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The Brexit Impasse

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ABOUT US

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Cover Photographs:

(Photographs top to bottom)

Britain's Prime Minister Theresa May (L) with European Commission President Jean-Claude Juncker (R) and European Council President Donald Tusk (C) at the Eastern Partnership Summit at the European Council Headquarters in Brussels, Belgium, November 24, 2017. Source: TRT World

Prime Minister Theresa May addressing the House of Commons on December 10, 2018. Source: BBC

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The Brexit Impasse by Nalin Surie

The postponement by Prime Minister Theresa May of the vote in the British Parliament on the Brexit Withdrawal Agreement that was scheduled to be held on December 11, 2018 was unedifying. This became inevitable because she knew that Parliament would reject the agreement she had negotiated with the EU and was immediately followed by a challenge to her leadership of the Conservative Party, which she survived even though almost one third of her MPs voted against her. Since then, May has frenetically reached out to EU leaders and the European Council to seek further binding concessions on the so-called (Irish) “backstop agreement.” The EU has made it clear that the Withdrawal Agreement (WA) cannot be renegotiated, but some language fudge has been offered to her, but it remains to be seen whether Parliament will be assuaged. [Some EU leaders have suggested May herself is not quite clear about what more she wants/needs to sell the WA which has been negotiated.] A final vote has to be taken in the UK Parliament by January 21, 2019.



Britain's Prime Minister Theresa May addressing the House of Commons on December 10, 2018. Source: BBC

Both the EU and the UK are in the interim preparing for a possible “hard Brexit” that could kick in on March 29, 2019. This would have very serious implications for both sides, especially the UK. The demand for a new referendum in the UK on Brexit is also growing in and outside Parliament. The Labour leadership seems to believe that after Parliament rejects the WA, elections are the right option which they believe Labour would win. Scotland opposes Brexit. There is consensus that the border between Ireland and Northern Ireland must not again become a hard border, but also that this issue should not be allowed to dilute Brexit.

These are only the latest scenes in the tragi-comedy which began with the decision to call an ill-conceived and badly timed referendum on Brexit on June 23, 2016. For Prime Minister Theresa May herself, at stake is not only her leadership of the Conservative Party and retaining her post as Prime Minister, but also her ability to limit the obviously negative outcomes of the Brexit decision. She was not in favour of Brexit, but at the same time the decision on Brexit appears to have provided her an opportunity to make a mark on Britain’s political firmament. Whether she will succeed remains to be seen, but the way she was heckled in the British Parliament during the debate on December 10, 2018 would suggest that she may eventually end up being judged as inconsistent, vacillating and unfit for the leadership role. Yet again, if the end result of this ongoing drama leaves Britain remaining in the European Union, the judgment could be quite different.

The question is not of whether Brexit is good for Britain or for the European Union. It is quite obviously not good for either. This was clearly brought out by the EU’s Chief Brexit negotiator Michel Barnier when he spoke to the European Parliament on the Brexit deal on November 29, 2018. Barnier stated: “the European Union did not want Brexit to happen. To date, nobody has been able to show me the added value of Brexit but we respect the democratic and sovereign vote of the British citizens and we, as requested by the Government, are going to put in place this process for an orderly withdrawal.” In his opinion, the agreement that has been drawn up will “limit” the negative consequences of Brexit for both sides, particularly for the remaining 27-member states of the European Union.

Barnier went on to say that with regard to the European Union’s future relationship with the UK, “the truth is that it cannot be *status quo*in the future”, but mutual interest lies in building an ambitious partnership on goods, digital, mobility, transport, public procurement, energy, internal security, the stability of Europe and foreign policy and defence, to name the main sectors.

The lines that have been drawn are, therefore, quite clear but in this process the implications of what finally happens, in the event of Brexit, is still very much a work in progress. The impact on the processes of European integration, on NATO, on the emerging European Defence and Security Identity, on the spread of democracy, on the relationship with Russia, on the partnership with the United States and other foreign policy and strategic issues is yet to unfold. Uncertainty over whether Brexit will actually happen has postponed serious thinking on these issues, but questions have already begun to be asked. This last element has achieved a particular salience also on account of the policies of the present US Administration.

Even more fundamental is the question why did Brexit happen? Why has Europe and the US turned against migration? Why is the agitation by the 'Yellow vests' in France happening the way it is? Why the political changes in Germany? There are many more such questions. The simple answer perhaps is that the global financial and economic crisis which began in 2008, at the heart of the capitalist system, and then spread out in a series of tsunamis, has brought to the fore the weaknesses, contradictions and perverse nature of some of the forces unleashed after World War II, such as the spread of market economy and processes of globalization that have mainly benefited a very small minority, including businesses and social elites in the developed world and has seriously increased inequalities, again in the very rich countries. It is pertinent in this context to note for instance that the number of people living in poverty in France in recent years has actually increased. This may be surprising but is one of the main reasons that explains the ferocity and violence of many of those participating in the 'Yellow vests' movement. It also explains some of the other changes that have been referred to above.

