

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

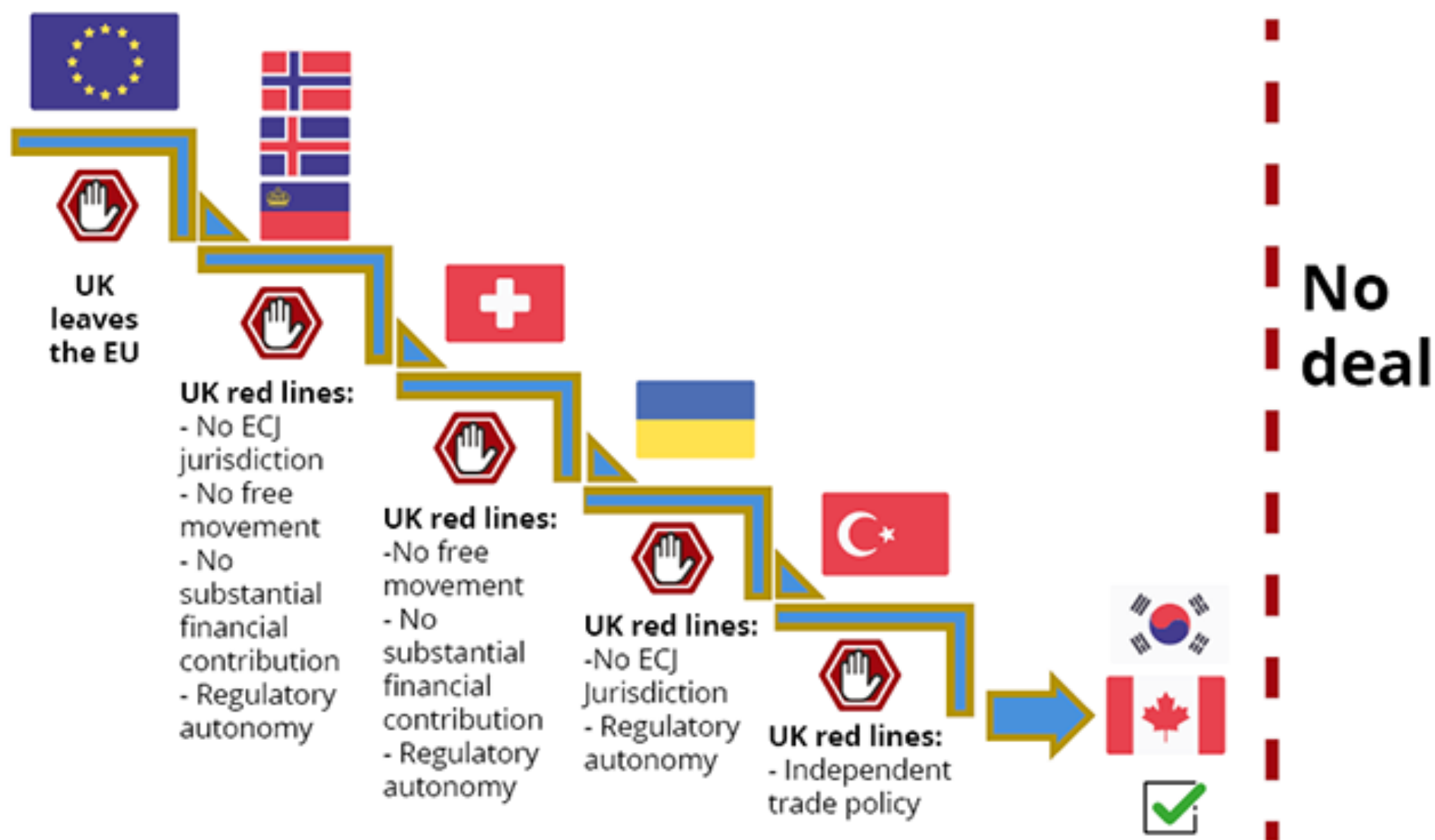
Article 50

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



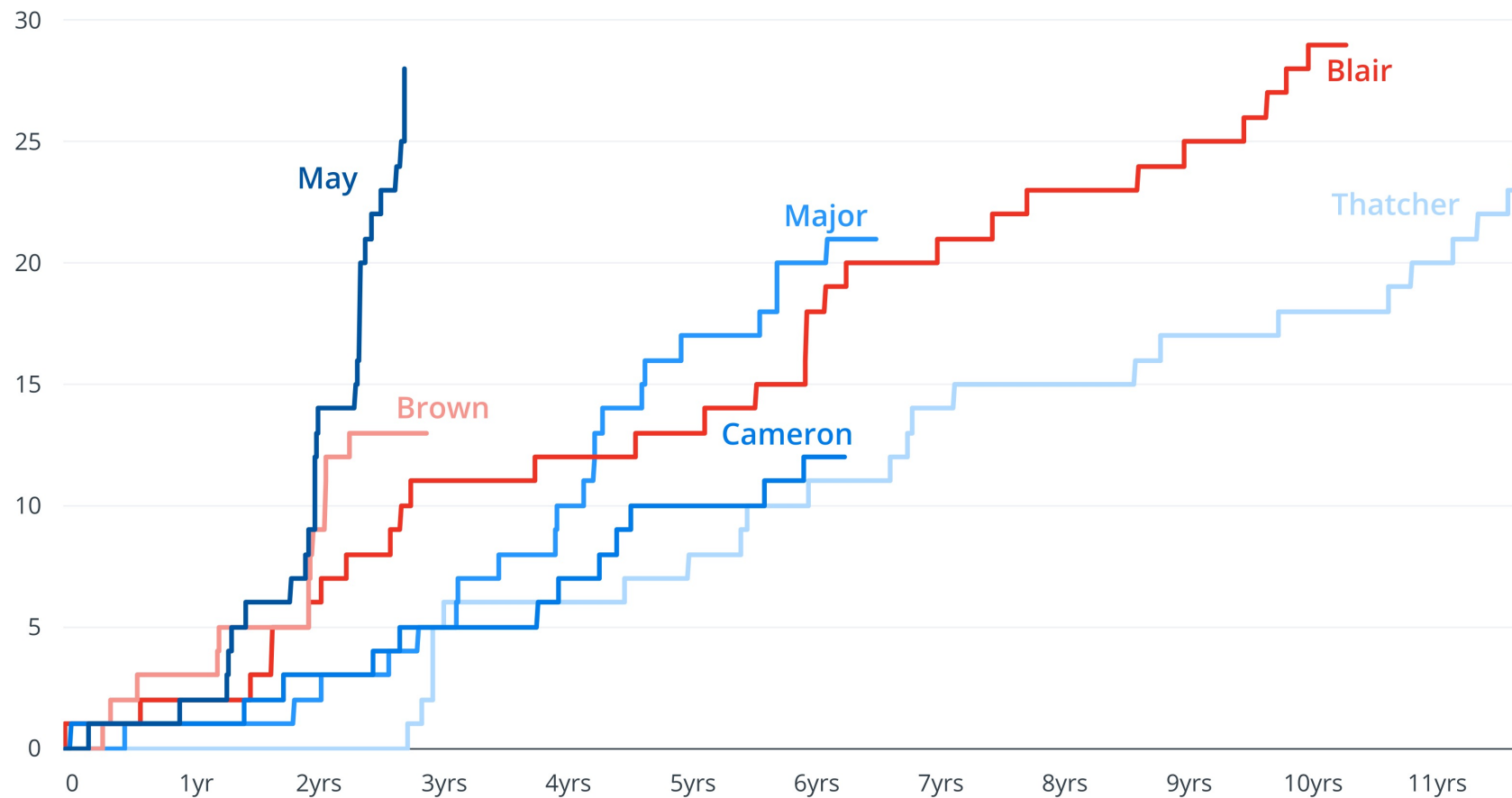
2. Cabinet divided

- 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

IfG



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



THERESA MAY



KEIR STARMER



JO SWINSON



NICOLA STURGEON

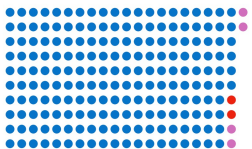


JEREMY CORBYN

2. Parliament cannot find a way through

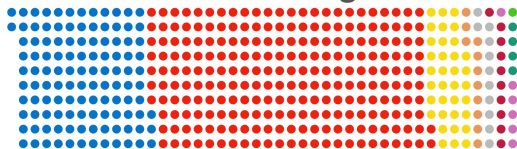
May's deal, First Meaningful Vote

For: 202



Con 196; Lab 2; Ind 4

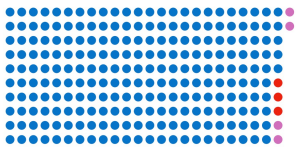
Against: 432



Con 115; Lab 239; SNP 35; Lib Dem 11;
TIG 11; DUP 10; Ind 6; Plaid 4; Green 1

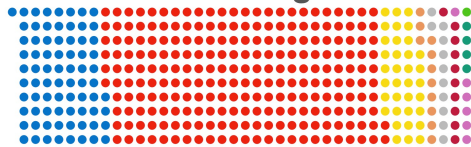
May's deal, Second Meaningful Vote

For: 242



Con 235; Lab 3; Ind 4

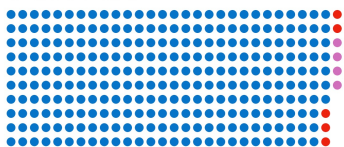
Against: 391



Con 75; Lab 238; SNP 35; Lib Dem 11;
