AM: David Cameron was never in much doubt that IDS would come out for Brexit. Well, so he has. And I pick up my paper today, Mr Duncan Smith, and I read you saying, ‘they can sack me, but Europe goes over everything.’ Is it going to come to that?
IDS: Like everything else, I was responding to a question, and the answer is that my country comes first always, before jobs, careers or anything else. I’ve always said that I’m here, it’s a vocation, it’s not a career. And therefore –
AM: Is it an invitation to sack you?
IDS: No, I – it’s not for me to invite anybody to sack me or not. My sense about this is this is such a huge issue, it’s a big issue. The prime minister, to be fair, deserves credit for allowing the Cabinet to disagree and to campaign. And that is a sense of strength rather than weakness, I think.
AM: Well, let’s turn to the huge issue itself. It seems that the biggest thing that people want to know about all of this is our terms of trade if we leave the EU. Are you in favour of us staying inside a single European market?
IDS: I’m in favour of us having a proper arrangement which allows us to access the marketplace as they exist at the moment. Worth remembering –
AM: Sorry, that’s not quite what I asked.
IDS: No, no, I’m going to answer, because this is important. It’s worth remembering that nowhere in the treaties is the single European market in any way defined. So those who talk about an entity are wrong. There is no entity called the single European market. There is just a series of issues in Europe about trade and relationships. And so what I believe that we ought to be able to do is to arrange our affairs with the European Union as the fifth largest economy such that we would get access to those matters that we now refer to as the single European market, and trade
and cooperate with them in a reasonable way, but not be bound by a whole series of internal regulations, because 95 per cent of all business in Britain does not trade with the European Union but has to imbibe all the regulations that come from the European Union, costing them extra money and real problems about time and concerns about their ability to do revenue as a result of that.

AM: According to the latest official figures, 50 per cent of our trade is with the EU. Do you accept that as a figure?
IDS: Well, be very careful again. What we’ve seen with the 50 per cent is that there’s a whole bunch of trade in there which is what you call rebadge trade. For example, a company that makes wings for an aircraft that is being exported to Kuwait, that’s not European trade, that’s trade that’s going through Europe and outwards. So it’s probably nearer around the early forties, 41-42 per cent of trade that goes to the European Union. Yes, it’s an important trading partner.

AM: Pretty big. And the amount of trade coming back, again according to the ONS figures, from them to us, is about 13 per cent.
IDS: Well, there’s debates about that. 13-16 per cent. But yes, for –

AM: So there is a big gap. So the question is therefore, why would they give us fantastic –
IDS: I don’t think it’s a gap at all. You’ve got to look at this in terms of who’s trading and why. So that percentage of trade coming from the UK is vitally important to the European Union. Why? Because it is a huge element of their trade on manufactures. If you look at Germany, for example, we are Germany’s third largest trading partner. We’re about one per cent behind their greatest, which is France. So France, America – hang on, America is their second largest trading partner, and oh, they’re not in the single market, they’re not in the European Union. We are the third one. So my point here is that Germany, selling cars, machine tools, you know, Scandinavia, I was in a
hospital the other day and I was in their operating theatre, I looked around, there were products in there that were not made in Britain but were made in Sweden... so they have a real requirement to trade with us, a desperate one, and we will do trade with them.

AM: Let me come back to my original question, is the single European market, it may not be an entity but it is a process. It’s the system by which protectionism inside Europe is basically crushed by the bureaucracy, to our advantage. This is why Margaret Thatcher was always in favour of the EU, all the way through as prime minister, and she was very, very specific about the Single European Act and the single European market. She loved the idea. I can read you a quote, you’d probably like me to. ‘Just think for a minute,’ she said, ‘what a prospect that is, a single market without barriers, visible or invisible, giving you direct and unhindered access to the purchasing power of over 300 million of the world’s wealthiest and most prosperous people.’ Now, the numbers have gone up of course, but isn’t that a fair point? She was right about that?

IDS: Yes, and I talked to her when I got elected, at length, about this and she also said to me categorically that she’d been utterly misled about the Single European Act. She was told that it was about the marketplace, but later she has realised that it actually was about a political union. It’s worth knowing something here which the public needs to understand, is that I think we always debate the single market – Europe has a distinct desire to have us trade with them and we with them. That’s a fact of life. It doesn’t matter, in our out, we are going to trade with the European Union. But this is the point: Europe is not – the European Union is not about the trade issue. The European Union was set up by the founding fathers, an important man called Spinelli, an Italian who was an ex-Communist, he designed the Maastricht and the Single European Act. Why? Because he said this is a political project. It’s about bringing the nations of Europe closer and closer together, to create a place called Europe, and the design of this was such
that politicians, who come and go, he said, could not actually override the decisions of the bureaucracy because otherwise we would never get there.

AM: We are now out of the ever-closer union bit of all of this of course.

