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“Brexit Instability”

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Brexit is a perfect example of a political process with a high potential of instability. This is due to its main characteristics, uncertainty and unpredictability. This potential is reinforced by the impact of Brexit on various individual stakeholders, like citizens and entrepreneurs. It influences nearly all aspects of citizens lives and business decisions. When uncertainty, in particular legal uncertainty, crosses certain level it freezes investment decisions. The instability potential is embedded in the process understood both in terms of a chain of political decisions and in terms of their content.

The instability of Brexit as political process was related to the way the process was handled in regard to its political legitimacy and accountability.

The process was initiated as a governmental one and only a citizen’s intervention with the Supreme Court led to the involvement of the British Parliament. It is also worth noting that the first political discussion with the opposition leader, Jeremy Corbyn took place in the first quarter of 2019 when the threat of a lack of majority in the House of Commons became obvious.

It will not therefore be an exaggeration to say that the European Union side was the main source of stability and predictability in the process. Actually, the idea of the Irish backstop was born out of concern that the negotiations on the future relationship might not give birth to a permanent solution for the Irish border. I would risk acknowledging that the unprecedented inter institutional unity, as well as among member states, could have been to a certain extent stimulated by the lack of faith in effectiveness of negotiations because of unpredictability of the other party.

Visible presence of fake news on the UK side could have been stimulated by insufficient transparency of the process, in particular if compared with, again, unprecedented, well orchestrated transparency on the EU side.

Brexit is a strong agent of instability also due to its unilateral nature. British government notified the UK intention to leave. This triggered an unprecedented process of an influential, big member state voluntarily leaving a preferential area of trade, economic, political cooperation. This member state has a long, forty seven year old history of shaping, contributing to and benefitting from this community.

The history of European integration is a history both of new member states joining and of establishing relations with third countries. This is a history of consolidating, but also expanding, growing. Here we cope with the challenge of scaling close relationship down. Scaling down not only in the sense of losing by the EU 5.5% of its territory, 13% of its population and 15% of its GDP. It is also about UK becoming smaller, even if the British political elites would not admit that to a certain extent the global weight of UK comes from being part of the European Union.

Both sides have understood only too well the intrinsic instability of Brexit and that is why the intention has always been to negotiate a withdrawal agreement to provide legal certainty to all those affected by Brexit, to avoid the extreme risk of instability under no deal based departure. The buzzword of “no deal is better than bad deal” has died rather quickly. Three extensions of article 50 have been yet another proof of reluctance to embark on a no deal solution. First cliff edge was avoided intentionally, it did not just happen.

Uncertainty has accompanied the entire process so far. It was a dramatic challenge for citizens, in particular those from the twenty seven member states that linked their life choices with the UK. Uncertainty for businesses, especially small and medium size ones, linked to sometimes sky rocketing probability of no deal solution, led to a situation that their representatives sometimes complained about extension decisions which were simply extending period of uncertainty. Investment decisions have their risk limits. Preparedness had also its costs, easier to cover for big businesses, consuming fully low profit margins for small ones.

Instability had its sources as well in the way forces active behind the Brexit created mistrust. In this context Brexit referendum deserves some lines. It was, in my view, ill conceived, dishonestly handled, launched in party interest, driven by anti European passion of few. It is still impossible to understand why, if the EU had been seen as a

force of devil for some circles among the conservatives, they waited so long to start the war. I believe it would be difficult, if at all feasible, to prove that Brexit was launch out of necessity. It was a choice. Public opinion polls in the months before the referendum, or even before the February 2016 deal of Prime Minister Cameron with the European Council, were absolutely clear- European Union was seen as the most important issue only by 1% of UK voters.

There was no doubt either that the outcome of the referendum was a total surprise to both sides in the British politics. The impression was that the brexiteers camp would have benefitted more from losing which would allow them to continue anti European blame game.

There are studies pointing to an undeniable role of British nationalism, using the argument of migration, as it is said there, or free movement of people as we say on the continent. Those of us who were involved in 2004 and 2007 enlargements know, however, well that nobody put pressure on UK regarding opening their labor market to new member states. It came from the labor market itself, it was the member state's decision and the EU had nothing to do with it.

