

Brexit: taking stock and looking ahead

by Harris LaTeef



A reveler sits atop a traffic light overlooking the crowd gathered in London's Parliament Square to count down the United Kingdom's January 31, 2020, exit from the European Union. (PHOTO BY HARRIS LATEEF)

The boisterous crowd filling London's Parliament Square overflowed past Downing Street where a countdown was being projected on the Prime Minister's residence. A sea of Union Jacks and St. George's crosses stretched from the base of Churchill's statue down to Trafalgar Square. Over three and a half years after the June 2016 referendum that convulsed British and European politics, the crowd of "Brexiters" were led in a New Year's Eve style countdown by Brexit Party leader Nigel Farage. With speakers blaring a recording of Big Ben's iconic gongs—the famed bell silenced for maintenance—the crowd cheered as the UK's 47 years in the European project came to an end.

Before the disruption wrought by Covid-19, the outcome of the 2016 UK referendum on European Union membership was the uncontested lead story in modern Britain. Touching on issues of national identity, historic consciousness, gen-

erational divides, and social and economic inequities that have plagued the country for decades, Brexit was a political Rorschach test. Supporters hailed it as the key to reversing decades of declining influence and reclaiming past glory while opponents blamed it for many of the nation's socioeconomic ills.

Questions swirling around the future of the relationship between the UK and the European Union continue to dominate political headlines and create unprecedented uncertainty for the UK's four constituent nations (England, Scotland, Northern Ireland, and Wales). Just six years after a failed independence referendum that was billed as "once in a generation," the Scottish public's support for independence

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has reached an all-time high of 58%. Across the Irish Sea in Belfast, unresolved issues surrounding the border with the Republic of Ireland threaten to rip open old wounds and reignite sectarian violence.

Brexit has shaped the tenure of three Prime Ministers. Conservative Prime Minister David Cameron's six years in office (2010–16) are defined by his 2015 campaign promise to hold a referendum on EU membership in an effort to appease his most conservative and anti-immigration supporters and by his subsequent failure to convince the British public that staying in

the EU was the right course of action. Theresa May's three years as prime minister (2016–19) saw the triggering of Article 50 of the EU Charter and the subsequent failure to achieve a permanent resolution, costing the Conservative party its majority in the House of Commons and paving the way for her onetime Foreign Secretary and longtime Brexit hardliner, Boris Johnson, to succeed her. Johnson, famously unpredictable, breached key provisions of the previously ratified divorce treaty with the EU, and prompted accusations that the UK breached international law.

In order to fully appreciate the im-

pact of the 2016 referendum and its aftermath, it is critical to look at Brexit not only as a political phenomenon but as a reflection of the insecurities of modern British society. First and foremost among them is the nation's pervasive social and economic inequality that has only grown in recent years. Professor Philip Alston, the United Nations Special Rapporteur on Extreme Poverty, concluded in his 2019 report that "much of the glue that has held British society together since the Second World War has been deliberately removed and replaced with a harsh and uncaring ethos."

'A United States of Europe'

Since the days of the Roman Empire, the fate and fortunes of the British Isles have been tied to events and political developments on the European continent. As much as staunch British nationalists hail the independent mentality of their island nation, an outlook which they credit for securing Britain's place in the world, the UK has been inextricably linked to Europe. Think of the Norman Conquest of 1066, the cultural exchanges during the Renaissance, the Napoleonic Wars, the world wars, and the Cold War.

In the shadow of the deadliest conflict in human history, Prime Minister Winston Churchill, speaking at the University of Zürich in 1946, advocated for the creation of a political and economic framework that would prevent conflict among European powers. Churchill argued that the only way "hundreds of millions of toilers [would] be able to regain the simple joys and hopes which make life worth living" was the creation of "a kind of U.S. of Europe." This vision for deeper European political and economic integration first took the form of the European Coal and Steel Community (ECSC) established in 1951.

Although the UK was a founding member of the Council of Europe in 1949, it stood on the sidelines and declined to join the six founding members of the ECSC, as the U.S. had done with the League of Nations two decades earlier. Jean Monnet, one of the architects of the ECSC, said: "I never understood why the British did not join. I came to the conclusion that it must have been because it was the price of victory—the illusion that you could maintain what you had, without change."

Six years later, the British declined to enter into the 1957 Treaty of Rome that established the European Economic Council (EEC). Envious of the postwar French and West German economic recovery, Britain sought admission in 1961 only to have their entry into the organization vetoed by French President Charles de Gaulle (1959–69), who feared British involvement would be a conduit for American influence. After Georges Pompidou (1969–74) succeeded de Gaulle and the threat of a French veto was eliminated, Conservative Prime Minister Edward Heath led Britain into the EEC in 1973.

with its neighbors on the European continent. Less than three years after joining the EEC, a referendum resulted in 67% of the electorate endorsing continued membership in the organization after both Labour Prime Minister Harold Wilson and Conservative opposition leader Margaret Thatcher campaigned for the "Keep Britain in Europe" movement.