IDS: Well..

AM: Let me return to the original question we’re still circling around, which is what is the deal that you think we could realistically negotiate with the rest of the EU once we had left? What is the nature of that trading deal?

IDS: The trade deal is very simply that we would want them to be able to access our market freely, without special and extra tariffs. We would want to be able to access their marketplace. But we’d also want something else, which I think they have never delivered. We talk about the single European market, the market in financial trade is not complete by a long way. It is still highly difficult for British companies in the financial sector to trade directly in Germany. All sorts of barriers are put up there, and the same goes for France. So what we want to know –

AM: Outside, we can’t affect that.

IDS: Yes, but even inside we have had how many years now since the Single European Act? Something in the order of 30, and we have not affected that either. In fact quite the opposite. As we saw recently, new regulations piling in on the City which made it more difficult for them to trade with the rest of the world. So no question...

AM: We would get a two-way free trade deal which would get us into the Single European Act, but without free movement of people and without financial entrance fee?

IDS: So in our discussions –

AM: So a better deal than any EU country has got, we would get after leaving. Why would they give us that?

IDS: Yes, because the rest of the EU signs up to the political project. This is the key bit that I come back to. For most of the countries of the European Union they believe in this political
project. We do not. You know, if you go to Europe, and I have – my family have been living in Italy, I’ve studied out there. They don’t talk about the marketplace, there has never been a debate in Europe amongst the countries about access to the marketplace. They talk about the political project. They talk about Europe as the European Union being an entity, it having a political identity..

AM: I agree with that, but that being the case – that being the case, we leave, we slam the door in their faces and then we say we want a better deal for us than you’ve got for any of yourselves, why would they do that? They’d be furious with us.

IDS: No, because they think categorically that they want the political project and we don’t. So my answer in all of this is very simple. The prime minister says there is a challenge to know what life outside looks like.

AM: Exactly.

IDS: My answer to this challenge is very simple. We do a deal with the European Union, that is a trade deal, it is about access to our markets, access to theirs. Part of our red lines will be about us being able to control the borders as we want. We want migration, but we want it as controlled migration so that we can cope with it. And that deal is very doable.

AM: It’s a very optimistic view of what would happen after Brexit.

IDS: Well, I tell you, I am an optimist. And I tell you why: because the UK has faced bigger trials than this over its years. It stood alone in war, but it’s also rediscovered and defined trade around the world through the free market etc. These were British inventions. And I say this to those who say they want to remain in: I have never heard such a lot of pessimistic downsizing of Britain’s aspects. You know, Britain is a phenomenal country, the fifth largest in the world. It has stood alone and fought for freedom. It has traded, it has been a global trader. It can yet again be a global trader. Why would we have such a low opinion of the British people that we go out and talk about leaping into the dark, we talk about profound shocks, we talk about them not being capable, that we’re too small. I have a different view. My
view is Britain is a great country. The people here are inventive, innovative, and they will find a way with us to actually have a real deal that gives Britain access to the world and access to Europe.

AM: You don’t think the prime minister’s much of a patriot do you?

IDS: Well, hang on a second, let me just finish this point because it’s really important. We have utter chaos and crisis going on in the European Union over migration. Even their Schengen Agreement now is falling apart. You’ve got Hungary putting up barbed wire, you’ve got the Macedonians refusing to accept anybody from Greece. This is a shambles.

AM: It’s hardly their fault, is it?

IDS: Well, no, but I’m saying –

AM: This is a global shift.

IDS: People are saying we can’t exist without the European Union, all I’m showing you is if this is the future with the European Union, then why aren’t we – we’d be better off being able to say this is how we’re going to cope, we’re not against migrants. This country has accepted refugees down the ages, and I’m proud of that.

AM: And the numbers of people from outside the EU coming to this country have rocketed under your government.

IDS: Yes, I – well, we have actually been controlling that, to be fair to Theresa, she’s actually got that right down from where it was before. The reality is we can’t control, from the European Union. All I’m saying is, if you want to know what the future looks like – this is my challenge to those who say vote to remain in – they say what is it going to look like outside? Control of our borders? I can tell you we will control the numbers that come in and for what reason. But if you go and stay on in, what you have got is chaos and confusion. You don’t know that this isn’t going to collapse.

