

Thank you all very much, and thank you X for that very kind introduction.

It's truly an honour and a great privilege for me to be here to speak to you all this evening, because the College of Europe will always occupy a very special place in my heart.

Not only because I met Helle back in the distant mists of the 1992 / 93 academic year, although that of course is reason enough for the College to hold a special place in my heart...!

But also because of the passion and life-long fascination that my year in Bruges gave me for the dynamic, inspiring and frustrating thing that we call Europe.

The College embodies the very best of Europe: it's a melting pot of ideas and cultures, fuelled by intellectual vigour, energy and curiosity.

As alumni of the College, we must and we will never forget what a privilege it was to be there, and I know that I speak on behalf of all of you in reiterating our unstinting support for

the vital role that the College plays in charting the future course of Europe.

With our democratic values and principles under greater threat now than they have been at any time since the Second World War, the need for institutions of learning that encourage young Europeans to embrace complexity and speak truth to power has never been greater, and the College is just such an institution.

And it would of course be remiss of me not to take this opportunity to thank the Government of Flanders for the crucially important support that it gives to the College.

But I'm also delighted to be here for another reason – and that is because I've just had to spend the entire day with a with members of the Brexit Select Committee.

The main reason the Brexit Select Committee was in Brussels today, was actually to meet face-to-face with Michel Barnier.

I'll say a bit more about that later, but I'd like to start by sharing some views on the underlying causes of Brexit.

The Brexit vote

There can be no doubt that our country is more polarised than we have been at any time since the Second World War. Young versus old, city versus town, graduate versus non-graduate – these are the fault lines upon which our nation precariously stands.

And these fault lines have created what I call a Values Chasm.

On one side of the Values Chasm we have the Cosmopolitan tribe – typically university educated, urban, highly mobile and confident in the modern, globalised world.

And on the other we have the Communitarians – often non-graduates who value familiarity, security and community, and have experienced the profound economic, social and cultural changes of the last 40 years as loss.

Whilst the EU referendum did not create these two tribes, it certainly sharpened and deepened the chasm that lies between them.

Those who voted Leave come predominantly from the second group – the Communitarians.

– these are typically families and communities who have bitter experience of the damage that the whirlwind of globalisation has inflicted on their communities and high streets;

- who have lost all sense of control over their destiny;

- and who are less likely to have the skills or connections to cope with the relentless churn of the twenty-first century labour market.

There is nothing new in any of this, of course - the plight of Communitarian communities has been plain to see for decades. I am the MP for Aberavon in South Wales, home to

the Port Talbot steel works. The people of Port Talbot therefore know better than most about the importance of trade in industrial goods with the EU; but they still voted 60 / 40 for Brexit.

And I'll tell you why:

Because for decades they have watched the heart being ripped out of our manufacturing industries, and with it the fabric and identities of the towns and communities that have grown up around those industries;

Because whenever the people of those towns and communities spoke out they were largely ignored by mainstream politicians, who seemed to be intent only on promoting their own Cosmopolitan values and interests;

Because whenever they asked why so little was being done to protect all those high-skill, high-wage jobs that were being exported to low-wage labour markets they were told that nothing could be done because globalisation is an unstoppable force of nature;

And because whenever they raised concerns about the impact of immigration on their communities they were told that they were bigots, or racists.

And let's be clear: these are proud, resilient people. They are not looking for special treatment, or for anyone's charity.

What they are looking for is a level playing field - an opportunity to compete without having one hand tied behind their backs.

For decades they watched helplessly as investment, wealth, resources and talent were sucked out of the industrial heartlands of Wales, the Midlands and the North and into London and the South-East, out of manufacturing and into financial services.

And they rightly wondered why successive governments stood by and allowed this to happen.

New Labour achieved some great things, but Tony Blair's defeatism in the face of what globalisation was doing to local

communities really took the Labour Party far, far away from one of our core objectives: to help those most insecure to succeed in the modern world. And the Labour Party today I'm afraid, still needs to do more to show it is up to the challenge. Just look at the June 2017 election result, where we won in Cosmopolitan hot-spots such as Kensington and Canterbury, but lost seats like Mansfield and Middlesbrough, in our Communitarian heartlands.

And meanwhile the Conservative Party clearly has no answers. On their watch social mobility has gone backwards, poverty has increased, and austerity continues to cripple our public services – from health and social care to policing, to prisons.

A recent paper by the 21st Century Council makes the point in no uncertain terms:

'Nationalist, nativist and populist movements are a revolt against the swell of seemingly anonymous global forces that have put the average citizen's interests last behind bailed out banks, asylum seekers, immigrants and corporate profits. As

a result, faith that the status quo can deliver a better life for ordinary people and their children has been fatally undermined. It is this sense of loss of control over one's destiny at the hands of others that is at the root of the backlash.'