Unfortunately and it is, indeed, rather sad, in the referendum campaign fake news, lies, false promises, dodgy financing, foreign interference have played crucial role. A referendum that was organized as an advisory one, somehow quickly morphed into a binding one. The question was, in my view, ill posed. There was nothing about where the Brits would go once they left the EU. Winner takes all principle, no threshold, ignoring differences in results across devolved territories - there was everything that worked paradoxically toward reducing trust in a process of applying the most democratic instrument of decision taking which is referendum.

There are also available explanations pointing to the history of European integration where Europe a la carte was open to the Brits making it a champion of opt outs, in particular in the area where Prime Minister May as home affairs Secretary of State reinforced her understanding of the Union as opened for cherry picking.

I see it as political cynicism that "people have spoken" followed by "get Brexit done" approach in reality has put the responsibility for this political process, heavy with long term consequences, on the shoulders of uninformed or even misinformed citizens. Taking back control has actually never been explained.

Few would remember that before the referendum decision, there was a two year lasting survey aimed at identifying issues for repatriation of competences from EU level to national level. Take back control should be based on its results. The problem was that no such competences have been identified.

As I said before, also the 2004 decision on opening labour market had nothing to do with the European Union deciding. Actually, very little of what was, around the referendum, mentioned in the Brexit context, derived from the European Union activity. In that regard the December 2019 election campaign was all focused on internal policy issues, promises to reduce regional development gaps, offering high tech projects to poor parts of England. It was never mentioned that the EU never stood or would stand in the way of such investment. The campaign logic was that it all will be delivered once we “ get Brexit done”. That is, of course a very old populist trick, on which nota bene Vladimir Putin has been very successful, also Polish current leadership, to use a hostile external factor to mobilize people’s support.

After having witnessed the way the Brexit processed has been used and abused politically it is very difficult, if not impossible, to see the future with any certainty. Seeds of risk of instability are clearly there. I still trust that reaching an agreement instead of going for a cliff edge on the 1 January, 2021 is seen as a better option. But of course even with the best possible agreement on the future, all relations, in all fields where they exist, will be scaled down. This brings rather higher risk than in case of expanding relations with a third country.

Consequences for citizens, regarding the end of free movement of persons and lack of any clarity on what kind of mobility arrangements will be made available as a result of negotiations, consequences for businesses who will not any more navigate within the framework of single market and many many more of identifiable and unimaginable impacts and consequences will affect basically all areas of our life and functioning.

e, this status quo year of transition will not bring any formal change it will be unfairly But, I think, existential questions on the UK side, will not be gone, they will be raised at different levels over the next five, ten years. This is because divisions will stay or even deepen. People who strongly feel that they have lost in this political battle about the future of next generations will be there. Even if the immediate future, this status quo year of transition will not bring any formal change, it will be unfairly used by

Brexit supporters to prove that life goes on without any bad impact of Brexit. Trauma will stay.

Implementation of the Irish Protocol will be technically complex but political reflection and debate will most likely continue. It can also spill over into the constitutional internal debate in the broader context of devolution.

There is, of course the risk of a theoretically unlikely move toward downgrading of norms and standards as a consequence of totally negative attitude of the Prime Minister to the level playing field measures being seen by the EU as a precondition in the negotiations of the future relationship.

What will be the consequence of a rather certain rebranding of the UK in the context of Brexit toward a global Britain for the major choice between more of Atlantic at the expense of a Channel relationship?

In general a big question is about the impact of Brexit on the UK course of politics.

What can EU do to minimize future risks of instability in its relations with the UK? It is obvious that UK is not just one more third country to add to the list. How far can EU go toward a bespoke agreement toward a special partnership with a big state, around the corner, highly linked economically and trade wise, more or less fully aligned in terms of norms and standards in all areas potentially covered by future agreement, having both defensive and offensive interests in this relationship?

Will UK narrative about the future continue to be dominated by intention of divergence and taking back control?

Choosing article 217, meaning an association agreement, as a substantive legal base for the future relationship offers this path of a bespoke agreement.

If there is a political will on both sides, and there is no reason not to have it, a closer circle of non members, could be established. But of course, what goes without saying, it takes two to tango and the EU main tasks in those future negotiations is to protect the interest of 450 million people, its citizens. So all known principles for these negotiations will have to be respected. I think here of an obvious issue that any third country, even with the closest relationship, cannot be equal to a member, that there should be a balance between rights and obligations, that there should be level playing field measures in place ensuring fair competition and a governance system with all mechanism of oversight and dispute settlement mechanism.