



Taking Article 50 for UK Parliamentary approval can improve UK deal

Stephany Griffith Jones, Member of FEPS Scientific Council
Financial Markets Director, Initiative for Policy Dialogue

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The Prime Minister's assertion is clearly incorrect. Bargaining theory has long shown that having the negotiator's hands tied (in this case the Government's by commitments to another actor - the Parliament) increases the bargaining power of the negotiator.

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As has been widely reported in the UK press over the recent weeks, Prime Minister May has warned that if the government was forced to get parliamentary approval for Article 50, Britain would end up with a worse deal. She has used this argument as a reason to avoid getting parliamentary approval for triggering Article 50, as the High Court has ruled. Consequently, the UK Government has appealed to the UK Supreme Court.

The Prime Minister's assertion is clearly incorrect. Bargaining theory has long shown that having the negotiator's hands tied (in this case the Government's by commitments to another actor - the Parliament) increases the bargaining power of the negotiator.

Indeed, Nobel Prize Winner Thomas Schelling made this case clearly in his seminal book on game theory and bargaining, *The Strategy of Conflict*, published first in 1960: "If the Executive branch is free to negotiate the best arrangement it can, it may be unable to make any position stick and may end by conceding controversial points... But if the Executive branch negotiates under legislative authority conceded by Congress (or Parliament in the UK case), with its position constrained by law, ...then the Executive branch has a firm position that is visible to its negotiating partners. "

Thus, getting approval for triggering Article 50, by the UK Parliament, would strengthen and not weaken the bargaining position of the UK government.

A similar argument can be found in the concept of two level games, which is based on an instrumental understanding of international agreements between nationally accountable democratic administrations (Putnam 1988). But since all international agreements need to be ratified at home, governments that face strong domestic opposition to an international agreement would have a stronger bargaining position. The reason is that all other parties know that the international agreement will not be ratified in this member state unless they make considerable concessions. It is a variant of the paradox of weakness (Schelling op cit).

A further argument being incorrectly used by the UK government for not going to Parliament is that making clear and transparent its negotiating position would weaken its hands in the negotiation with the EU27. However, again this runs against the conclusions of bargaining theory. As Schelling, op cit argues, in a negotiation "The object is to be first with a firm offer" To be able to present credibly a formula, that could provide a basis for an agreement, the UK Government needs to have a clear and transparent concept, that can be negotiated.

Politically, there seems a very strong case for the Government in a representative democracy to get the approval of Parliament for beginning such an important and controversial process, which will affect in crucial ways the future of the UK and of its EU partners. As a key aspect of the Brexiteers' argument was the need to "restore" the sovereignty of the UK Parliament, it would be paradoxical to trigger Article 50, without allowing Parliament a real voice in the matter.

Furthermore, involving the British Parliament will not just help ensure the best economic outcome for the UK, but also, equally important, for the EU partners, as there could be valuable positive sum elements in any deal finally achieved. This is important, as there are so many ties and mutual interests between the UK and its EU partners.

From the UK perspective, it would be key that any future agreement with EU partners would help safeguard workers' rights in the UK and the rest of the EU, as well as environmental standards, both of which have made important advances within the EU. Furthermore, access to the Single Market would be very valuable for the UK, to help safeguard and expand the 3 million jobs of British workers, linked to exports to the EU. If unfortunately, the UK will in the end leave the EU, which over 48% of

the people thought was undesirable (and their number seems to be growing as the evidence unfolds of the very high economic and political cost of Brexit), it should leave with a deal that least damages both the UK and the EU. Involving the UK Parliament in the crucial initial phase of the process would help ensure a deal that maximizes jobs and minimizes negative effects for all involved.

References

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