TIG 11; DUP 10; Ind 6; Plaid 4; Green 1

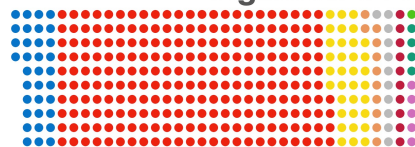
May's deal, Third Meaningful Vote

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

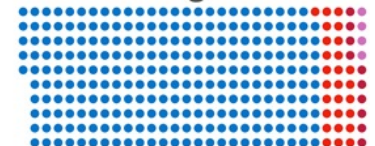
A second referendum

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

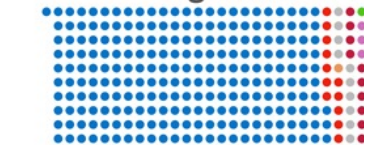
A customs union

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

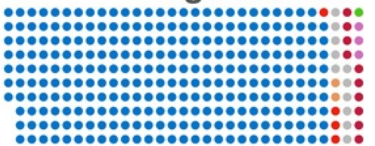
Labour's alternative Brexit

For: 237



Con 1; Lab 232; Ind 4

Against: 307



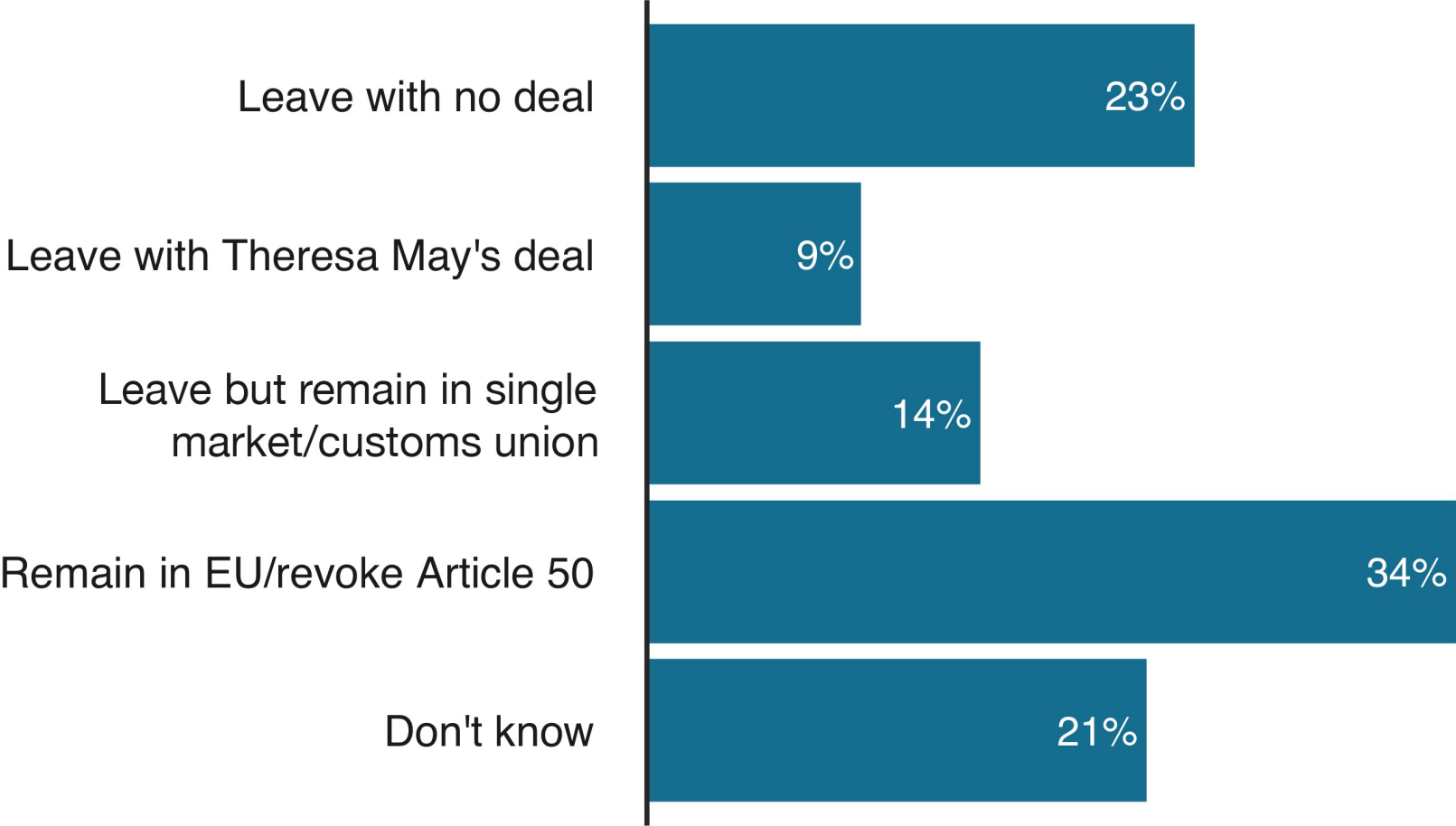
Con 276; Lab 4; Lib Dem 2; TIG 11;
DUP 10; Ind 3; Green 1

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*'What do we want least?
When don't we want it?'*

Which of the following scenarios do you favour most (September 2019)



3. Constitutional Conundrums

Wootton Bassett 19.11.16



CAN I PHONE
A FRIEND....?

DO YOU
HAVE ANY?

DUPED

What does Boris's Brexit Deal mean?