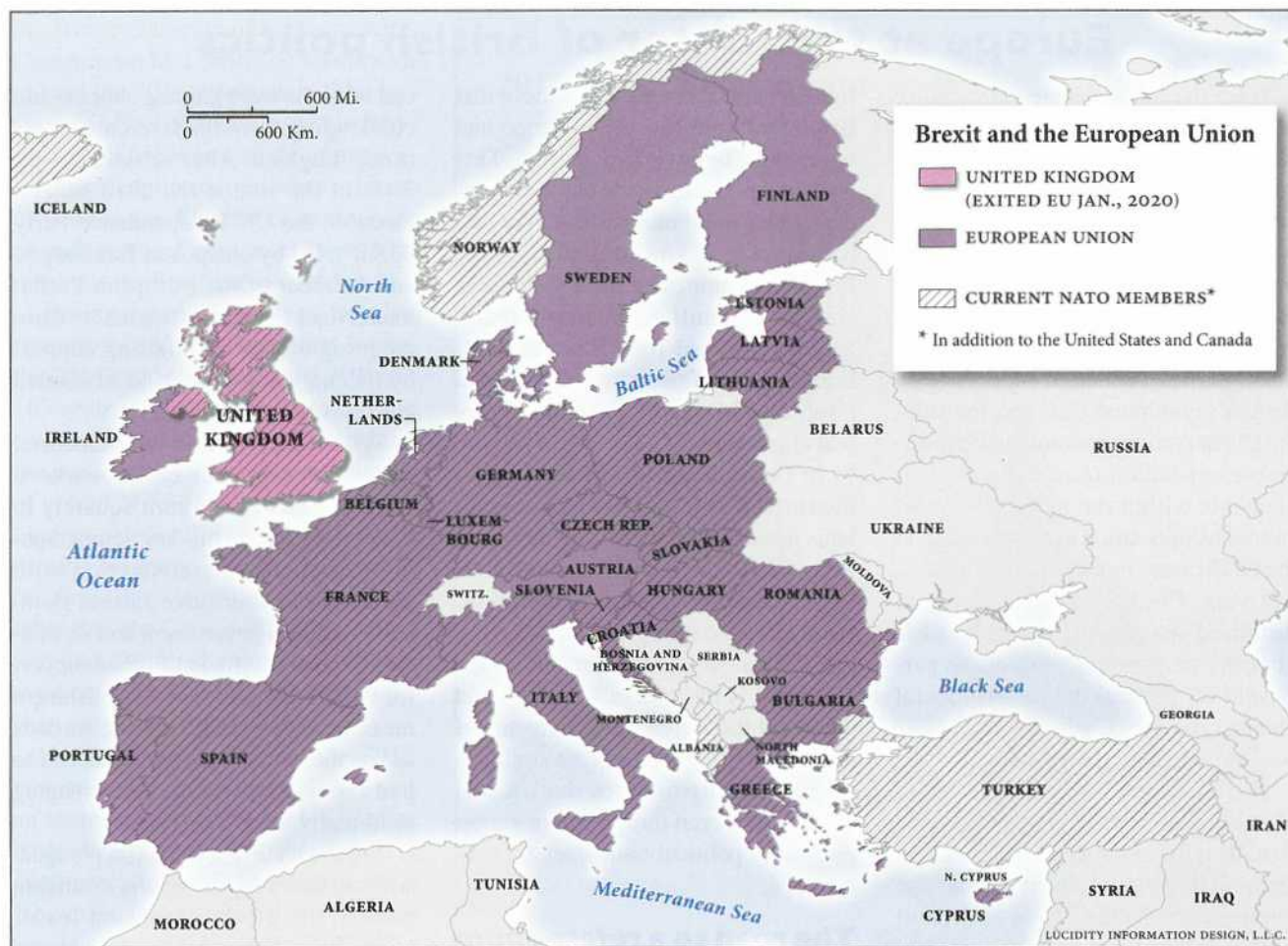
Over the next several decades, political and economic integration of the European continent culminated in the establishment of the European Union in 1993. In addition to Britain, Denmark and Ireland joined the EEC in 1973. EEC membership continued to grow with the admission of Greece in 1981, and Spain and Portugal in 1986.

The 1985 Schengen Agreement eliminated most internal border checks among the original five signatory nations (Belgium, France, West Germany, Luxembourg, and the Netherlands). The Schengen Area created by the treaty would eventually grow to include 26 states with a population of over 400 million people. This marked the first of several major steps toward further integration among European nations in which the UK declined to participate. Although European citizens would enjoy the right to live and work in the UK, as British citizens were allowed to do in the other EU member states, entry immigration

Further integration

The divisive 2016 Brexit referendum was not the first time the citizens of the UK were asked to decide the nature of their country's relationship

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controls were maintained throughout Britain's EU membership.

The 1987 Single European Act passed by the European Parliament would lay the groundwork for the EEC to work toward the creation of a single economic market by 1992—a goal supported by Margaret Thatcher's Conservative government. Thatcher's support for a "free-trade" vision for Europe was unequivocal. Speaking to a group of British business leaders in 1988, Thatcher laid out her vision for the common market that her party would eventually repudiate during the Brexit debate:

"Just think for a moment what a prospect that is. A single market without barriers—visible or invisible—giving you direct and unhindered access to the purchasing power of over 300 million of the world's wealthiest and most prosperous people. Bigger than Japan. Bigger than the U.S. On your doorstep. And with the Channel Tunnel to give you direct access to it.

It's not a dream. It's not a vision. It's not some bureaucrat's plan. It's for real. And it's only five years away."

In 1992, this vision became a reality with the signing of the Maastricht Treaty, which established the European Union with an economic and monetary union at its core and a new focus on greater cooperation among members in the realms of foreign policy, national security, and home affairs. With the addition of Sweden, Austria, and Finland two years later, the EU grew to cover nearly all of Western Europe.

Aside from the common economic market and the creation of the European Union, the Maastricht Treaty began the process that would result in the creation of a common European currency—the Euro. After a decade of preparation, the Euro was first launched as a non-physical currency (e.g. for bank transfers, travelers' checks, etc.) in January 1999 and then as coins and banknotes three years later, replacing the currencies of

12 countries in the largest cash change-over in history.

The introduction of the Euro was another example of where the UK chose not to continue down the path of further economic and political integration with Europe. As part of the Maastricht Treaty, the UK secured an opt-out from joining the Eurozone and, along with Denmark, became one of two EU countries that had not adopted the Euro nor were legally bound to eventually do so.

Following a landslide victory in 1997, the early premiership of Labour Prime Minister Tony Blair established a period of warm relations between the EU and the UK with Britain joining the EU's social chapter and delivering some of the social protections long coveted by the political left. The 2009 Euro crisis, the 2015 migrant crisis, and the rise of far-right parties campaigning on nativist and anti-immigration platforms, Euroscepticism began to proliferate on the fringes of British politics.

