

Rt Hon Theresa May MP,
10 Downing Street,
London,
SW1A 2AA

15th June 2018

Dear Prime Minister,

I am writing to you on behalf of Economists for Free Trade regarding the launch of a new report that explores how Britain can achieve the best outcome from our ongoing negotiations with the EU.

We have to recognise that the EU shows no sign of wanting quickly to agree with us a free trade deal that would eliminate the imposition of tariffs and the need for new customs procedures. So we need to prepare to go our own way.

Our report - *'What if We Can't Agree - Why a World Trade Deal Exit from the EU will be Best for the UK'* - will be launched on Sunday 17th June. It addresses what we should do under such circumstances.

We propose that Britain should switch its focus from securing a trade deal with the EU at almost any cost toward implementing a World Trade Deal under WTO rules that focuses on the rapidly growing non-EU world, where our trade is already larger than that of the EU and is growing much more rapidly.

The report explains how we can do this by taking advantage of the poorly understood legal framework and institutions provided by the World Trade Organisation. In addition, the report makes three major points:

- We show why the proposed World Trade Deal is equally as attractive economically as agreeing a trade deal with the EU. We explain why the negative Cross-Departmental Brexit analysis is wrong.
- We explain why there is still time for Britain to implement such a World Trade Deal when it formally leaves the EU next March, in spite of ministers having been slow to make preparations for such an outcome.
- We show how successful implementation of the World Trade Deal will be underpinned by the strong legal framework of the WTO preventing discrimination and mandated modern procedures at borders.

Economists for Free Trade urges the Government to pursue this option with urgency. The danger is that we face the worst of all worlds – trapped in a twilight world where we are denied the huge economic benefits of again becoming free to strike our own trade deals with the rest of the world, while taking orders from Brussels. Such an outcome would be a national disaster.

Please find attached an embargoed copy of the report. We would welcome the opportunity to discuss this with you in more detail.

Yours sincerely,

Edgar Miller
Convener, Economists for Free Trade