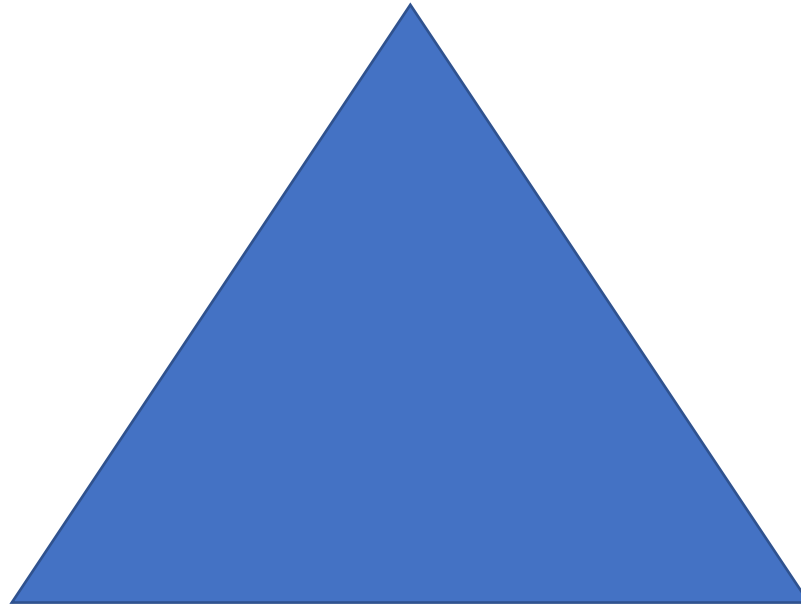
A: The end of the Union

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

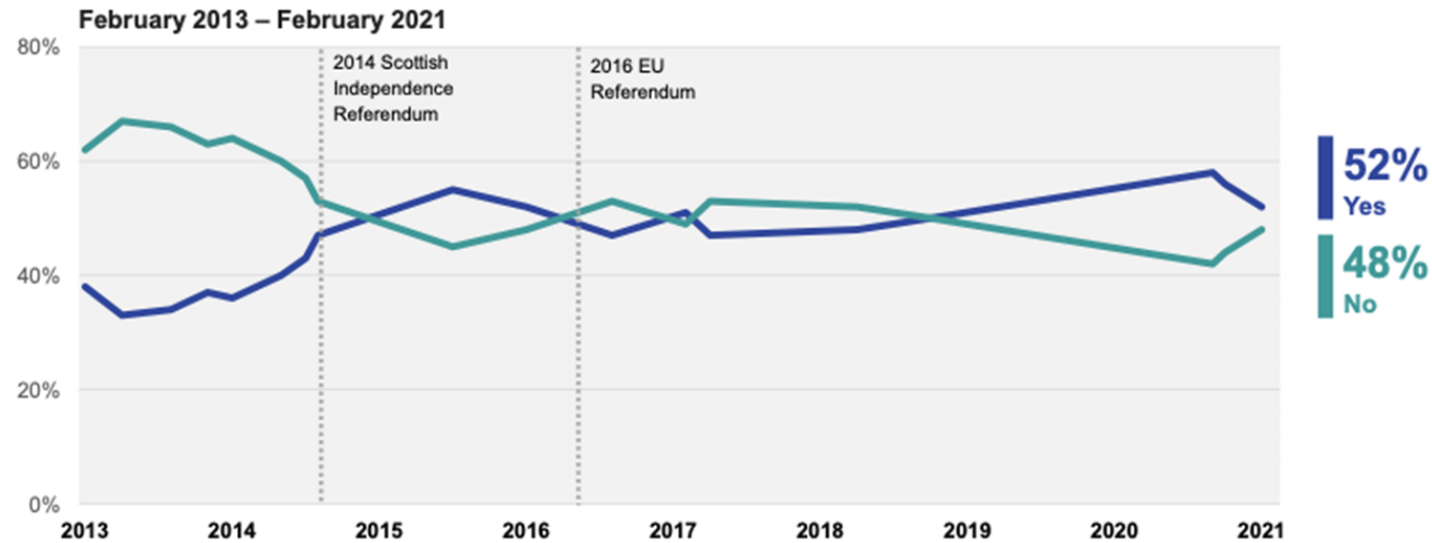
"It was almost impossible to persuade Number 10, in particular, to treat the devolved governments as though they were grown-up governments with their own democratic legitimacy."

Philip Rycroft, Permanent Secretary at the Department for Exiting the European Union, UKICE Brexit Witness Archive

3. Scotland: independence not surging

Support for Scottish independence: Change over time

If a referendum were held tomorrow about Scotland's constitutional future, how would you vote in response to the following question: Should Scotland be an independent country?



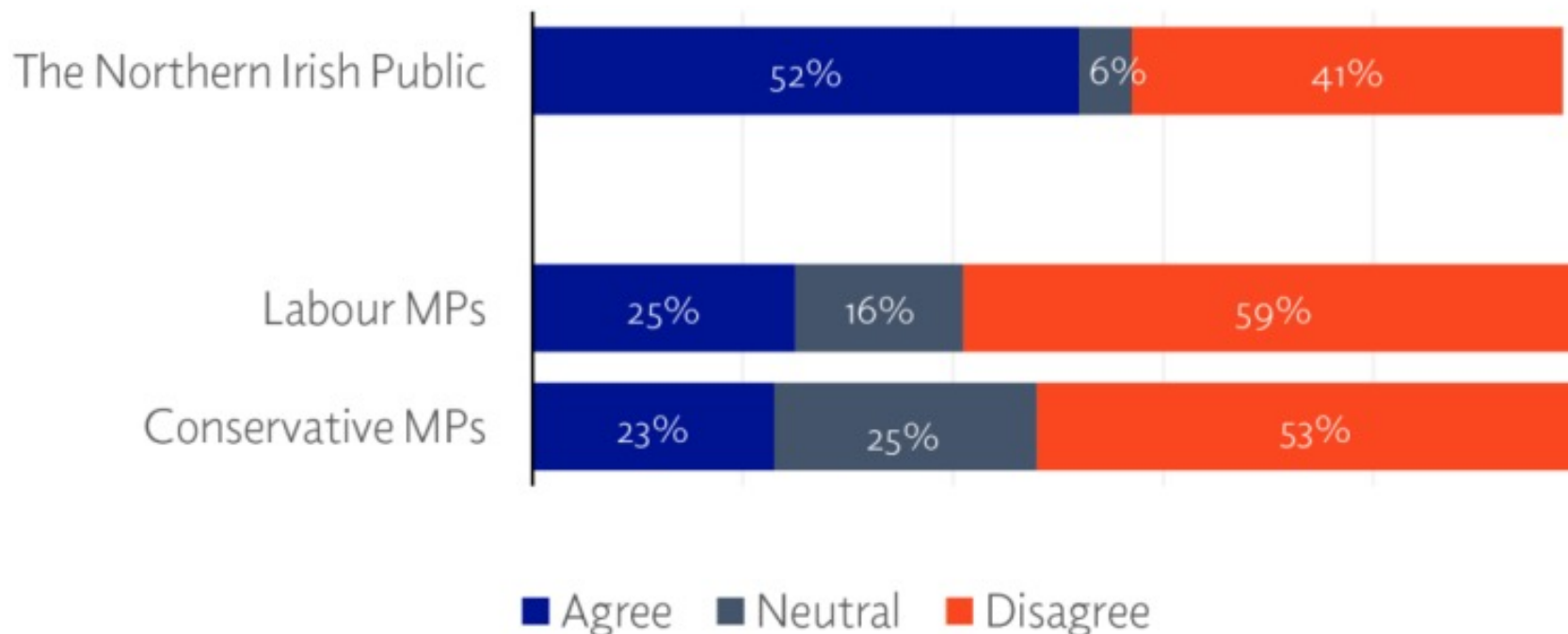
Base: c.1,000 Scottish adults aged 16+ per wave. Based on all likely to vote, excluding undecideds/don't knows

Source: Ipsos MORI Scottish Political Monitor

A majority in Northern Ireland support the Protocol, but MPs do not.

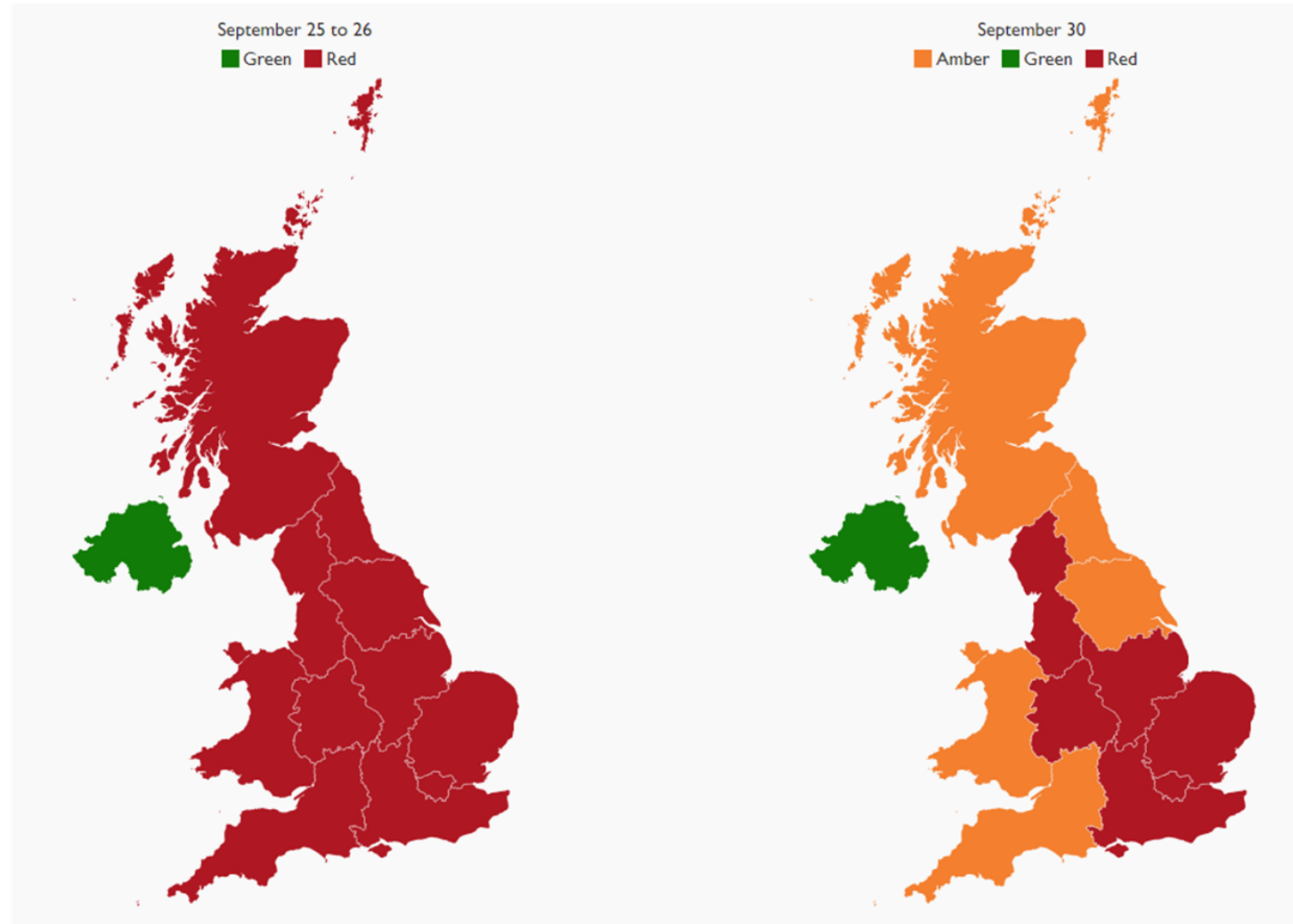
To what extent do you agree or disagree? The Northern Ireland Protocol is on balance a good thing for Northern Ireland.