AM: Well we’ve got chaos and confusion –
IDS: You don’t know the euro, for example, which is already now causing chaos and collapse –
AM: We have got –
IDS: You don’t know where we’re going to be in two years’ time.
AM: We know where the chaos is.
IDS: By remaining in. So that’s a bigger threat.
AM: We know where the chaos is. We know where the confusion is. It’s in Calais, it’s in the jungle camp in Calais. And once we leave the EU what is to stop the French saying, okay, on you go, all those people coming into the EU from other parts of the world wanting to come to Britain, there’s no reason for the French or anybody else to stop them coming here. What do we do then?
IDS: This is another one of those great scare stories put out by the remain-in people.
AM: It’s not a scare story.
IDS: No, it is a scare story.
AM: Cazeneuve, the French interior minister, has said as much.
IDS: Yeah, okay, actually they should check the French first. The reality is that the French would not do a deal, this was a bilateral deal done with the French, they would not have done that deal with us if it didn’t suit them. Of course it suited them. If you remember, before the deal there were even vast, a greater number of people sitting around on Calais and there was no agreement about processing them in France. It suited the French to get the processing done there. It has actually meant that it has been better organised than it was before. It’s hit a bit of a problem now. Why? Because the European borders have collapsed allowing people straight through.
AM: Local and national politicians –
IDS: It suits the French.
AM: Local and national politicians in France have said that if we leave they will simply let people go through the tunnel, come into the UK in large numbers. And my question is what do we do then? Do we have another – a jungle in Kent or what happens?
IDS: Well look, you know we control it whichever way we have to but I have to say that is not going to happen and it’s not going to happen because it does not suit the French. The moment they do that they will treble their numbers that will be hanging around in France, in Calais. They know that to be the case which is why they did the original deal. The original deal was done bilaterally. It had nothing to do with the European Union.

AM: How does it damage the French if people just come straight through and arrive in Kent?
IDS: Because it invites more people to come through into France.
AM: They’re only passing through then.
IDS: Yeah but that’s exactly the point. They end up in France and they know very well that while they’re in France they’re doing all sorts of various nefarious things.
AM: But under the new deal they would be in England rather than in France.
IDS: Well, what I’m saying to you is under the new deal they would still be where they are because it suits France. My point is if you think that we cannot do –
AM: Fingers crossed.
IDS: Well, fingers crossed, France tomorrow -
AM: We’ve got so much to talk about -
IDS: What’s to stop France tomorrow saying go to UK now when we’re not going to do it. Nothing. We have no power in the European Union stopping them.
AM: But they haven’t yet.
IDS: But they could easily do.
AM: Now the other thing is you’re a unionist, what happens if Scotland leaves the UK as a result of a Brexit vote? Are you not worried about that?
IDS: Look, I think everything else you vote for what is in front of you. What is in front of us now is whether or not we should remain in the European Union and the reality for Scotland is they’ve had a referendum in Scotland, I was passionately pro the
union and I believe they voted for that. I think those who are running around saying somehow that if Britain votes to stay in and Scotland decides they want to go, they have another referendum. I think Scotland doesn’t want another referendum because they are settled and I think the situation -

AM: The opinion polls in Scotland now are pro leaving the UK. Nicola Sturgeon who has complete control really of the Scottish political system says it will happen if we have Brexit. She said it on that sofa as it were, digitally down the line, and I see no reason to think that it won’t happen. It’s going to be an emotional decision for people. It’s going to be a visceral decision and they’ll be standing in the voting booth and they’ll be thinking, leave the EU, get rid of the EU and have Scotland going too, it’s just too much.

IDS: Yes, well what about the other way round? What if Scotland votes to remain and we remain, and England votes to come out? Does that mean England has to have a referendum to leave the Union? It’s an absurd concept, come on. And you know as well as I do this is -

AM: It may be absurd but -

IDS: No no, but Andrew you know this as well I do, these are politicians trying to use this for their own purposes, for their own short term and narrow political purposes and I simply say look, that is what the nationalists want, they’re going to go on and on about a referendum for years to come because they never accepted what Alex Salmond said was a decision of a lifetime of a generation.

AM: OK. Speaking of people going on and on and so forth and doing things for their own ends, you’ve face a situation as a Brexit campaigner where you don’t have access to all the government papers that you would normally have and things that you would like to see. Do you think you are fighting on a fair field?

IDS: Well my view about this is reasonably simple. I think that this can’t possibly apply in the sense of us not knowing what is
going in the department because we are responsible for the department and for example I will have to work on these proposals that came back from the recent negotiations. If we vote to remain in, we will have to deliver that.

AM: And can that be delivered by the way, this quite complicated system of benefits across the 26 countries and the tapers and so forth? Is that deliverable by your department?

IDS: Look, if we’re asked to deliver it the department I have been running for 5 years I know has the skill and the capability to find a way to deliver it. It’s not easy, it’s not simple, it is complicated and it was not our proposals, it was the European Union’s complex proposal but they could deliver it. My sense about this all in all though it isn’t the same as saying does it limit overall migration to the UK, it doesn’t, and I just want to remain on this one point which is I simply say that when all of this stuff and all the complexities and all the threats, I am positive about leaving the European Union because instead of those who say it’s a leap in the dark I think it’s a stride into the light. I think it’s about hope versus pessimism and I think people will vote for that.

ENDS