trading world at just the wrong moment, when there are protectionists all around us?

MG: I would not have voted for Donald Trump, and one of the reasons I would not have voted for him – and there are a number – is his protectionist rhetoric. But to be fair, since he's become President he and his team have made it clear that they want a free trade deal with the UK, and the Speaker of the House of Representatives, Paul Ryan, the second or third most important Republican in the United States, has said that he wants a rapid free trade deal with the United Kingdom. So I hope that we can secure that trade deal, not just with America but with other like-minded nations. And also Theresa May has made it clear she wants to be a leader for the argument for free trade globally. And I think that there is a role for a British Prime Minister leading an independent sovereign nation in making the case for bringing down the borders on trade but respecting countries' borders when it comes to security

AM: It's clearly in our interests as a country to do the best possible trade deal we can with Donald Trump's America. In that regard, wouldn't it be crazy for us to turn aside and push Nigel
Farage out of the picture? Here is somebody – whatever you think of him, he has an ‘in’ with Donald Trump. Shouldn’t we be using that rather than abusing him?

MG: I certainly think we should not be abusing Nigel Farage, but I think that the current ambassador in the United States, whom I worked with when he was in a different role in government, is a fantastic guy, a great diplomat, we should have professionals doing their job. But certainly Nigel Farage, four million people voted for him at the last general election, he’s someone who, even though I may disagree with him on some issues, should be respected and not abused.

(ends)