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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

	Distrust				Trust			
	Distrust a lot	Distrust	Total	June	Trust	Trust a lot	Total	June
UK Government	57	30	87	86	3	1	4	6
NI Executive	19	34	53	52	13	0	13	17
Irish Government	33	12	45	48	28	13	41	38
European Commission/EU	36	8	44	48	27	18	45	40
Alliance	29	14	43	43	28	11	39	43
DUP	57	18	75	78	11	3	14	13
Sinn Féin	44	11	55	56	17	17	34	31
SDLP	29	16	45	42	28	12	40	42
UUP	18	24	42	39	22	6	28	32
NI Business Representatives	6	12	18	18	36	18	54	56

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 \neq 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.”

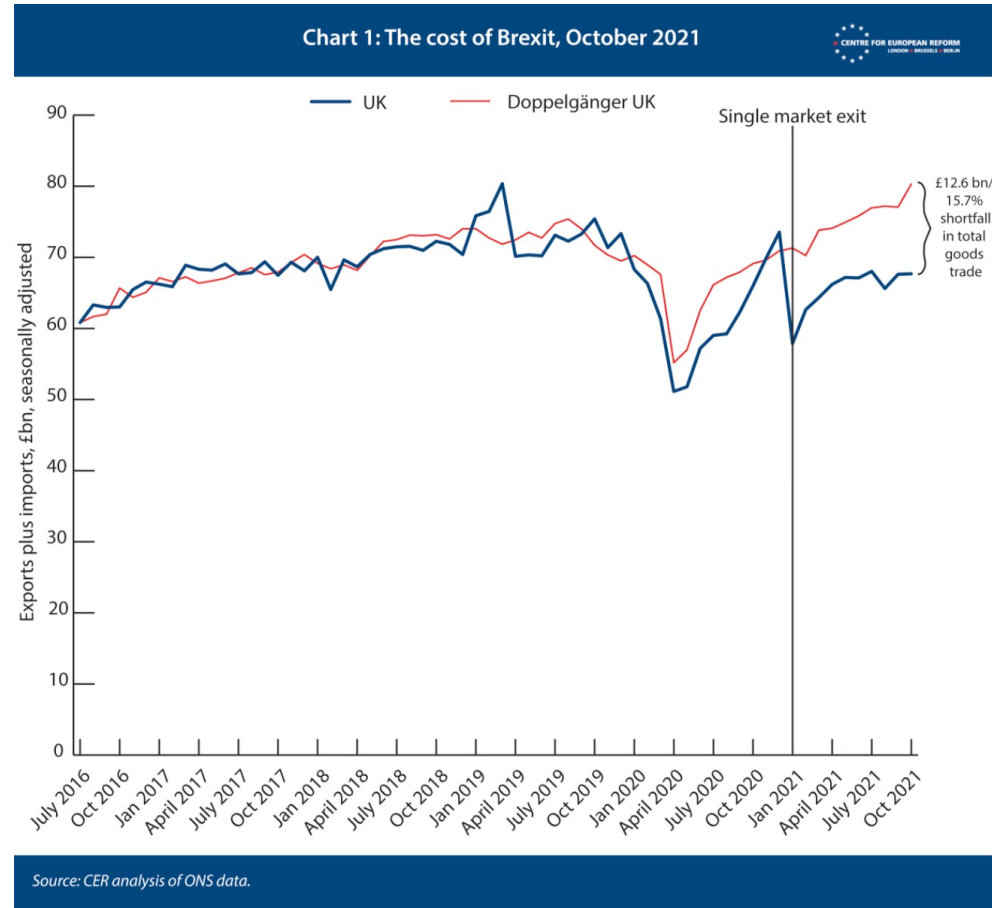
David Davis, February 2016

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'While we work on our Brexit forecast, this man will play some very sad music'

What actually happened...GDP

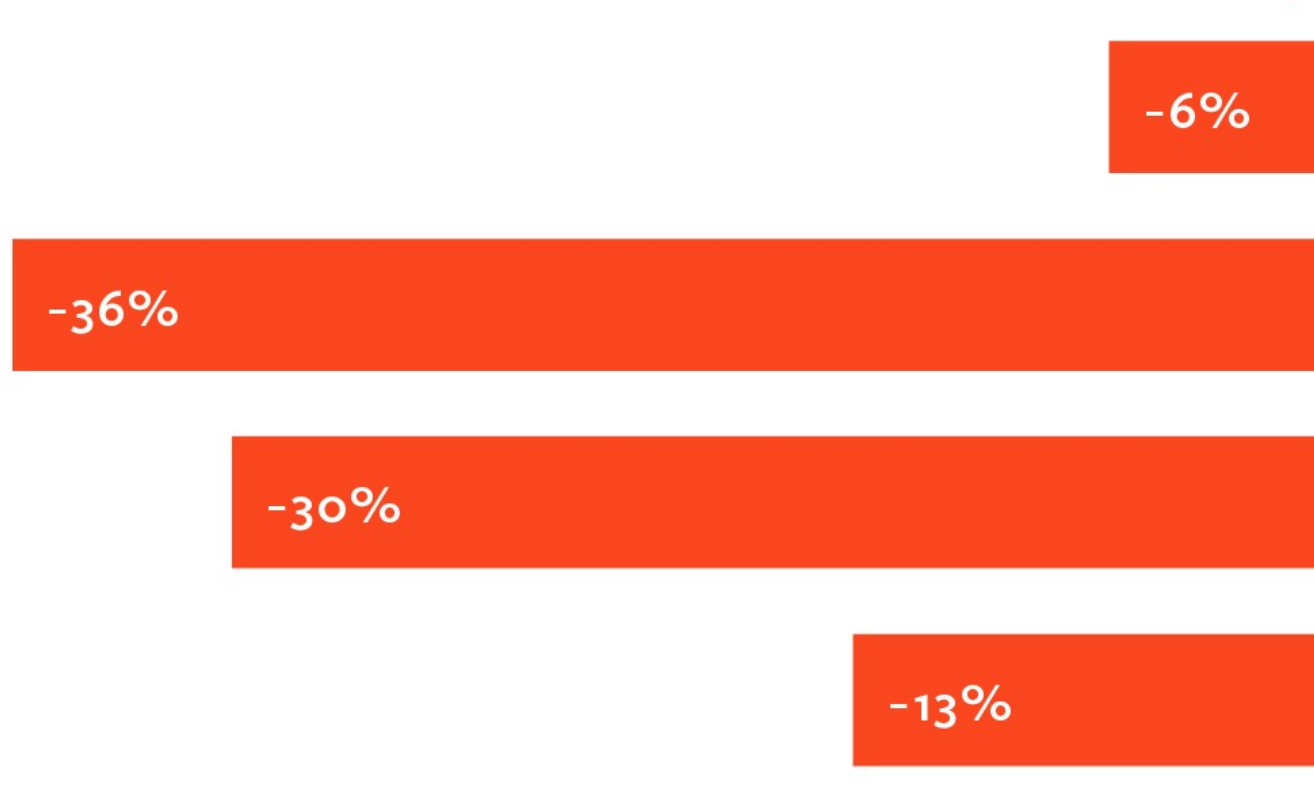


Source: Centre for European Reform

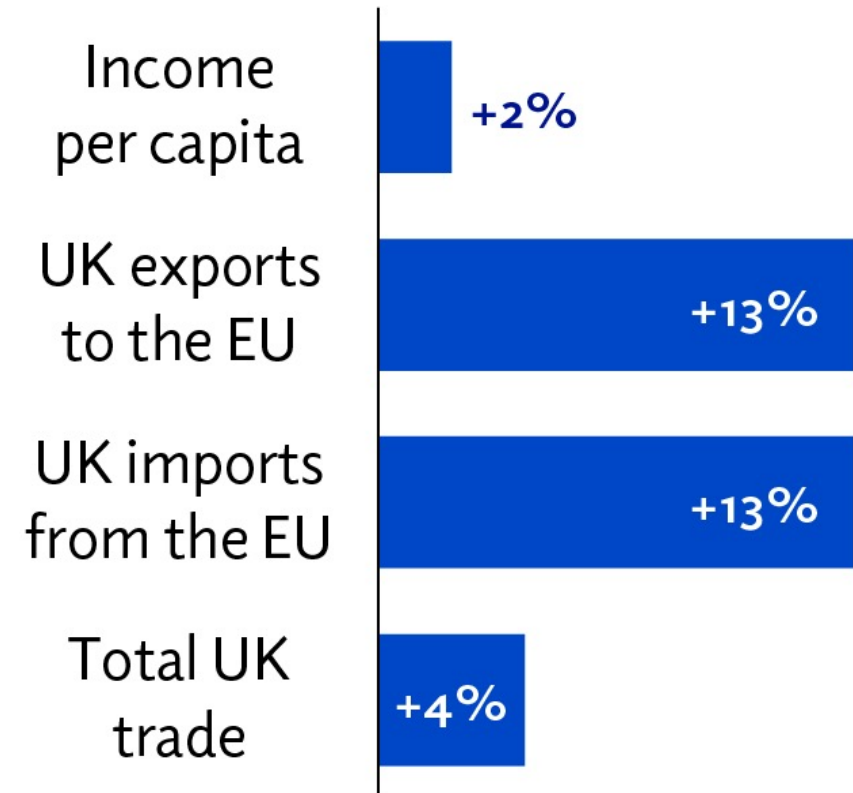
The economic impact of the Brexit deal after 10 years, compared to...