Now, I know what you're thinking: the failures of the last thirty years have had nothing to do with the European Union - the UK's economic model was not broken by Brussels, it was broken by Westminster.

And you would be absolutely right.

We know that we need more international co-operation if we are to take on the rootless supranational corporates whose tax dodging and monopolistic behaviour are the unacceptable face of globalisation – we can't just pull up the drawbridge and hide our heads under the pillow.

And we know that membership of the EU has never been an impediment to having an active industrial strategy that promotes an active state and a balanced growth model.

Indeed, we need look no further than Germany for proof of that point.

But having been largely ignored by mainstream politicians for so long, and in the absence of a compelling alternative political vision, millions of British voters saw the 2016 referendum as an unmissable opportunity to vent their anger and frustration against the establishment.

For millions of Leave voters the question was: why the hell should I follow David Cameron's advice? He's telling me to vote Remain in order to 'protect the recovery'.

Really? I mean, whose recovery is that, exactly? Because it's certainly not mine...

Why should I vote for the status quo when the status quo has made me and my family poorer, and has caused my community to lose its sense of pride, identity and purpose?

...

So, the vote for Brexit was in large part a Communitarian backlash against a Britain run entirely for Cosmopolitans.

But the Communitarian backlash does not explain the entire 52%.

A significant proportion also voted Leave because of deep-seated reservations about the European project.

For these Leave voters the ever-closer nature of the European Union appeared to epitomise a world without borders – a world that they'd never voted for.

The pooling of the UK's sovereignty – or the loss of sovereignty in many Leave voters' eyes – spoke to an even deeper insecurity – one that said that Britain no longer had a leading role in the world.

And there can be no doubt that history played a central part.

The fact is that the signatories to the Treaty of Rome all needed European integration as a means of leaving the past

behind - of restoring their sense of national pride and prestige.

But this was never the case for many of the millions of British people who voted Leave. They have never seen Europe as a knight in shining armour, coming to the rescue of the nation state.

No, they have always seen it as a symbol of our country's fall from grace, and from greatness.

Nevertheless, Britain was reasonably comfortable with the pre-Maastricht incarnation of the European project. There was a pragmatic acceptance of the commercial benefits, and a sense that the balance between economic co-operation and political sovereignty was just about right.

But the early 1990s saw a step-change. The Maastricht Treaty drove a seismic shift from intergovernmentalism to supranationalism, and the British opt-outs confirmed our status as a semi-detached member of the club.

Then in 2004 Tony Blair decided that the UK should be the only EU member state to accept free movement of people from the Accession Eight without a transition period.

And the rest, as they say, is history...

The 2004 decision on free movement probably did more than anything else in terms of stoking anti-EU sentiment, supported of course by a tabloid media which knows all too well that hate and division sell papers, and which have no hesitation in encouraging the public blood to boil.

Of course, let's also recall that our politicians have always been happy to take all the credit when things go right, whilst blaming everything on Europe when things go wrong.

And then you just have to throw the Eurozone and refugee crises into this toxic mix, and I often conclude that it is actually pretty amazing that 48% voted Remain...!!

When you stand back and look at this picture you see clearly why the phrase 'take back control' resonated so profoundly

with so many during the referendum campaign. It tapped directly into their sense of loss, and into a feeling that the profound economic, social and cultural changes of the last forty years had been rammed through without their democratic consent.

And how pro-Europeans should respond

I am passionately pro-European, and I have no doubt that the vast majority of you felt just as I did on the morning after the referendum: profoundly saddened by the fact that millions of our fellow country men and women were so deeply disillusioned by mainstream politics, and so profoundly alienated by the EU.

But I believe that the first response of every single person in this room, and indeed of pro-Europeans across the length and breadth of this country, must be to ask the hard questions, and to think deeply and honestly about the underlying reasons for the Leave vote.

Yes, appalling lies were told by the Leave campaign, and yes they cheated.

But we cannot, we must not, allow our anger and frustration about the Brexit vote cloud our judgement about its underlying causes.

I have no idea about how the next six months are going to play out. But what I do know is that the 2016 referendum was a re-set moment for this country, and it was a wake up call.

Now, we in this room and others like us, who have lived experience of the tremendous value of European co-operation, can either choose to engage with that wake-up call, or we can choose to ignore it.

We can either choose to accept that the European project has at times been guilty of over-reach and hubris, and that reform is essential, or we can choose to believe that it should just plough on regardless.

We can either choose to believe that those who voted Leave in 2016 didn't actually know what they were voting for, or we can choose to understand that in fact millions of them knew precisely what they were doing, and why.

We can either choose to engage with Brexit by pushing for a practical, bridge-building deal with the EU, or we can seek to reverse it.

Because that, in essence, is the choice with which we pro-Europeans are now confronted: do we believe that Brexit should be softened, or do we believe that it should be reversed?