The unwritten subtext in some of the above is the additional factor of there being a systematic shift in power, both economic and gradually military, from the West to the East. The spread of technological change has added to the complexity but also provides opportunities for mitigation.



The European Union flag flies among European Union member countries' national flags. Source: Fortune

To return to the particular issue of Brexit, British Government studies have confirmed without doubt what everybody knew from the start, namely, that the economic impact will be decidedly negative. No real assessment has been made of the social, cultural, scientific, and technological impact of Brexit. This too will be very substantial. Irrespective of whether the UK actually leaves the European Union, the partnership between the UK and the EU-27 has been delivered a serious blow. It has revealed to the EU-27 that there is a substantial opinion in the UK, especially England and Wales, which does not wish to partner Europe in a manner that would enhance European Union unity, with all its attendant benefits. There is no guarantee that subsequent British Governments will want the partnership with the EU-27 to be of a comprehensive nature. The English Channel has once again become a major dividing factor between Europe and Britain. This will no doubt require the United States, if it wishes to sustain the Trans-Atlantic partnership, to look for more serious alliances with other members of the EU-27. Arguably, Britain's departure from the European Union could actually mean a more cohesive Europe in which US influence is less pronounced and in which the EU-27 take decisions on their relations with countries which were earlier in the UK's sphere of influence on a more independent and rational basis.

The EU's relationship with Russia is at best complicated. The UK harbors very serious suspicions and reservations regarding Russia, mainly on account of the latter's actions in the Crimea and Ukraine. These concerns are shared by other EU countries in varying degrees. However, most of the EU's major constituents have kept their lines of communication, contacts and partnership with Russia in play. The UK leaving the European Union may well strengthen those within the European Union who not only seek greater independence in action viz-a-viz the US but also seek greater cohesion and partnership within Europe, including with Russia.

Brexit will also require the European Parliament and European Commission to begin to address contradictions and problems within independent EU member states. The problems afflicting the EU and member countries such as France, Spain, Italy, Hungary and Poland cannot simply be wished away. New constellations are coming up among likeminded EU member states. These include the new Hanseatic League and the 16+1 established by China. For the EU to move ahead and further the integration of Europe in a holistic manner, the implications of policies made at the EU level that aggravate domestic problems in member states, as well as the desire of the smaller member states not to be railroaded by the larger member states, cannot merely be wished away. The EU has been a very successful example of integration, partnership and common development apart from contributing to the strengthening of democratic forces in Europe. However, if steps are not taken to address the serious concerns of people in member countries, including the issues of growing inequality, unemployment and poverty, migration and the impact of rapid technological change, the very institution of democracy could come under further pressure.

Not all is negative though. There are a series of positive factors coming into play, including, for instance, the growing strength of the Greens in Germany and the manner in which the French political elite have ensured that the extreme Right is kept under check. Poland's government now appears to be more aware of the advantages of European Union membership and hence seems to be relenting in its confrontation with EU institutions on certain constitutional changes that have been put in place in recent times. In Italy too, there are signs that the budget dispute with the Commission could be resolved to mutual satisfaction. The Euro continues to be strong. A recent EURO barometer survey which was reproduced in the Financial Times on November 28, 2018 shows that if asked in a referendum, 75% of Poles would vote to stay in the EU. The figure for Germany is around 65%, Hungary over 60%, the UK a little over 50% and Italy around 45%, for an EU-wide average of over 60%.



Britain's Prime Minister Theresa May (L) with European Commission President Jean-Claude Juncker (R) and European Council President Donald Tusk (C) at the Eastern Partnership Summit at the European Council Headquarters in Brussels, Belgium, November 24, 2017. Source: TRT World

Brexit is a symptom of perhaps a wider malaise but in several respects is also an outcome of Britain's history of long association as well as conflict with Europe. Describing this as a love-hate relationship may not be quite accurate, but the English Channel has certainly marked a significant divide between England and Europe. At the same time, England has always recognized the importance of Europe for its own prosperity, security and well being. Brexit is also reflection of the fact that opinion in Britain regarding association with the European Union remains divided even after four decades of membership. Ironically, the forces of Brexit in England are driven by a generation of political leaders that continues to suffer from a certain hubris based on Britain's past glory days, which they seek to reestablish. That this seriously impacts the future of the younger generation in Britain does not appear to bother them too much.

For their part, the EU-27 recognize the importance of the UK. Michel Barnier referred to this when he told the European Parliament on November 29, 2018 that the EU will "continue to work with the respect that is due to a great country, which in all circumstances will remain our friend, partner and ally". It remains to be seen, though, how long it will take for the confidence in the partnership to be reestablished and whether and how intervening events in Europe and beyond will affect this process. The drama continues and no doubt several acts are yet to follow.



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