

# £s for Brexit

With my perfect betting record hanging in the balance, I follow Brexit news to the point of obsession. Out of the many hundreds of stories I've read, though, I have yet to hear anyone point to the simplest path to Brexit: *Let Britain buy its way out!* In Theresa May's failed deal, the UK was supposed to pay the EU about £38 billion for the "divorce." Yet there is nothing magical about this price tag. It could just as easily be £40 billion, or £140 billion. Why, then, can't the UK just tell the EU, "The backstop is a deal-breaker. How much money will it take to make this issue go away"?

If this were any normal business deal, this straightforward path would be on the tip of every Brexiteer's tongue. It's the logic of any familiar real estate transaction:

"We won't buy unless you fix the roof."

"OK, that will cost me \$25,000, so let's add that to the price. Ready to sign now?"

As far as I can tell, however, there isn't a single prominent British or European politician who even mentions the possibility of letting the UK pay more to get more, much less advocates it. Instead, we see British politicians demanding better terms for free, and Europeans saying that the current deal is Take-It-Or-Leave-It.

But politics isn't like business, you say? I know! I've been saying so for decades! The very fact that elementary monetary bargaining on Brexit is so unthinkable is yet another symptom of the psychological chasm between the relatively rational, instrumental world of business and the irrational, expressive world of government.

Brexit now hogs the global stage, but politics is packed with look-alike impasses. Why can't Israelis just pay Palestinians for the land settlers have taken? Why can't the EU just pay Russia to withdraw from Ukraine? Why can't the U.S. just pay Maduro to resign – and Russia to welcome the regime change? Indeed, why can't Bay Area developers just pay local governments to approve a hundred more skyscrapers? In each case, the answer is a multilateral mix of foolish pride and wishful thinking.

Since I think that Brexit is a bad idea, why am I telling its advocates how to proceed? Because I know Brexiteers won't listen – and even if they did, the EU wouldn't budge. While I can understand the failures of politics, I have near-zero ability to solve them. Not coincidentally, this is precisely what my view predicts.