Well, I am firmly in the softening camp.

For the best part of two years now I have been arguing that we must seek a Brexit that must meet two crucial tests: first, it must help to re-unite our deeply divided country, and second it must do the least possible harm economically.

And the only way of leaving the EU that meets those two tests is the European Economic Area.

An EEA-based Brexit is the only viable option, for the following reasons:

- First, by becoming a non-EU member of the EEA, alongside Norway, Iceland and Lichtenstein, the UK would be leaving the political framework of the EU whilst remaining in the economic one.

On the doorstep in my constituency I constantly hear people say that they voted to join the Common Market in 1973 but then somewhere along the way Europe became something different, for which they had never supported. An EEA-based Brexit would, in my view, deliver the re-set that my constituents are looking for.

- Second, an EEA-based Brexit would also enable us to address the concerns about free movement of Labour that drove so many to vote Leave, as articles 112 and 113 of the

EEA Agreement enable the unilateral suspension and reform of any one of the four freedoms.

Immigration has provided huge benefits to our country, but in order to truly cherish something, then you must also be prepared to change it.

- Third, the EEA is based on a well-established set of political and legal institutions, and the EEA countries also have automatic associate status on almost all of the EU agencies. The UK would therefore have a ready-made seat at the table when EU policies and legislation are being shaped.

Fourth, and perhaps the most compelling argument of all, given the utterly shambolic and incompetent manner in which this government is conducting the negotiations, is that the EEA actually exists. It was created in 1993, and it is a model that governments and businesses throughout the EU have come to understand and appreciate. With the risk of a no-deal Brexit now looming larger than ever and with the Chequers proposal struggling for oxygen, it is time that both

the government and the leadership and front bench of my own Party face up to reality.

...

By committing wholeheartedly to an EEA-based Brexit the Labour Party would not only be showing the clarity and leadership that our country so desperately needs in these turbulent times, we would also command cross-party support in Parliament that would roundly defeat the Chequers-lite fudge that Theresa May seems likely to ask parliament to approve later this autumn. And, even more importantly, cross-party backing for an EEA-based Brexit would also comprehensively see off the no-deal scenario that the Tory Brextremists are so keen to provoke.

An EEA-based Brexit would therefore reflect the aspirations and concerns of large swathes of both the 52 and the 48, lay the foundations for a new settlement with the EU, and ultimately shape a consensus around which to re-unite our deeply divided country.

I'd hazard a guess that many of you in this room this evening are not in the softening camp... that you'd see a referendum on the Article 50 deal as the best route for reversing out of the political and constitutional cul-de-sac in which we find ourselves. Support for this option is growing, for perfectly understandable reasons, and I am in full agreement with our front bench's position that all options must remain on the table, and that Parliament must decide what should happen in the event of stalemate.

But let's take a step back for a moment and think about the possible consequences of returning to the people on this issue.

First, what will it say about our parliamentary democracy? After two years of talking amongst ourselves, we decide to go back to the voters and ask for a different answer. The question that would be constantly posed throughout the campaign to those of us campaigning for Remain would be: 'so, if you lose this one again, will that be it, or are you planning to just keep going until you get the answer you want...?'

And our answer would of course be: 'no, that's it, this is the last roll of the dice'. But given that the foundation of our argument for the People's Vote is that in a democracy people are always free to change their mind, that answer would be treated with a high degree of scepticism.

Second, it would be a gift to the populists and the nationalists. Nigel Farage would once again ride into town on his red, white and blue horse, with Rees-Mogg not far behind in his Bentley, accusing the 'Westminster elite' of attempting to subvert the will of the people. The anger and aggression that they would unleash would make the 2016 referendum look like a walk in the park, and their narrative would attract huge support, as it chimes with the anti-parliamentary spirit of the age.

Third, opting for another referendum would be setting a dangerous precedent. As MPs, our job is to tackle complex issues head-on, and to find solutions that work in the national interest. The public's confidence in our parliamentary democracy was already at a low ebb prior to

the referendum, and it is now close to zero. We should be under absolutely no illusions about the fact that every time we hold a referendum we drive another nail into the coffin of the principle of parliamentary sovereignty.

It's not too late for the Labour Party to change tack by starting to advocate an EEA-based Brexit, as the only viable way in which we can accept and respect the referendum result without wrecking the jobs, livelihoods and communities of the very people we were elected to represent.

And it's the only option we have, if we are to set about healing the wounds, breaking the impasse, and re-uniting our deeply divided country.

Chequers

I promised to say a few words about the Committee's meeting with Michel Barnier, in Brussels today.

Well, Monsieur Barnier reminded us of the three core principles upon which his mandate is based:

- The integrity of the Single Market, Customs Union and Common Commercial Policy;
- The indivisibility of the four freedoms;
- The autonomy of the Union's decision-making.

And he made it very clear to us that these principles will be respected scrupulously throughout the negotiation.