Europe at the center of British politics

Since the initial debate surrounding the UK's involvement in the ECSC, Britain's relationship with Europe has played a central role in domestic politics. The internal party debate surrounding the 1975 EEC referendum firmly established the issue of Britain's relationship with Europe as a wedge issue among the country's major political parties. Although supportive of Britain's continued EEC membership, the Conservatives encountered considerable opposition from extreme right elements within the party. The most strenuous opposition to membership in the EEC came from the Labour party's left wing. The 1983 Labour manifesto promised withdrawal from the EEC after the pro-Europe wing of the party split off to form the centrist Social Democratic Party, which would later become the Liberal Democrats.

With Europe featured as a topic of common internal debate across the British political spectrum, historian Vernon Bogdanor observed that the question of whether or not to support further political and economic integration with Europe would become the true dividing line in British politics:

"Some might argue that the fundamental conflict in post-War British politics is not so much between left and

right as between those who believe that Britain's future lies with Europe and those who believe it does not. This profound political divide has cut across the parties and it unites some very odd bedfellows: if you look at the pro-European camp, you have to include Harold Macmillan, Edward Heath, Roy Jenkins, and Tony Blair; the anti-Europeans are Enoch Powell, Michael Foot, and Margaret Thatcher—very odd alignments."

In December 2011, as EU leaders tried to tackle the bloc's economic problems through a treaty setting new budget rules, Conservative Prime Minister David Cameron demanded exemptions for the UK and then vetoed the pact entirely. This controversial move set the UK adrift in the eyes of his critics and delighted the Eurosceptic elements of his party. By highlighting the strains in the relationship between the UK and the EU, Cameron thrust Britain's most poisonous political issue back on center stage.

The road to a referendum

By the time the local and European parliament elections were held in May 2014, far-right parties that capitalized on the economic and social anxieties associated with immigration and ra-

cial tensions were gaining support and challenging Conservative candidates across England. After achieving only 3.1% of the vote in the 2010 general election, the UK Independence Party (UKIP), led by outspoken Eurosceptic and Member of the European Parliament Nigel Farage, refocused its campaigning efforts on building support by fielding candidates in local council elections across the country.

With a majority of their electoral gains fueled by blue-collar workers, UKIP's focus would turn squarely to building support in this key demographic. Widespread dissatisfaction with Cameron's Conservative-Liberal Democrat coalition government and its policies of austerity fueled further support for UKIP's populist, anti-establishment message. With UKIP making inroads across the country, Cameron needed to find a solution to stop the hemorrhaging of formerly loyal Tory voters.

In January 2013, Cameron pledged, without the support of his coalition partner, the Liberal Democrat leader Nick Clegg, that a referendum on the UK's membership in the European Union would be held should the Conservatives secure a majority in the 2015 general election. Cameron laid out his plans to renegotiate the nation's relationship with the EU and then give people the "simple choice" between accepting the new terms or leaving altogether. He argued that the longer the referendum was delayed, the more likely the British people would elect to leave the pact:

"Simply asking the British people to carry on accepting a European settlement over which they have had little choice is a path to ensuring that when the question is finally put—and at some stage it will have to be—it is much more likely that the British people will reject the EU. That is why I am in favour of a referendum. I believe in confronting this issue - shaping it, leading the debate. Not simply hoping a difficult situation will go away."

Slammed by the Labour leader Ed Miliband for kowtowing to UKIP and



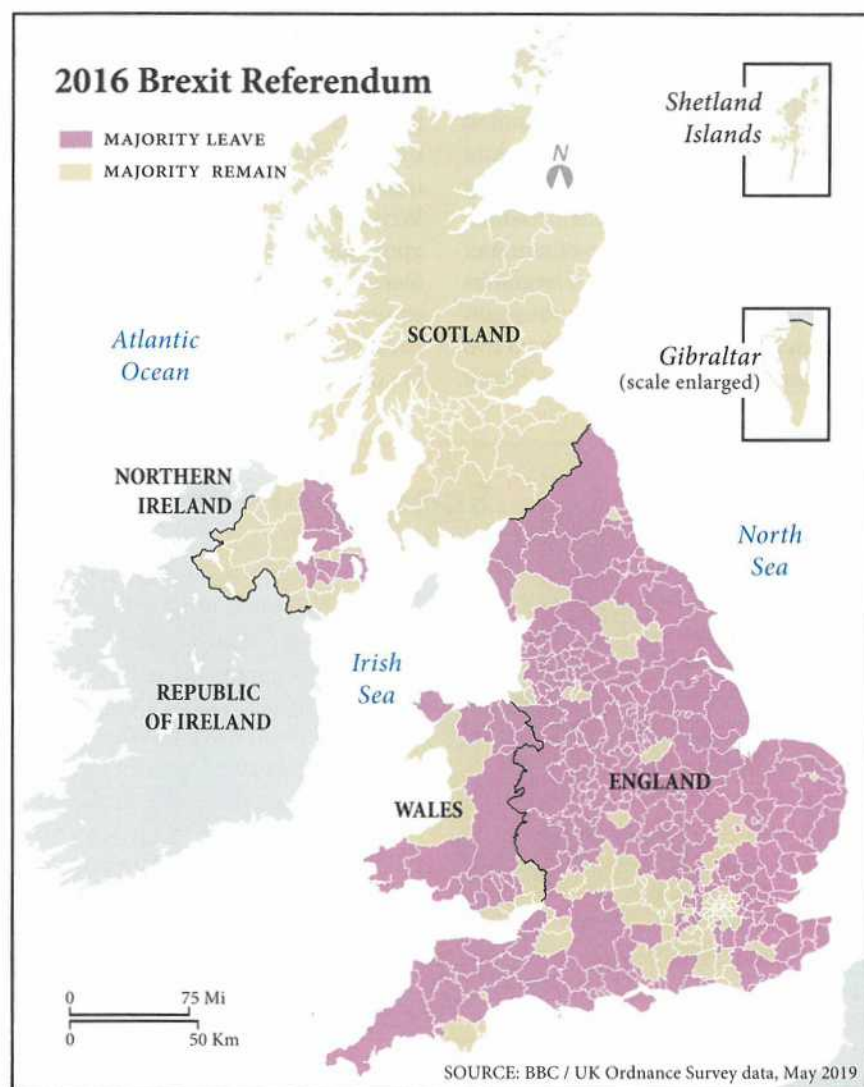
Anti-Euro protester holds his placard aloft outside the British Houses of Parliament June 9, 2003. (SCOTT BARBOUR/GETTY IMAGES)

the fringe elements of his own party, Cameron set his country down the path toward the 2016 referendum. The immediate effect of announcing his referendum pledge was a surge of support for Eurosceptic parties whose dream of leaving the EU, the central tenant of their political existence, was within reach for the first time in decades.

