Gresham College Lecture: Brexit: What have we learned so far?

Anand Menon, Director of UK in a Changing Europe
Outline

• Leaving is hard
• Division is difficult
• The complex constitution
• Trade matters
• Who are we?
• What next?
1. Breaking up is hard to do
1. A50 - an early stumbling block

Brexit is in the courts with Miller I before departure has even formally been notified - a nod to how Brexit will be a legal and constitutional minefield

TITLE VI
FINAL PROVISIONS

Article 50

1. Any Member State may decide to withdraw from the Union in accordance with its own constitutional requirements.

2. A Member State which decides to withdraw shall notify the European Council of its intention. In the light of the guidelines provided by the European Council, the Union shall negotiate and conclude an agreement with that State, setting out the arrangements for its withdrawal, taking account of the framework for its future relationship with the Union. That agreement shall be negotiated in accordance with Article 218(3) of the Treaty on the Functioning of the European Union. It shall be concluded on behalf of the Union by the Council, acting by a qualified majority, after obtaining the consent of the European Parliament.

3. The Treaties shall cease to apply to the State in question from the date of entry into force of the withdrawal agreement or, failing that, two years after the notification referred to in paragraph 2, unless the European Council, in agreement with the Member State concerned, unanimously decides to extend this period.
Imitation is the highest form.....
2. Divided we flail
UK leaves the EU

UK red lines:
- No ECJ jurisdiction
- No free movement
- No substantial financial contribution
- Regulatory autonomy

UK red lines:
- No free movement
- No substantial financial contribution

UK red lines:
- No ECJ Jurisdiction
- Regulatory autonomy

UK red lines:
- Independent trade policy

No deal
2. Cabinet divided

- As early as July 2017 Theresa May is ordering her cabinet to stop leaking discussions following target briefing against Philip Hammond.
- December 2018: 11 Cabinet Ministers reported to have spoken out against May's deal as she sells it to them in five-hour meeting. May twice refuses a request from McVey to put it to a vote in the room.
2. Government divided

Number of ministerial resignations outside reshuffles, 4 May 1979 to 25 March 2019
Ensnared by her own slogans, Theresa May proved unable to sell her Brexit deal to the Tories—and unwilling to reach out far beyond them.

As Brexit spokesman, Keir Starmer ground Corbyn down until he agreed Labour had to embrace a second referendum.

Jo Swinson moved the Lib Dems from referendum to "revoke," then ultimately gambled—and lost—all by acquiescing to an election on Boris Johnson’s terms.

Scotland voted to Remain, and the First Minister was not inclined to compromise. Passing interest in a Norway option yielded to a desire to dash to the polls.

May’s deal did most of what Jeremy Corbyn had asked for, but his real interest was bringing her down. He allied with Tory ultras to do so.
2. Parliament cannot find a way through

May's deal, First Meaningful Vote

- For: 202
  - Con 196; Lab 2; Ind 4
- Against: 432
  - Con 115; Lab 239; SNP 35; Lib Dem 11; TIG 11; DUP 10; Ind 6; Plaid 4; Green 1

May's deal, Second Meaningful Vote

- For: 242
  - Con 235; Lab 3; Ind 4
- Against: 391
  - Con 75; Lab 238; SNP 35; Lib Dem 11; TIG 11; DUP 10; Ind 6; Plaid 4; Green 1

May's deal, Third Meaningful Vote

- For: 286
  - Con 277; Lab 5; Ind 4
- Against: 344
  - Con 34; Lab 234; SNP 34; Lib Dem 11; TIG 11; DUP 10; Ind 5; Plaid 4; Green 1

A second referendum

- For: 268
  - Con 8; Lab 198; SNP 32; Lib Dem 11; TIG 11; Ind 3; Plaid 4; Green 1
- Against: 295
  - Con 254; Lab 27; DUP 10; Ind 4

A customs union

- For: 265
  - Con 34; Lab 226; Lib Dem 1; Ind 4
- Against: 271
  - Con 234; Lab 12; Lib Dem 1; TIG 10; DUP 10; Ind 3; Green 1

Labour's alternative Brexit

- For: 237
  - Con 1; Lab 232; Ind 4
- Against: 307
  - Con 276; Lab 4; Lib Dem 2; TIG 11; DUP 10; Ind 3; Green 1
‘What do we want least?
When don’t we want it?’
Which of the following scenarios do you favour most (September 2019)

- Leave with no deal: 23%
- Leave with Theresa May's deal: 9%
- Leave but remain in single market/customs union: 14%
- Remain in EU/revoke Article 50: 34%
- Don't know: 21%

April-September 2019, BBC/Sir John Curtice
3. Constitutional Conundrums
What does Boris's Brexit Deal mean?