Now, the question is whether Theresa May's Chequers proposal is compatible with those principles.

And the answer has to be that it is not.

Chequers proposes a so-called Facilitated Customs Arrangement based on the application of two tariffs on goods - one for the UK and one for the EU, depending on whether the goods are destined for the British or European markets. But how can the Union delegate the application of

its customs rules to a third country that is not subject to its governance structures?

Chequers envisages a common rulebook for goods, but divergence on services. But we know that 20 - 40% of the value of the products that we use every day is linked to services, so how then would the EU ensure that European businesses don't face unfair competition from their British counterparts?

So, the gap between Monsieur Barnier's negotiating mandate and the contents of the Chequers proposals is still a very large one.

But Michel Barnier also reminded us today, in no uncertain terms, that finalisation of the Withdrawal Agreement is still the top priority, and that a legally operative backstop to ensure continuity of current arrangements on the Irish border has still not been agreed.

In essence the news from Brussels today is that the negotiations are still grappling with the issue of backstop, and

that as long as this is the case the entire process will continue to falter.

So, what happens next?

Well, the last few years have taught us that making forecasts about politics is a mug's game. But if you were to hold a gun to my head and ask me to make a prediction about the next six months I would say that the EU and the UK probably will conclude some sort of deal, in all probability at an emergency summit in November.

That deal will be based on a fudged backstop and a nebulous, Chequers-lite statement of intent about the future relationship. The kamikaze Brextremists will certainly vote against it – meaning the PM's priority is therefore to present Parliament with a deal that is just vague enough to keep around 280 of her 316 MPs – plus the DUP – on board, their resolve stiffened by the message that failure to back the PM's deal could lead to Jeremy Corbyn-led government.

This means that Theresa May will require the backing of 30 - 40 Labour MPs, to get her over the line.

Whilst walking through the division lobby with the likes of Jacob Rees-Mogg is not a prospect that I savour, I am not prepared to vote for a leap of faith that is utterly lacking in detail about the terms of our future relationship with the EU.

I will not vote for a blind Brexit.

The only form of Brexit that I would be prepared to vote for is an EEA-based Brexit, and I will be making that crystal clear to the government whips.

However, there are dozens of my colleagues representing Leave-voting constituencies who may come to the view that they must not in any way be seen to be blocking Brexit.

And this, I am afraid, is where my crystal ball clouds over. Party discipline is not what it was. The Conservatives' psychodrama over Europe continues to tear them apart, and Labour

is led by a man who defied the whip 550 times during his career on the back benches.

And that makes it impossible to say with any degree of certainty how the meaningful vote on the deal will pan out.

Conclusion

I wanted to conclude with a word about how the EU should respond to Brexit. Not in terms of the short-term tactics of the negotiations, but rather in terms of what Brexit means for the long-term future of the Union.

I have already said that Brexit must be seen as a re-set moment for the UK.

But it is equally vital that it be seen as a wake-up call for Europe.

For too long the EU has attempted to apply a one-size-fits-all approach that has failed to take account of the diverse array of national histories, economies and cultures that are the building blocks of our great continent.

Brexit can and must trigger a re-think. Serious strategic effort should now be put into creating an outer ring of countries with no interest in a single currency or a shared fiscal space, but who are looking for EEA-style membership of the Single Market.

And the EU must also conduct an in-depth review of the free movement of labour. The indivisibility of the four freedoms has become a mantra that is supposed to hold Europe together, but the fact is that it is having the opposite effect.

President Macron has spoken positively about the development of a multi-speed Europe, so let's hope that his rhetoric can be turned into reality.

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So, Brexit must trigger a new, clear-sighted realism about the future of Europe.

But we must never forget that Europe is also an idea, and a source of inspiration. We must make our case for Europe with passion, and conviction.

Because the need for the European ideal has never been greater.

Everywhere we look, right and left-wing populism and extremism are on the march;

An ever-more aggressive and belligerent Russia looms large on our eastern borders;

A booming but increasingly authoritarian China is building its global reach;

And a deeply unstable and unreliable President sits in the White House.

In his book 'On Tyranny - Twenty Lessons from the Twentieth Century', Timothy Snyder writes:

'Until recently we had convinced ourselves that there was nothing in the future but more of the same. We allowed ourselves to accept the politics of inevitability, the sense that history could move in only one direction: toward liberal democracy. In doing so we lowered our defences, constrained our imagination, and opened the way for precisely the kinds of regimes we'd told ourselves could never return.'

Well, it's time for us all to get our defences back up, and to unleash the potential of our collective imagination, once again.

It's time for us to re-discover that the strength at the heart of Europe has always been its resilience.

The ability to absorb the shock and to bounce back;

To rise to the challenge;

And to mobilise that powerful combination of realism and idealism that has served it so well for decades.

Thank you.