Riding a growing wave of populist resentment and anti-immigrant fervor, the 2014 local elections saw UKIP win 163 seats in local councils across the country, up from just 35. Meanwhile, the party received the greatest number of votes (27.5%) in the European Parliament elections of any British party, earning the party 24 seats. This result, the first time since 1906 that a party other than the Conservatives or Labour had won the most votes in a national election, placed UKIP and Farage firmly in the political spotlight.

As the UK approached the 2015 general election, polling data showed an increase of support for UKIP after both the Conservatives and Labour lost supporters to the Eurosceptic cause. However, the results of the election would surprise pollsters and the prime minister himself. The Conservatives not only exceeded expectations, thanks largely to a collapse in support for Scottish Labour, the rise of the Scottish National Party (SNP), and the loss of 49 Liberal Democrat seats, Cameron was able to achieve a slim majority in the House of Commons. Although UKIP able to take only one seat in the Commons, the 12.6% of the vote the party received confirmed a growing wave of populist support.

Cameron believed he was bound to deliver on the campaign promise that may very well have allowed him to retain his position, renegotiate the British relationship with the EU and then put the choice to leave or remain to the public. Confiding to European Council president Donald Tusk after his surprise election victory, Cameron admitted that he never thought he would be in a position where he had to honor his campaign promise on an EU referendum. Speaking to the BBC, Tusk recalled his conversation in the wake of the election:



"I asked David Cameron, 'Why did you decide on this referendum, this—it's so dangerous, so even stupid, you know,' and, he told me—and I was really amazed and even shocked—that the only reason was his own party. [He told me] he felt really safe, because he thought at the same time that there's no risk of a referendum, because his coalition partner, the Liberal [Democrats], would block this idea of a referendum. But then, surprisingly, he won and there was no coalition partner. So paradoxically David Cameron became the real victim of his own victory."

With no coalition partner to provide Cameron the excuse to restrain the Eurosceptic elements of his party, the most poisonous subject in British politics was now unavoidable.

2016

The plans for the membership referendum were announced in the Queen's Speech three weeks after the election. The European Union Referendum Act (EURA) 2015 went before the House of Commons the next day. The bill passed 544 to 53, approving the holding of a referendum, with only the SNP voting against. Notably, the law did not contain any requirement for the British government to implement the referendum's results. After the resignation of Labour leader Ed Miliband, in the wake of his party's under performance in the election, acting leader Harriet Harman committed her party to supporting the referendum plans, eliminating any potential resistance.

What followed next was a series of missteps and miscalculations by the os-

tensibly pro-European prime minister. Despite objections from the Scottish, Northern Irish, and Welsh devolved governments, Cameron announced in February 2016 that the referendum would be held on June 23, launching the campaigning season with a deadline set squarely in the middle of summer holidays when many Britons would be out of the country. Unlike in the Scottish independence referendum held two years earlier, Cameron and the House

of Commons did not approve enfranchising 16- and 17-year-old citizens, who would have to live the longest with the consequences of the referendum. Cameron lost the debate over the wording of the referendum question itself. Writing in his largely repentant and apologetic memoir, *For the Record*, Cameron said that his pro-European campaign had lost “the positive word ‘Yes’...and ‘Leave’ sounded dynamic in contrast to ‘Remain.’”

At the launch of the campaigns, and in a rare exception to the concept of Cabinet collective responsibility, Cameron allowed his ministers to campaign on either side of the “Leave” and “Remain” argument, diluting his own chances of success. When his chancellor of the Exchequer, George Osborne, urged Cameron to campaign aggressively against Leave leaders Boris Johnson and Michael Gove, Cameron feared such “‘blue on blue’ attacks

Scottish Independence

The future relationship between the UK and the European Union is not the only unanswered question posed by Brexit. The end of the UK’s membership in the European Union has stirred up the age-old question of Scotland’s status in the UK.

Ever since the 1707 Acts of Union, under which England and Scotland joined to create the Kingdom of Great Britain, Scottish nationalists have called for the return of Scottish sovereignty. Although linked by centuries of cultural and historical ties, Scotland’s and England’s national and international outlooks have often clashed. In recent years, Scotland’s unique political culture has further diverged from that of the rest of the UK. With a diaspora population of over 30 million, historian Sir Tom Devine observed that Scotland’s unique view of the European Union can be attributed to the Scottish people’s outward-looking orientation as a nation of emigrants: “Scotland has never suffered over the past twenty to thirty years the kind of inward-looking form of nationalism that England has.”

After decades of advocacy, a 1997 referendum reestablished the long dormant Scottish Parliament. Authority over Scottish domestic affairs—including the economy, education, health, justice, housing, environment, transport and taxation—was devolved to Edinburgh, giving the Scottish people direct control over many aspects of their lives and society for the first time in nearly three centuries.

The Scottish National Party (SNP)—the driving force behind the independence movement—made steady gains in both the newly formed parliament and in Scotland’s delegation to the UK Parliament in Westminster. The SNP has been the majority party or in a controlling coalition in the Scottish Parliament for the past fourteen years.

After running on a platform that included pledging to hold a referendum on independence, the SNP earned the most seats in the 2007 Scottish Parliament elections and set the nation on the path toward a vote on self-determination. Although national identity and democratic ideals weighed heavily in the debate surrounding the 2014 independence referendum, the economy and Scotland’s future relationships with the UK and Europe were dispositive.