A: The end of the Union
B: The end of the DUP
C: Different rules for N.I.
D: Customs in the Irish Sea
Single market and customs union exit

Whole UK Brexit

No Irish border
"It was almost impossible to persuade Number 10, in particular, to treat the devolved governments as though they were grown-up governments with their own democratic legitimacy."

Philip Rycroft, Permanent Secretary at the Department for Exiting the European Union, UKICE Brexit Witness Archive
3. Scotland: independence not surging
A majority in Northern Ireland support the Protocol, but MPs do not.

To what extent do you agree or disagree? The Northern Ireland Protocol is on balance a good thing for Northern Ireland.

The Northern Irish Public
- Agree: 52%
- Neutral: 6%
- Disagree: 41%

Labour MPs
- Agree: 25%
- Neutral: 16%
- Disagree: 59%

Conservative MPs
- Agree: 23%
- Neutral: 25%
- Disagree: 53%

Source: UK in a Changing Europe/Ipsos Mori MPs survey summer 2021; ESRC ‘Governance from ‘a place between’ project’. Don’t Know responses excluded.
4. Though EU access has benefits (fuel supply)
3. But NI trust in UK gov has drained

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<tr>
<th></th>
<th>Distrust</th>
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<tr>
<td></td>
<td>a lot</td>
<td>Total</td>
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<td></td>
<td>June</td>
<td></td>
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<tr>
<td>UK Government</td>
<td>57</td>
<td>30</td>
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<tr>
<td>NI Executive</td>
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<td>NI Business Representatives</td>
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*Figure 3. Levels of trust in and distrust of actors to manage the interests of Northern Ireland with respect to the Protocol*
3. Constitution in the spotlight, starting with Miller I
4. Trade and the Economy
4. Trade expectations ≠ reality

“We are too valuable a market for Europe to shut off. Within minutes of a vote for Brexit the CEO’s [sic] of Mercedes, BMW, VW and Audi will be knocking down Chancellor Merkel’s door demanding that there be no barriers to German access to the British market. And while they are at it they will be demanding that those British companies that they own will have uninterrupted access to Europe.”

David Davis, February 2016
'While we work on our Brexit forecast, this man will play some very sad music'
What actually happened...GDP

Source: Centre for European Reform
The economic impact of the Brexit deal after 10 years, compared to...

...EU membership

-36%  
-30%  
-13%  

-6%  

...no deal

+2%  
+13%  
+13%  
+4%

Impact (including trade deals)

Assumed new trade deals: United States, Australia, New Zealand, Malaysia, Brunei, China, India, Mercosur (Brazil, Argentina, Paraguay and Uruguay) and the Gulf-Cooperation Council (UAE, Saudi Arabia, Oman, Qatar, Kuwait and Bahrain).

Source: UK Government
4. EU trade has suffered
5. Learning about Ourselves
## The politics of Mrs Brown's Boys

### % of those who voted. Britain only (excludes NI)

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<thead>
<tr>
<th>Category</th>
<th>Leave</th>
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<td>EUref voters who like Mrs Brown's Boys</td>
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<td>EUref voters who dislike Mrs Brown's Boys</td>
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<td>GE2017 voters who dislike Mrs Brown's Boys</td>
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<td>GE2015 voters who like Mrs Brown's Boys</td>
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<tr>
<td>GE2015 voters who dislike Mrs Brown's Boys</td>
<td>34</td>
<td>31</td>
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*Graph credits:* YouGov Profiles January 2018
GDP per capita by region

Source: Eurostat
6. And Next?
2. Public opinion remains divided: *In hindsight, do you think Britain was right or wrong to vote to leave the EU?*

https://whatukthinks.org/eu/questions/in-hindsight-do-you-think-britain-was-right-or-wrong-to-vote-to-leave-the-eu/
62% of voters continue to hold a Brexit identity and think of themselves as a ‘Remainer’ or a ‘Leaver’

Since the EU referendum, some people think of themselves as Leavers and Remainers. Do you think of yourself as a Leaver, a Remainer, neither or don’t know?
How well or badly do you think the government is handling Britain’s exit from the EU?

Source: YouGov
6. And next?

Top five concerns: trend
What do you see as the most/other important issues facing Britain today?

Top mentions %

Source: Ipsos MORI Issues Index

Base: representative sample of c.1,000 British adults age 18+ each month, interviewed face-to-face in home
N.B. April 2020 data onwards is collected by telephone; previous months are face-to-face