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...EU membership



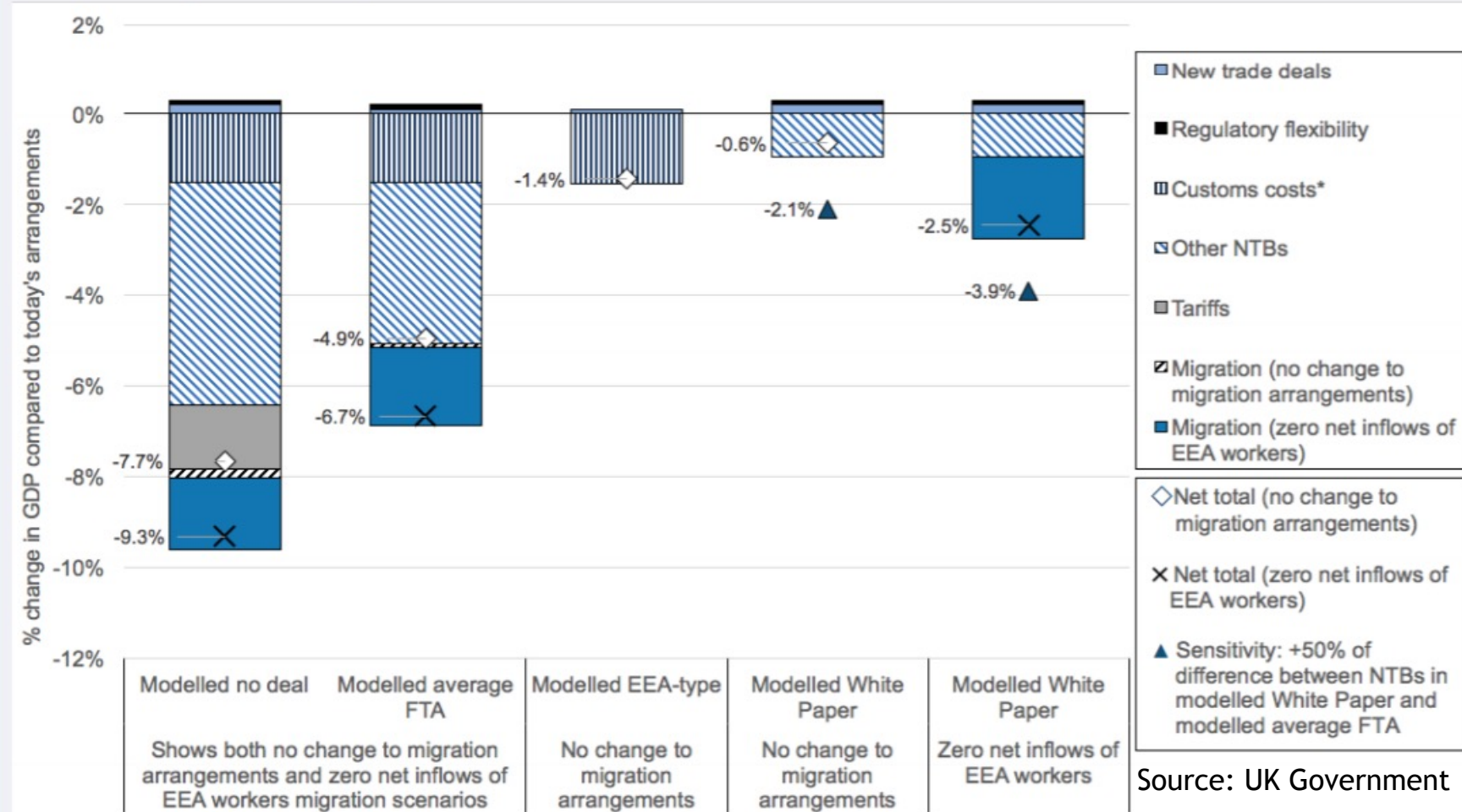
...no deal



Source: UK in a Changing Europe, 'The economic impact of Boris Johnson's Brexit proposals'.

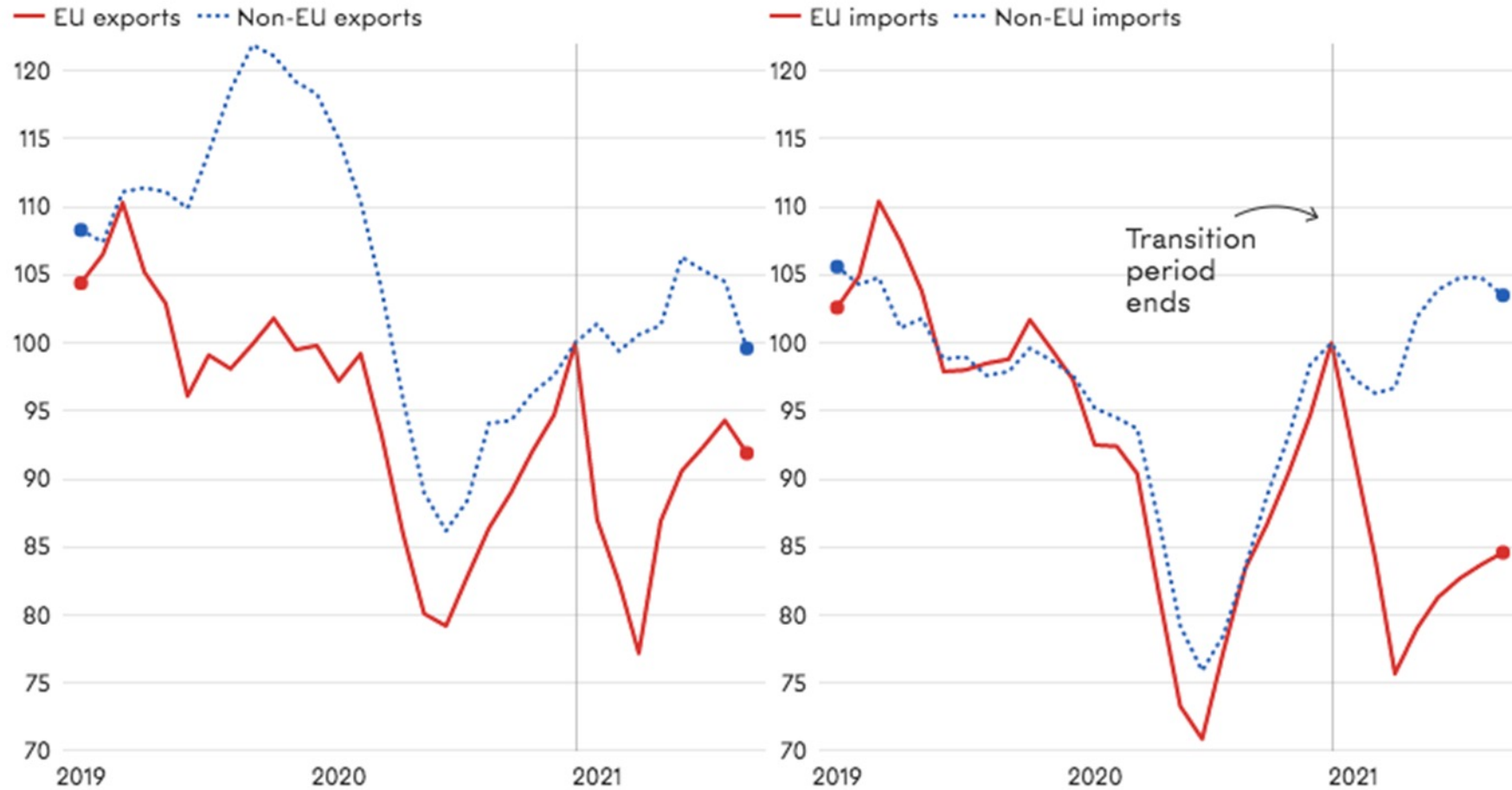
Impact (including trade deals)

Figure E.3: Decomposition of total impacts on GDP compared to today's arrangements for the illustrative no change to migration arrangements and zero net inflows of EEA workers scenarios.