A 2014 Financial Times report painted a rosy picture for Scotland’s independent economic future:

“If its geographic share of UK oil and gas output is taken into account, Scotland’s GDP per head is bigger than that of France. Even excluding the North Sea’s hydrocarbon bounty, per capita GDP is higher than that of Italy. Oil, whisky and a broad range of manufactured goods mean an independent Scotland would be one of the world’s top 35 exporters.”

As for the European question, while the SNP supported an independent Scotland becoming a full member state of the European Union, debate raged over whether a newly indepen-

dent Scottish state would be required to undergo the readmission process and possibly face a Spanish veto due to concern about the ramifications for Spain’s own separatist movements. Although the European Commission offered to provide an official opinion on the matter, UK ministers declined to pursue it so as not to bolster the independence cause.

In a vote that received the highest turnout in over a century, Scottish voters declined to go it alone and rejected independence 55.3% to 44.7%—putatively answering the “once in a generation question.” Under the leadership of First Minister Nicola Sturgeon, who took the party’s reins after the referendum defeat, the SNP however has made gains in both the Scottish Parliament and in Scotland’s delegation to Westminster.

Calls for a second independence referendum were heard almost immediately after the Brexit referendum, which saw 62% of Scots vote to remain in the EU. Describing the result as “democratically unacceptable,” First Minister Sturgeon asserted that Scotland’s support for remaining in the EU was reflective of “how we see our place in the world.”

The debate over Scotland’s future relationship with the EU had been turned on its head. The Unionist argument that continued membership in the UK would guarantee Scotland’s future in Europe was nullified with independence being the clear option for retaining Scottish

would just make the campaign look like a Conservative spat.”

Campaigning was aggressive and, as subsequent investigations would reveal, featured breaches of UK electoral law, influence from foreign governments—most notably Russia—and the illegal use of voters’ personal information, subsequently exposed during the Cambridge Analytica scandal.

The “Leave.EU” campaign group, founded by businessman and UKIP do-

nor Arron Banks, featured race-baiting and xenophobic advertisements, including faked videos of migrants attacking people in the UK and posters claiming that Turkish EU admission would result in a flood of 75 million new immigrants. The campaign faced near universal condemnation after the publication of a poster advertisement featuring German Chancellor Angela Merkel and the caption: “We didn’t win two World Wars to be pushed around by a Kraut.”

Although many of the main Eurosceptics operated within the bounds of the traditional British political spectrum and framed their arguments around the need for economic flexibility and deregulation, the public campaigns supporting leaving the EU focused heavily on the issue of immigration. Since the days of mass migration from Britain’s former colonial dominions, immigrants have faced xenophobic discrimination in the UK

EU membership. Despite the different political circumstances generated by Brexit, Theresa May and Boris Johnson pointed to the 2014 independence referendum outcome as definitive and rejected calls to allow a second vote.

The continued refusal to permit the Scots to determine their future in the UK and Europe has bolstered support for independence. In the December 2019 general election that gave Boris Johnson a historic majority in the House of Commons, the SNP emerged as the third-largest party and won 48 of 59 of Scotland’s seats in the UK Parliament—a gain of 13.

Another factor in the debate over Scottish independence is the UK government response to the Covid-19 pandemic, which saw the country suffer the highest death toll in Europe. In contrast, the Scottish government’s local response—and the leadership and tone set by Sturgeon—earned praise. Sir John Curtice of Strathclyde University wrote that “there’s an enormous difference in public perception of how well the Scottish and the UK government have been handling [the pandemic]: 70-75% think Nicola Sturgeon is doing brilliantly, it’s almost the opposite for Boris [Johnson.]”

The Scottish public’s aversion to risk—key to the Unionist cause in 2014—has been drastically affected by the Covid-19 pandemic; the UK’s pandemic response has been far from a winning strategy. The University of Edinburgh’s Ailsa Henderson writes that “those with a greater appetite for risk were more likely to vote yes in



Scottish National Party (SNP) leader and Scotland's First Minister Nicola Sturgeon sets out the case for a second referendum on Scottish independence during a statement at Bute House on December 19, 2019, in Edinburgh, Scotland. (NEIL HANNA/WPA POOL/GETTY IMAGES)

2014, but if the status quo doesn’t seem to be much of a safe haven, that risk argument can’t be run in a similar way.”

On the economic front, frictionless access to the EU market is of significant benefit to Scottish exports. Thomas Sampson of the London School of Economics calculates that the economic cost to the UK of leaving the EU without a comprehensive trade deal is two or three times greater, over the long term, than the financial impact of the pandemic.

By the same token, London subsidizes Edinburgh to the tune of \$13 billion per annum. Scotland’s budget deficit could balloon from a current deficit of 8.6% of GDP to 19% of GDP

post pandemic according to the Office for Budget Responsibility. In the balance are such popular Scottish social subsidies as free prescriptions and free personal care for the elderly, as well as tuition-free higher education.

In October 2020, an Ipsos Mori poll found that Scottish support for independence had reached an all-time high of 58% while even more—64%—agreed that the UK government should allow another referendum to be held if the SNP again secures a majority in the Scottish Parliament. With the next elections for the Scottish Parliament set for May 2021, the Scottish people may be asked once more to make a “once in a generation decision.”

and increasingly restrictive government policies.

Racism remains a problematic issue in modern British society. A June 2020 YouGov survey of black, Asian, and minority ethnic (BAME) Britons reveals the extent to which prejudice and discrimination are encountered by minorities:

“Three in four BAME respondents (75%) think it is racist to dislike people who live in the UK and speak other languages in public, compared to just 58% of Britons in general. 74% have had someone ask “where you’re really from?” and 64% have had a racial slur directed at them. Some 65% have witnessed someone telling a joke featuring a racial stereotype about their own race. More than half (52%) have been on the receiving end of assumptions based on race, 44% have experienced an impact on their career and 27% say their race impeded access to services or funding.”

