

Funding the Future

Article URL

Published: January 12, 2026, 6:13 pm

The media has given quite a lot of attention to the speech made by David Frost, the UK's chief negotiator with the EU, in Brussels last night. The [Spectator has it in full](#). I am using it as my source.

Frost claims inspiration for this work from Edmund Burke. As he put it:

[L]ots of modern British Conservatives politicians who would consider themselves to be intellectual heirs of Burke.

His argument is that Burke suggested that:

'The state ought not to be considered as nothing better than a partnership agreement in a trade of pepper and coffee, calico or tobacco, or some other such low concern, It is to be looked on with reverence ... It is a partnership in all science; a partnership in all art; a partnership in every virtue, and in all perfection.'

The state is, then, in this view a mere facilitator of trade, but may acquire as a consequence a higher status. His claim is that in Europe the EU reached that higher status. In the UK it never did. He describes the rise of the status of the EU amongst 27 of its members as a revolution. And then he says that there was a second revolution, which seems to be peculiar to the UK alone:

The second revolution is of course the reaction to the first — the reappearance on the political scene not just of national feeling but also of the wish for national decision-making and the revival of the nation state.

He rejects the idea that this had anything to do with austerity (but he would, wouldn't he?):

I don't think it is right to dismiss this just as a reaction to austerity or economic problems or a passing phase, or something to be 'seen off' over time. I believe it is something deeper. Actually, I don't find it surprising — if you can't change policies by voting, as you increasingly can't in this situation — then opposition becomes expressed as opposition to the system itself.

Brexit was surely above all a revolt against a system — against as it were, an 'authorised version' of European politics, against a system in which there is only one way to do politics and one policy choice to be made in many cases and against a politics in which the key texts are as hard to read for the average citizen as the Latin Bible was at the time of Charles the Bold.

And on the basis of this claim - which is not evidenced - he then went on to say:

It is central to our vision that we must have the ability to set laws that suit us — to claim the right that every other non-EU country in the world has. So to think that we might accept EU supervision on so-called level playing field issues simply fails to see the point of what we are doing. That isn't a simple negotiating position which might move under pressure — it is the point of the whole project. That's also why we are not going to extend the transition period beyond the end of this year. At the end of this year, we would recover our political and economic independence in full — why would we want to postpone it? That is the point of Brexit.

On the basis of which argument he then suggested, using a somewhat tortuous thought experiment as his justification, that if alignment with the EU was demanded in negotiations and the UK agreed then 'at some point democratic consent would snap — dramatically and finally.'

For Frost it would, as a result, appear that there is at the heart of this Brexit venture some great Burkeian yearning for freedom that 'take back control' came to summarise. His assumption is that it always existed: the referendum campaign did not create this desire, but that it was always present. And, he suggests, that not only will the UK be much better off as a result of leaving, because it will have an ability to decide on issues that all EU nation-states have lost over the last decades, but that all the forecasts that suggest that having free movement of trade are important to economic well-being are just wrong - even if based on the very essence of the economics that has always underpinned all of Tory thinking, and its revulsion for government.

So is this true? Only one of these hypotheses can be tested with certainty, and that is whether or not the EU was a great burden on the people of the UK that they were desperate to be rid of. Ipsos Mori reported the change in mood on that issue last year:

I am aware that the image is not the best: the point is that the red line shows that concern about the EU was entirely manufactured since the beginning of 2016: it was simply not an issue for the vast majority before then, whilst issues over which the UK has always had control (and still does) were. At its most basic level the claim made about constitutional concern over the EU does then seem to be entirely wrong. It's either that, or focus group research is a waste of time: take your pick.

And so to the other core question, which is that this has nothing to do with austerity and that the UK will be better off as a result, which is what justifies the risk being taken. First, to suggest that a decade of complete stagnation for most UK households, when rising debt has been the constant underlying theme that generates stress for many households is absurd: of course it had an impact. And as is glaringly obvious, this government knows that or it would not be planning to reverse austerity in the so-called Red Wall: it is all too well aware that austerity has to be reversed precisely because of its negative impact.

Whilst to argue that trade does not matter in the nation-state that, above all others, built itself on trade when other comparative advantages were not apparent is equally absurd. And that is even more the case when the Tories have built their whole economic argument around free trade - which is what the EU represents - and which they are now rejecting. This is why Thatcher created the single market.

I stress that this does not mean the economic forecasting is right. Other factors like coronavirus may now have a bigger impact in the short term at least, as will the increasingly likely global recession that is going to result from it unless matters change very soon. But to believe this argument the Tories have to say that all they have believed in for decades, and beyond, was wrong.

So is Frost's speech remotely credible? I would suggest that it is not, in the slightest. It is a fantasy. Or a delusion. It is a pretence, and a dangerous one. What it is not is an explanation of anything. As a vision it is even less successful. As a forecast, it looks dire. And this is the man tasked with negotiating with the EU. Heaven help us. The Tories had better still pray, because if they don't things are even worse than this speech suggests.