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).

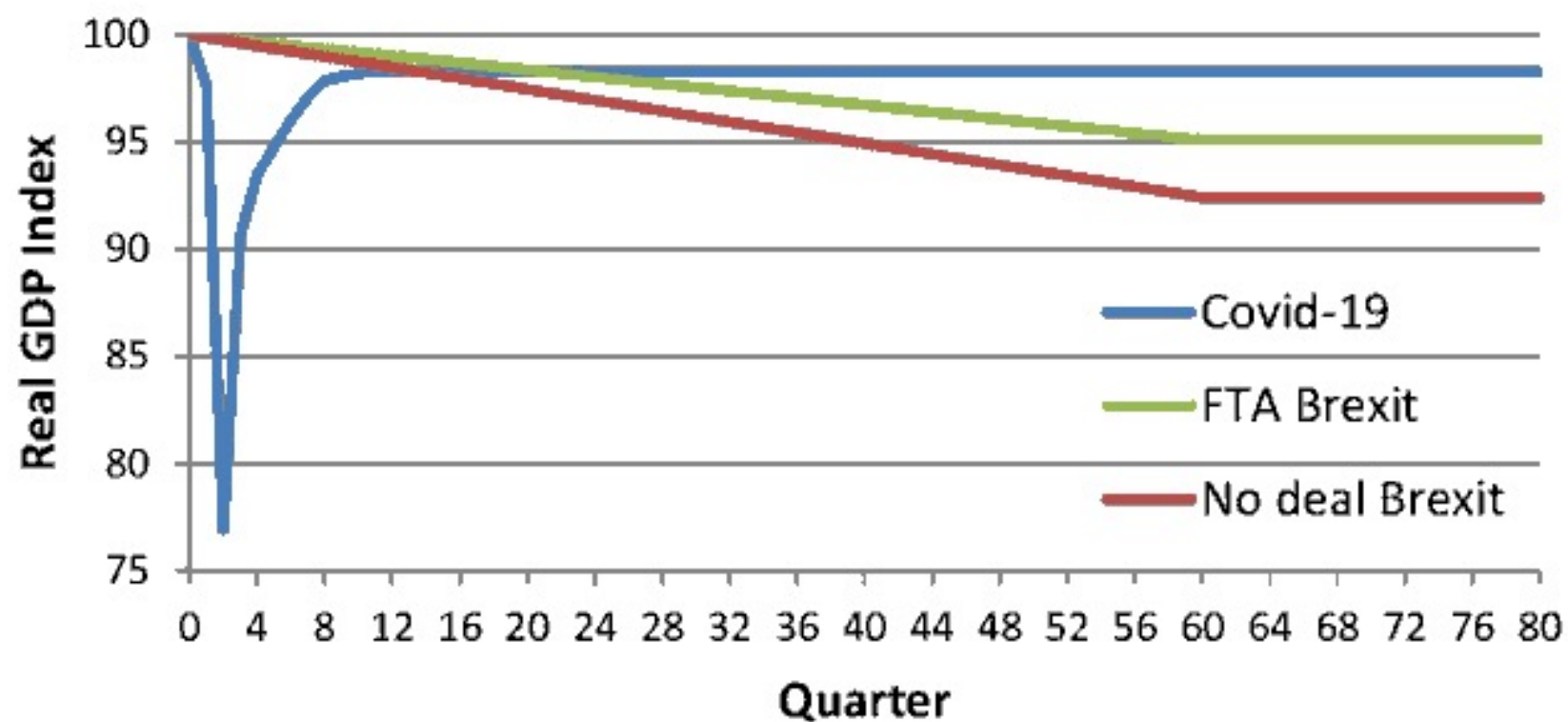
4. EU trade has suffered



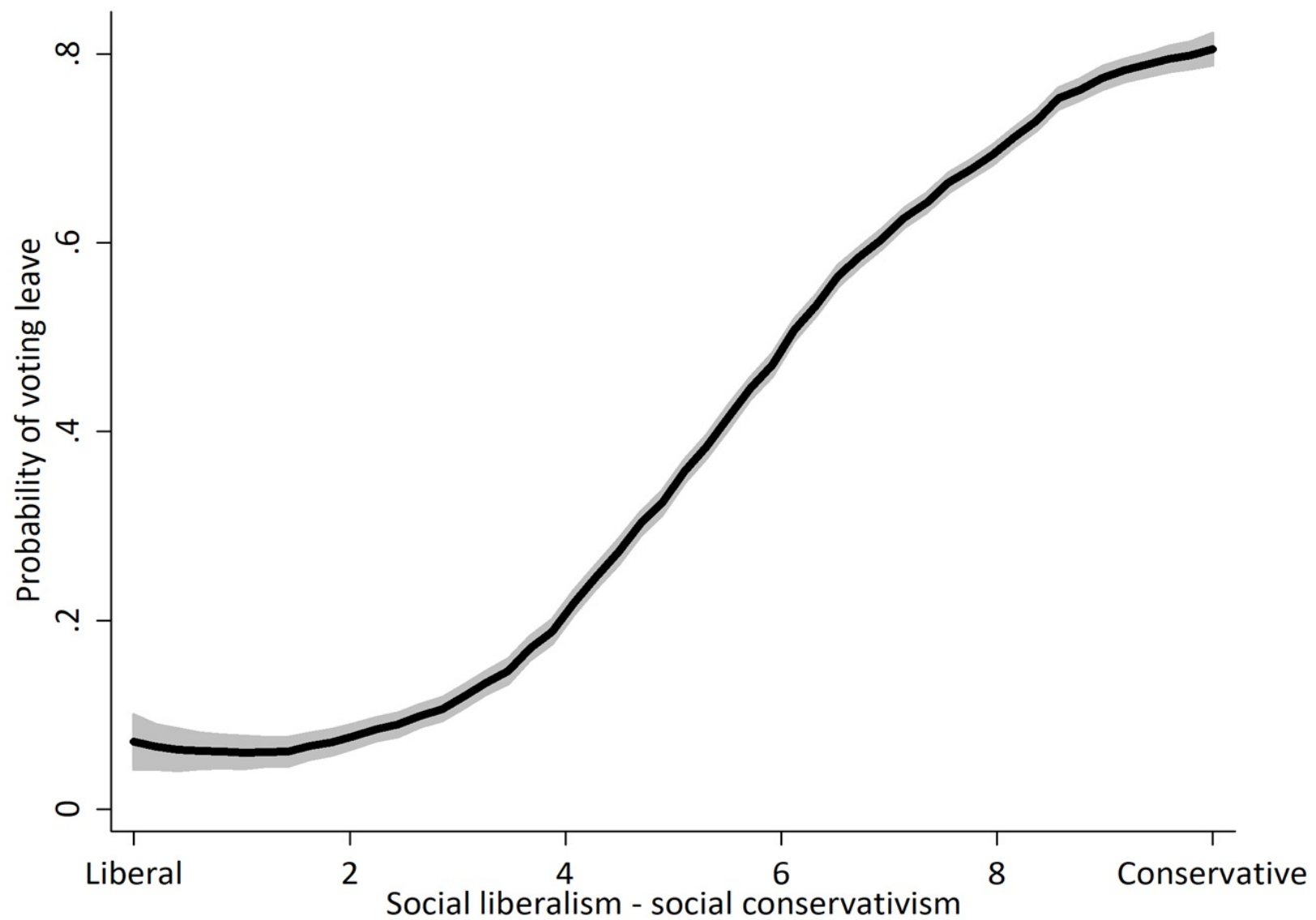
*Indexed (December 2020 = 100)