It is therefore unsurprising that Leave campaigners would rely on racist or xenophobic political arguments

in order to motivate the British public to reject EU membership, which they blamed for increased immigration. An infamous example of this was UKIP leader Nigel Farage’s “breaking point” poster campaign which feature an image of immigrants at the Croatian-Slovenian border and was described as a “blatant attempt to incite racial hatred.” Indeed, the number of racially motivated hate crimes has increased in the UK every year since 2013.

Many of the nuanced economic arguments for and against continued British membership in the UK were often reduced to brief and often misleading sound bites hurled by “Remainers” and “Leavers” alike. Perhaps the most infamous example was the official Leave campaign’s touring bus emblazoned with: “We send the EU £350 million a week, let’s fund our NHS [National Health Service] instead.” This assertion, which did not factor in the 1984 rebate negotiated by Margaret Thatcher nor the disbursements that flow into the UK

from the EU, was described as “misleading” by the UK Statistics Authority and “absurd” by the Institute for Fiscal Studies. However, as is the case with many misleading or false statements in modern politics, it was repeated so widely and frequently by Leave politicians that it was often the only statistic average Brexit supporters referenced when describing the economic relationship of the UK and the European Union.

Lastly, pervasive income inequality that had remained largely static since the turn of the millennium and a series of austerity cuts to the British social safety net made the claims of Leave campaigners—that money being sent to the EU could be reinvested domestically—appealing to those facing financial hardship. The UK has one of the highest Gini index income inequality scores in the western world with the gap between rich and poor drastically expanding in the late 1970s and early 1980s and remaining relatively unchanged since the early 1990s.

The results and their aftermath

Of the many eye-catching headlines published after the June 23 referendum, *The Washington Post*’s stood out: “The British are frantically Googling what the EU is, hours after voting to leave it.”

“The whole world is reeling after a milestone referendum in Britain to leave the European Union.... [A]lthough leaders of the campaign to exit Europe are crowing over their victory,

it seems many Britons may not even know what they had actually voted for.

Google reported sharp upticks in searches not only related to the ballot measure but also about basic questions concerning the implications of the vote. At about 1 a.m. Eastern time, about eight hours after the polls closed, Google reported that searches for “what happens if we leave the EU” had more than tripled.”

Members of the British online public were not the only ones left reeling the morning after the surprise 51.8% to 48.1% victory. After six years in 10 Downing Street, David Cameron announced his resignation.

Calls for a second referendum on Scottish independence were heard almost immediately after it became clear that every Scottish constituency had voted to retain EU membership, with 62% of Scots voting Remain. Those who support the creation of a unified Ireland were boosted by the results in Northern Ireland where 55.8% voted

against leaving the European bloc and the border with the Republic remains largely invisible thanks to the common market. England and Wales, home to 98% of those who voted for UKIP in 2015, provided 92% of Leave votes.

Over the course of the next year, former Home Secretary Theresa May would become prime minister and, in March 2017, formally trigger the “Article 50” clause of the European Union’s Lisbon Treaty, starting the countdown on the two-year negotiation deadline in March 2017. In early June, May lost her majority in a snap general election she herself had called but held onto power in a hung parliament by entering into a coalition with Northern Ireland’s Democratic Unionist Party (DUP), the only major political group to oppose the 1998 Good Friday Agreement which ended most of the political violence in Northern Ireland that had been ongoing since the 1960s. Negotiations with Brussels sputtered on for the better part of two years, until



British Prime Minister Theresa May signs the official letter to European Council President Donald Tusk invoking Article 50 and the UK’s intention to leave the EU on March 28, 2017. (PRIME MINISTRY OF THE UNITED KINGDOM / HANDOUT / ANADOLU AGENCY / GETTY IMAGES)

September 2018 when the EU rejected May's "Chequers plan" which called for the creation of a UK-EU free trade area. By March 2019, her revised plan had been voted down by the House of Commons three times in spite of her offer to resign in exchange for her deal to be approved.

Despite surviving two votes of no confidence—one internal to the Conservative party and another in the Commons proposed by Labour leader Jeremy Corbyn—by late May, it was increasingly evident that the prime minister had no clear path forward with her vision for Brexit. She announced her resignation effective June 7, triggering a six-week leadership contest. Former mayor of London, foreign secretary, and the most high-profile Leave campaigner, Boris Johnson, succeeded May as Prime Minister in July 2019.

After two extensions to the Article 50 negotiation deadline, Johnson announced a revised Brexit deal in October 2019 that included provisions for maintaining frictionless trade and travel on the island of Ireland by implementing custom checks between Northern Ireland and the rest of the UK, averting the creation of a hard border. Following a third extension to the deadline forced by a parliamentary vote, Johnson called a general election to be held in December in order to obtain a mandate to proceed with his vision of Brexit. Under the motto of "Get Brexit Done," Johnson campaigned vigorously against labor leader Jeremy Corbyn, the most unpopular opposition leader since Ipsos MORI began polling 45 years ago.

When the exit poll was announced on election night on December 12, it was clear that Johnson had successfully secured a landslide 80-seat majority against the Labour Party, which had had its worst electoral showing since 1935. The SNP had secured 48 of 59 Scottish seats in Westminster, virtually wiping Scottish Labour off the political map in their worst showing in Scotland since 1910. With a clear political mandate and no meaningful opposition to stand in his way, Johnson's Conservative majority passed the European Union (Withdrawal Agreement) Act



Britain's Prime Minister and Conservative party leader Boris Johnson speaks during a general election campaign rally in East London on December 11, 2019. (BEN STANSALL/AFP/GETTY IMAGES)

on January 23. Nine days later, the UK left the EU and entered the 11-month transition period that keeps the country in the EU customs union and single market until the end of 2020. Unless an EU-UK trade deal is agreed upon before December 31, 2020, British trade with Europe—49% of all UK trade—will be subject to WTO standard tariffs.

The fallout

Geopolitically, the UK continues to play an important role on the world stage. In the aftermath of the Second World War, the UK laid claim to a permanent seat on the United Nations Security Council. The British Commonwealth, made up of the UK and 53 former colonies, comprises 2.4 billion people—nearly a third of the global population. Yet the UK has lost tremendous power in a relatively short period of time. In the span of one monarch's reign, albeit a long one, no fewer than 50 colonies, protectorates, and mandates gained independence from the British crown.

