

May's Brexit Deal Faces Likely Defeat as Deadline Nears

di Jason Douglas e Laurence Norman

British Prime Minister Theresa May faces a likely heavy defeat [in a vote Tuesday](#) on her plan to leave the European Union, setting the stage for further political turmoil that will test the U.K.'s historically stable political institutions and arcane constitution.

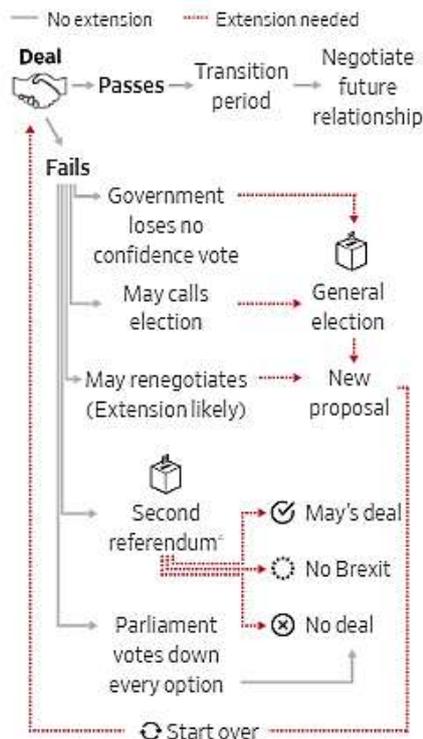
The vote in the House of Commons is expected to leave the status of Brexit in doubt just over 10 weeks before Britain's scheduled departure from the bloc.

Such are the fissures in British politics over Brexit that officials on both sides increasingly expect that Britain's scheduled departure date of March 29 might be delayed while lawmakers find a path forward.

The British pound, seen as a Brexit barometer in financial markets, has rallied against the dollar in recent days on the increased likelihood that the U.K.'s departure from the EU could be delayed. The pound rose for the fourth day in a row Monday, up 0.2% against the dollar to \$1.28.

Breaking the Stalemate

Chances are rising that Britain's scheduled departure date from the EU on March 29 may be postponed as Parliament struggles to find a way forward on Brexit. Here are the options:



*A two or three option ballot is possible

Source: Staff reports

The vote Tuesday could be the heaviest defeat in decades to be suffered by a sitting government. It will come after five days of debate over the agreement Mrs. May has hammered out with the EU over the past two years. Lawmakers from her own party and the main opposition Labour Party are deeply divided over the deal—and over what should replace it if it fails.

The scale of the expected defeat is unclear—and will be crucial to what happens next. Mrs. May has a record for sticking to her task in the face of major setbacks, and she will be difficult to dislodge against her will. A likely effort by Labour to topple the government through a no-confidence vote is unlikely to garner sufficient support.

A narrow defeat in the 650-seat House of Commons could embolden Mrs. May to press lawmakers to reconsider in a second parliamentary vote, perhaps after wringing new concessions on

contentious aspects of her Brexit plan from Brussels. She must lay out any next steps to lawmakers by next Monday.

“Lower is better for her, and for Europe,” said Mujtaba Rahman, managing director for Europe at consulting firm Eurasia Group, referring to the margin of opposition. He said that losing by 70 votes or fewer would signal to Mrs. May and Brussels that their plan is salvageable. Losing by 70 to 100 votes would make that harder but not impossible. A defeat in excess of 100 votes would likely spell the end of Mrs. May’s withdrawal deal and force her to articulate her preferred Plan B, he said.

Complicating matters, a series of amendments are up for consideration before the vote. If they pass, they could persuade some recalcitrant lawmakers to swallow their objections to her deal.

Assuming Mrs. May loses on Tuesday, a battle between her minority government and Parliament will ensue to take control of the Brexit process, with each side seeking to exploit obscure rules of parliamentary procedure that form part of Britain’s constitution, which has never been codified.

Britain’s lack of a formal written constitution puts considerable onus on the parliamentary officials who interpret tradition and precedent to decide on questions that could materially affect the way lawmakers vote. Anti-EU lawmakers have already launched outspoken attacks on the Speaker of the House of Commons, John Bercow, for how he has managed the Brexit debate.

While lawmakers don’t agree on what type of Brexit they want, a majority wants to avoid the outcome that causes the most consternation in corporate boardrooms: that Britain leaves the EU on March 29 [without any agreement](#) at all over its future legal and economic ties to a bloc that buys almost half its exports.

With fewer than 100 days before the U.K. is set to leave the European Union, companies on both sides are preparing for the possibility of a "no-deal" scenario, which could leave goods stuck in ports in the U.K and the EU. Photo: Reuters

If lawmakers succeed in blocking a no-deal Brexit, that could pave the way for a Brexit in which the U.K. remains very closely tied to the bloc, much as Norway is today, or even for a second referendum on EU membership.

One big question is how the EU would react to a defeat for Mrs. May, given the growing concern in European capitals that a no-deal outcome would hurt the European economy, parts of which are already on the brink of recession.

On Monday, the EU’s top officials offered Mrs. May written assurances intended to rally support in the British Parliament for the Brexit deal by [setting out the bloc’s determination](#) to quickly conclude a trade deal with Britain.

The concessions were quickly dismissed by anti-EU British lawmakers.

However, some European diplomats say that if the prime minister can show that she has a serious plan for winning backing for the Brexit deal, there could yet be changes to the legally binding withdrawal agreement. Any such change could prove divisive among the remaining 27 members of the bloc, and EU officials right are emphatic that no changes have been discussed and any agreed to would be limited in scope.

One option, if requested by the U.K. and approved by the EU27, would be to delay Brexit by some months to give Britain more time to reach a compromise in Parliament.

In a speech Monday in the English city of Stoke-on-Trent, where 69% of voters opted to leave the EU in 2016's historic referendum, Mrs. May warned that failure to support her in Tuesday's vote risks derailing Brexit altogether. She said it was vital that Parliament honor the result of 2016's referendum and break with the EU under the terms she negotiated.

"The deal honors the vote in the referendum by translating the people's instruction into a detailed and practical plan for a better future," she said. "No one else has put forward an alternative which does this."