Source: Office for Budget Responsibility

Forecast Shocks to UK GDP

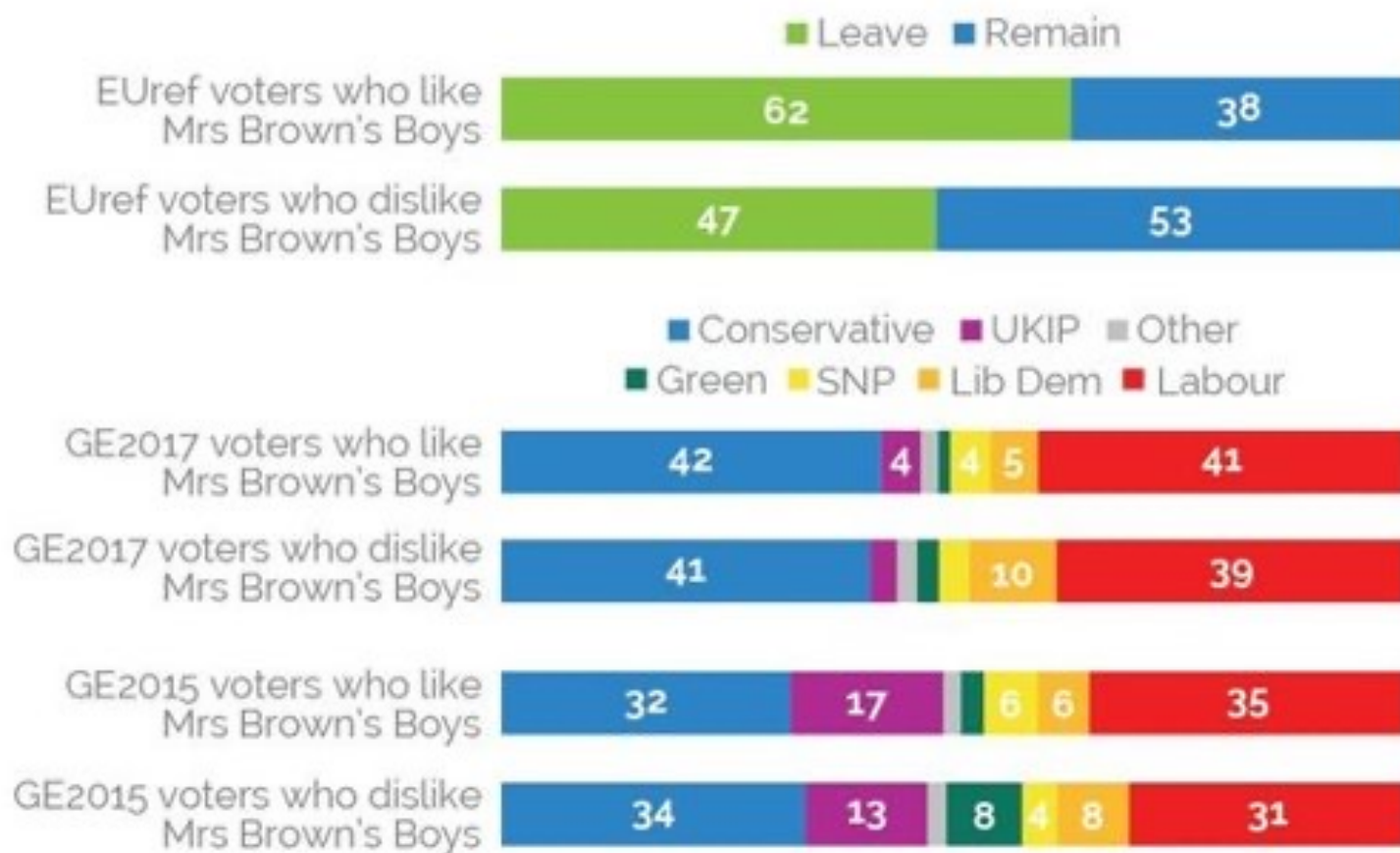


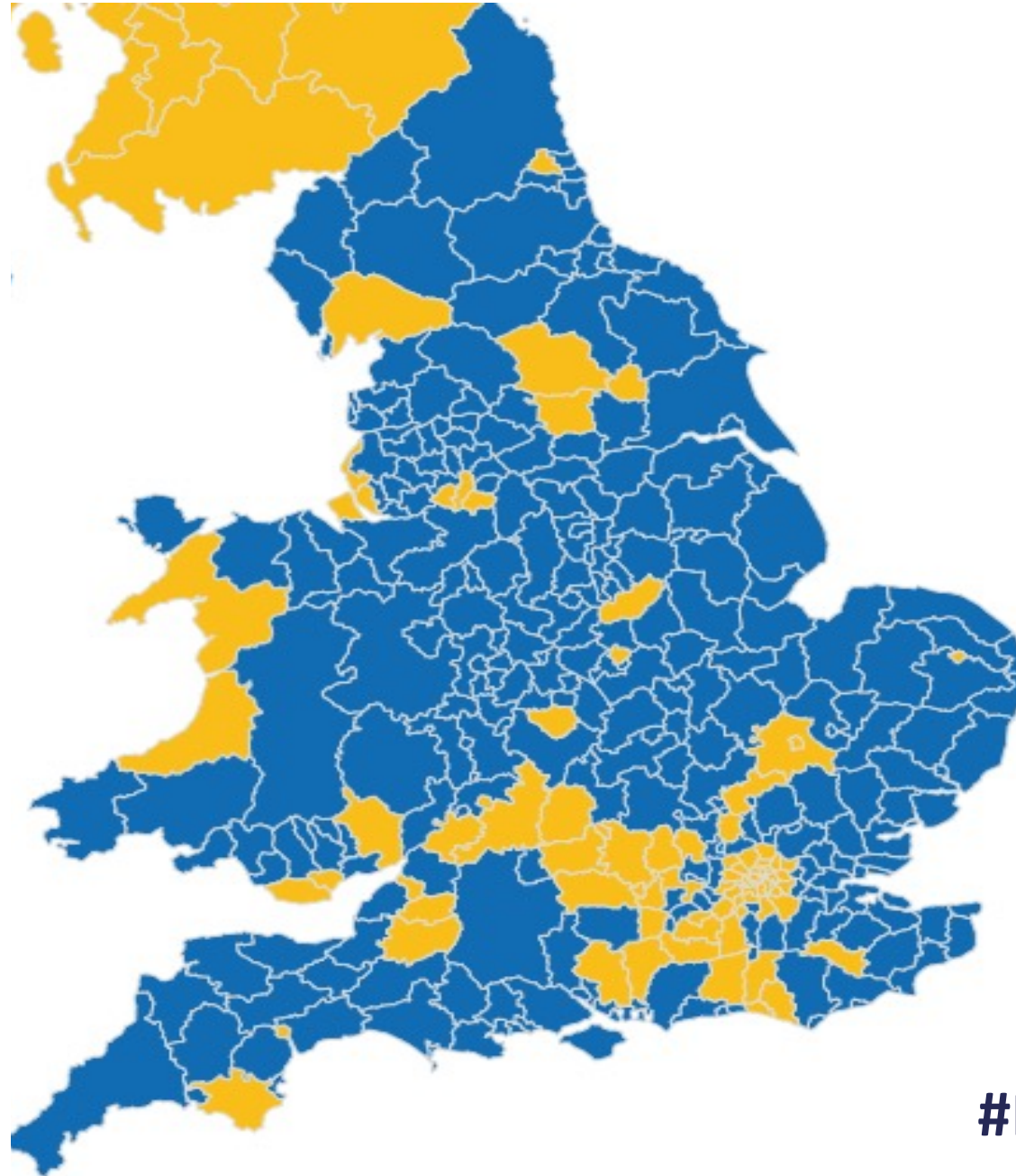
5. Learning about Ourselves