The UK's historic global preeminence and power can only be approximated today by exercising power with others. Margaret Thatcher set out this argument in the context of the Falklands War while expressing her reservations about further European integration, a paradoxical view held by many in British conservative politics:

"The Falklands War had demonstrated to me how valuable it would be if all Community members were prepared to commit themselves to supporting a single member in difficulties.... Foreign policy co-operation within the European Community would help strengthen the West, as long as good relations with the U.S. remained paramount.

What I did not want to do, however, was to have a new treaty grafted onto the Treaty of Rome. I believe that we could achieve both closer political co-operation—as well as make progress toward a Single Market—without such a treaty; and all my instincts warned me of what federalist fantasies might appear if we opened this Pandora's box."

Brexit—the voluntary surrender of the UK's seat in the forum that decides the future of Europe—will accelerate Britain's declining global geopolitical influence. Former UK Minister of State for Europe Denis MacShane states:

"Britain has had a seat, a vote, and a voice in all the big-ticket decisions on Europe's direction of travel,...in every world capital, at the WTO, and in other international bodies, British diplomats would meet with fellow EU colleagues and try to push an agenda close to desired British interests. All this comes to a shuddering stop with Brexit.

Overnight, Britain will become an international policy player that has



Workers package imported tomatoes from Spain at the Fruit Terminal at the Port of Southampton, UK, on Sept. 30, 2020. (LUKE MACGREGOR/BLOOMBERG/GETTY IMAGES)

to cool its heels in the waiting rooms of EU deciders, from the European Council to the European Commission to the European External Action Service. There will be no point in anyone in Washington, Beijing, New Delhi, Lagos, or Brasília asking the British ambassador what Europe is going to do or say on key global issues, because the answer can only be “Search me!”

Critical sectors of the UK economy will be adversely impacted by a no-deal Brexit. The UK farming sector, for example, exports about two thirds of its goods to the EU. Conversely, 73% of UK agri-food imports come from the EU. Half of UK financial assets are held by non-UK banks, with 45% of the UK’s financial exports currently going to the EU.

Brexit also presents a serious challenge to London’s status as an international financial center. The London Interbank Offered Rate (LIBOR) is a globally accepted key benchmark interest rate used in many financial transactions, including mortgage loans originated in the U.S.. “The City,” London’s equivalent to Wall Street, has been the hub for American financial institutions doing business in Europe. American banks invested heavily in their London operations as the City became the gateway

to Europe’s growing capital markets as securities trading was deregulated.

In her book, *The Brussels Effect: How the European Union Rules the World*, Anu Bradford of Columbia Law School describes key policy areas that illustrate the interconnectedness of the UK and EU economies and the incentives that this creates for UK companies and the UK government to follow European regulations even after Brexit. From financial regulations to data protection to chemical safety regulation, Bradford concludes that the UK economy will be materially influenced by Brussels long after leaving the EU:

“In reality, the UK’s departure from the EU will not liberate the country from the EU’s regulatory leash, despite the belief and campaign rhetoric of Leave campaigners. Instead, the UK may soon find itself in the position of being bound by EU regulations without any ability to influence the content of those regulations. As a result, with Brexit, the UK will be ceding its role as a rule maker in return for becoming a voiceless rule taker in an even more tightly regulated Europe.”

There are growing signs of a shift of bankers and assets from the City to Dublin, Frankfurt, and Paris. In a reshaping of a European financial sector historically dominated by UK capital,

Ernst & Young estimates that \$1.5 trillion in bank assets are being offshored from London to European cities and that 7,500 financial services jobs have been shifted from the UK to the European Union since 2016. According to an industry survey, London was displaced by New York as the world’s pre-eminent financial center in 2019.

From January 1, 2021, irrespective of the outcome of negotiations between the UK and the EU, the UK’s status will change to that of a third country operating outside the European single market. For financial services, an unwelcome change will be the end to “passporting,” the regime that enables financial firms regulated in the UK to sell their products and services throughout the EU. After January 1, financial institutions will be required to service EU clients from inside the 27-country bloc.

The future of the EU

While discussions of Brexit tend to focus on the UK, Brexit is also about the future of the EU. With the departure of the UK, the EU has lost a partner of enormous standing. Beyond its size (the third largest EU member by population), the UK is a nuclear power with significant diplomatic and intelligence assets. Paul Sheard, Senior Fellow at Harvard’s Kennedy School, writes:

“For one thing, the UK leaving is a seismic event for the EU: the UK is the second largest economy in the EU with a 15.0% share of total nominal GDP and the UK’s economy is (slightly) bigger than the total of the smallest 18 member states combined. With Brexit, the number of members of the EU will go from 28 to 27, but in terms of economic weight it is as if it is going from 28 to 10.”

In *The Brussels Effect*, Bradford concedes that Brexit is an unprecedented challenge for the EU:

“Never before has a member state chosen to leave the EU, making the Brexit process distinctly uncertain and unsettling. Among its many negative implications, the UK’s departure would seem to undermine the EU’s relative economic might and, with that, its global regulatory clout. The UK has

also supplied notable regulatory capacity...including a distinctly competent bureaucracy and technical expertise across a range of policy areas."

The remarkable solidarity exhibited by EU member states during Brexit negotiations with the UK is notable. It can be argued that the EU is no longer burdened by a member that was less than enthusiastic about completing the work in progress that is the European project.

The U.S. and Brexit

The Johnson government has relied heavily on a favorable trade deal with the U.S. to secure Britain's post-Brexit economic strategy. It comes as no surprise that the British government began sending envoys to the Biden campaign as soon as it became apparent that the American people could deny Donald Trump a second term.

President-elect Biden, who frequently reminds the public that the U.S. is the official depository of the 1998 Good Friday Agreement that brought peace to Northern Ireland, has stated that any UK-U.S. trade deal would "be contingent upon respect for the Agreement and preventing the return of a hard border." A bipartisan letter to Boris Johnson sent by the House Foreign Affairs Committee in September "reiterated that the U.S. Congress will not support any free trade agreement between the U.S. and the UK if the UK fails to preserve the gains of the Good Friday Agreement and broader peace process."

Brexit will complicate the U.S.-UK bilateral relationship known as "the special relationship." The UK has been described as America's window into Europe. Over the years, the U.S. stake in the future of Europe has been significant from the 1948 Marshall Plan's \$12 billion (\$130 billion in 2019) economic recovery package to the formation of NATO in 1949. In 2019, U.S. commercial investments in Europe were valued at approximately \$3.57 trillion.

Multilateralism is the alliance of countries with a common mission. In a Biden administration, multilateralism will stage a comeback after four years in which the Trump administration undermined

NATO, threatened an EU trade war, and tried to dismantle the European project. Nicholas Burns, a former U.S. ambassador to NATO, observes that America's NATO allies act as multipliers of American power in the world. Russell Berman at Stanford University goes further:

"American prosperity and security depend on the transatlantic relationship. The scope of the European economy is comparable to ours, and access to it remains vital....The partnership with Europe is also a central component of our national security architecture, especially through NATO. While the Cold War era danger of Russian tanks pouring westward through Germany has lost much of its plausibility, the hybrid attack on Ukraine, the cyber operations in the Baltics, and aggressive disinformation campaigns across Europe demonstrate an ongoing credible threat. Yet the Europeans, divided as they remain, lack the political will or military muscle to defend themselves on their own. American leadership is indispensable."

A recent survey conducted by the Pew Research Center indicates robust public support in the U.S. for the transatlantic alliance. During the Trump years, Europeans have had cause to question U.S. steadfastness as an ally. As a result, both French President Emmanuel Macron and German Chancellor Angela Merkel have advocated for

greater European self-reliance in the security domain. A recommitment by the U.S. to the transatlantic alliance will require adjustment for the greater importance of France and Germany in a post-Brexit Europe.

Conclusion

After the Second World War, the UK attempted in historic fits and starts to become "more European." Even after the UK came to terms with the importance of joining the EEC, the "special relationship" with the U.S. weighed heavily in the UK's geopolitical calculus. The U.S., perhaps more pragmatic than the UK in its perception of the "special relationship," urged greater integration with Europe. Former U.S. Secretary of State Dean Acheson described the failure to fully avail itself of the European opportunity as Britain's "greatest mistake of the postwar period."

As Brexit negotiations teetered on a precipice in the final phase of talks, the European Union's chief Brexit negotiator Michel Barnier lamented that "it felt like we were going backwards more than forwards." The pull of history, it seemed, could not be overcome.

Politicians who told people what they wanted to hear rather than what they needed to hear failed the test of leadership. The full consequences of their failure will be felt for years to come.



The INEOS gas tanker transporting shale gas from the U.S. to the Grangemouth refinery in Scotland, past the Forth Bridge on the Firth of Forth. (IAIN MASTERTON/ALAMY)

discussion questions

1. Would Britain having success post-Brexit put pressure on the EU and other members that have threatened to leave? Would a disastrous Brexit hurt Europe as a whole?
2. Should the U.S. prioritize its "special relationship" with the UK over its relationship with the EU?
3. Should the European Union make an amendment to its founding treaties to make it more difficult for states to exit?
4. Should there come a time when the UK wants to rejoin the EU, what provisions, if any, should they make upon re-entry? Can the EU risk letting the UK rejoin only for another Brexit to happen in the future?
5. Do you think Europe is stronger when united under the banner of the EU? Can the EU survive post-Merkel?
6. In the age of social media, how can vital public policy issues be informed by the facts rather than by emotions?

suggested readings

Bruford, Ann. **The Brussels Effect: How the European Union Rules the World**. Oxford University Press. 424 pgs. January 2020. For many observers, the European Union is mired in a deep crisis. Between sluggish growth; political turmoil following a decade of austerity politics; Brexit; and the rise of Asian influence, the EU is seen as a declining power on the world stage. Columbia Law professor Anu Bradford argues the opposite in her important new book *The Brussels Effect*: the EU remains an influential superpower that shapes the world in its image.

MacShane, Denis. **Brexiternity: The Uncertain Fate of Britain**. I.B. Tauris. 256pgs. November 2019. Denis MacShane explains how the Brexit process will be long and full of difficulties – arguing that a 'Brexiternity' of negotiations and internal political wrangling in Britain lies ahead.

Cameron, David. **For the Record**. Harper. 752 pgs. September 2019. In *For the Record*, Cameron highlights his government's achievements during his six years in power while offering a frank discussion of his rationale for holding the 2016 referendum on European Union membership.

Humphreys, Richard. **Beyond the Border: The Good Friday Agreement and Irish Unity after Brexit**. Merrion Press. 250 pgs July 2018. The Brexit vote for UK withdrawal from the EU has put the constitutional future of Northern Ireland center-stage once again. *Beyond the Border* is an authoritative, timely and up-to-date guide to the provisions of the Good Friday Agreement.

Kershaw, Ian. **The Global Age: Europe 1950-2017 (The Penguin History of Europe)**. Viking 704 pgs. April 2019. In this remarkable book, Ian Kershaw has created a grand panorama of the world we live in and where it came from. Drawing on examples from all across Europe, *The Global Age* is an endlessly fascinating portrait of the recent past and present, and a cautious look into our future.

Lewis, Patrick, Parakilas, Jacob, Schneider-Petsinger, Marianne, Smart, Christopher, Rathke, Jeffrey and Ruy, Donatienne. **The Future of the U.S. and Europe: An Irreplaceable Partnership**. Chatham House. 51 pgs. April 2018. An in-depth analysis of the transatlantic relationship by experts at the UK's foremost think tank.

Don't forget: Ballots start on page 104!!!!

To access web links to these readings, as well as links to global discussion questions, shorter readings and suggested web sites,

GO TO www.fpa.org/great_decisions

and click on the topic under Resources, on the right-hand side of the page.