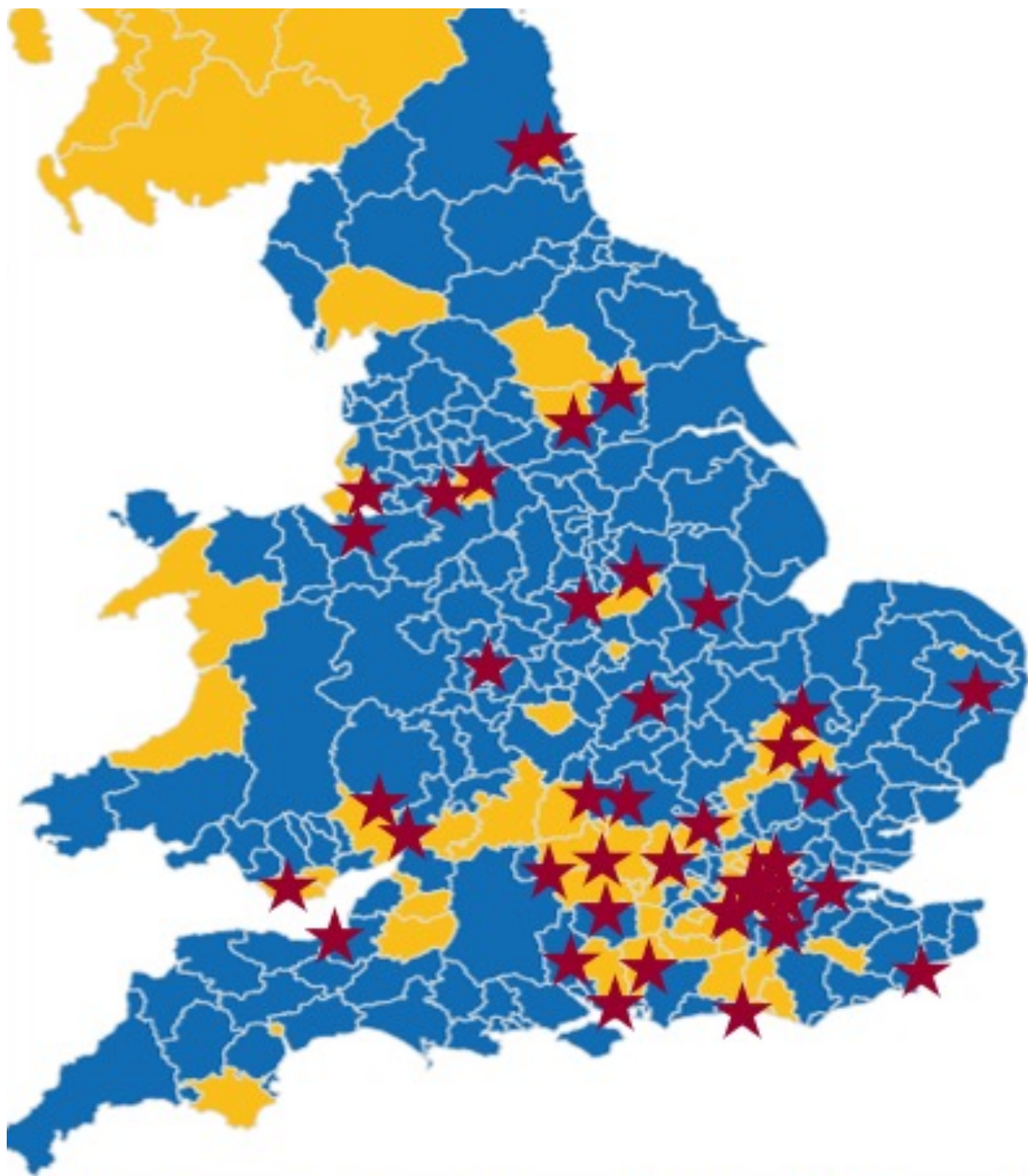


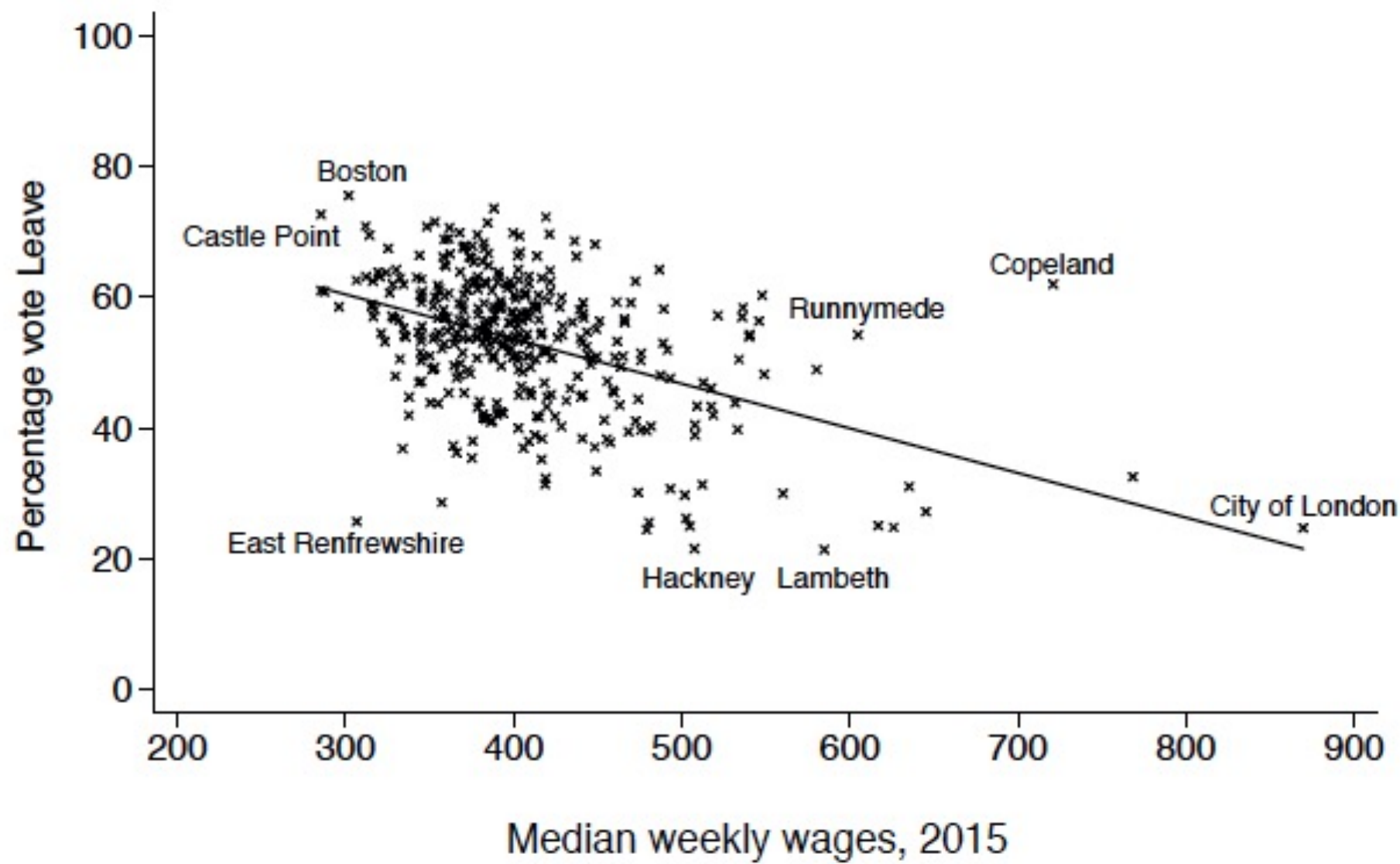
The politics of Mrs Brown's Boys

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

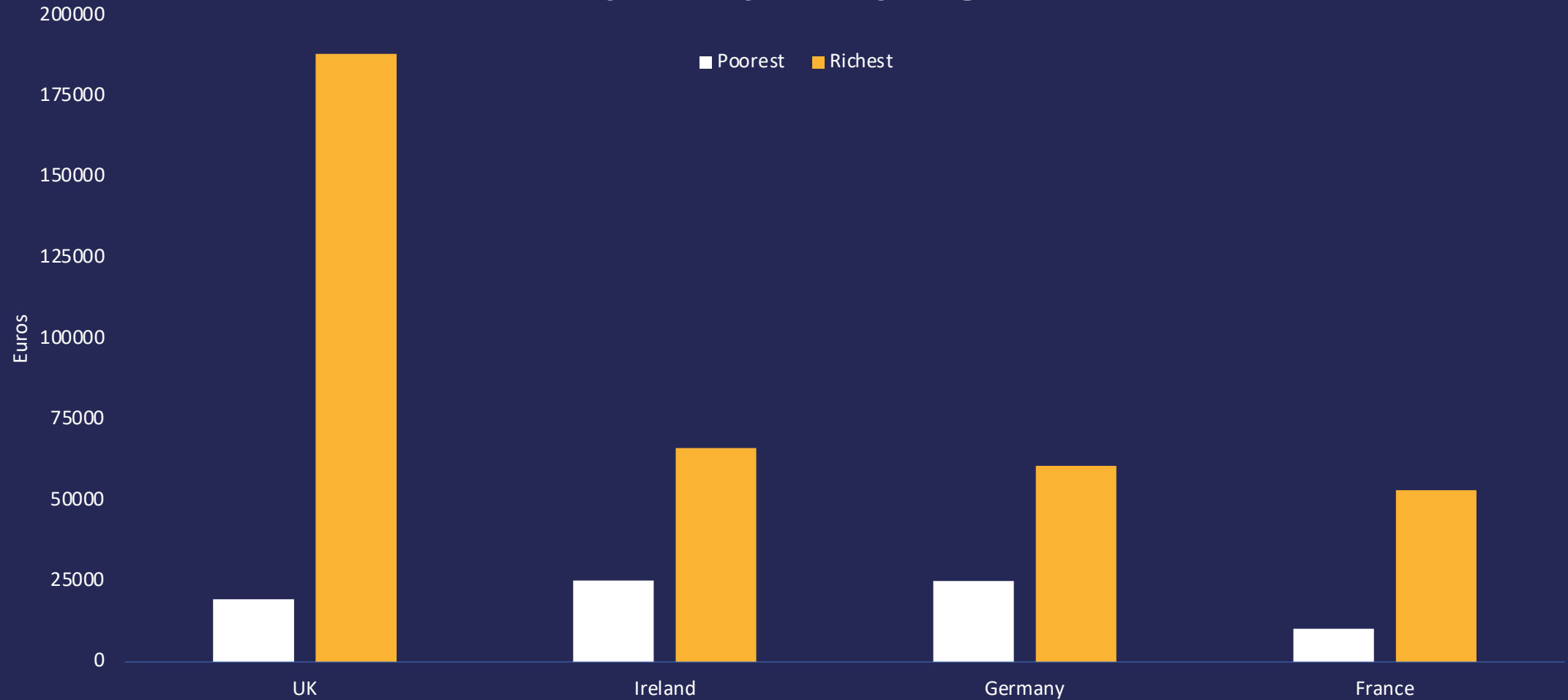








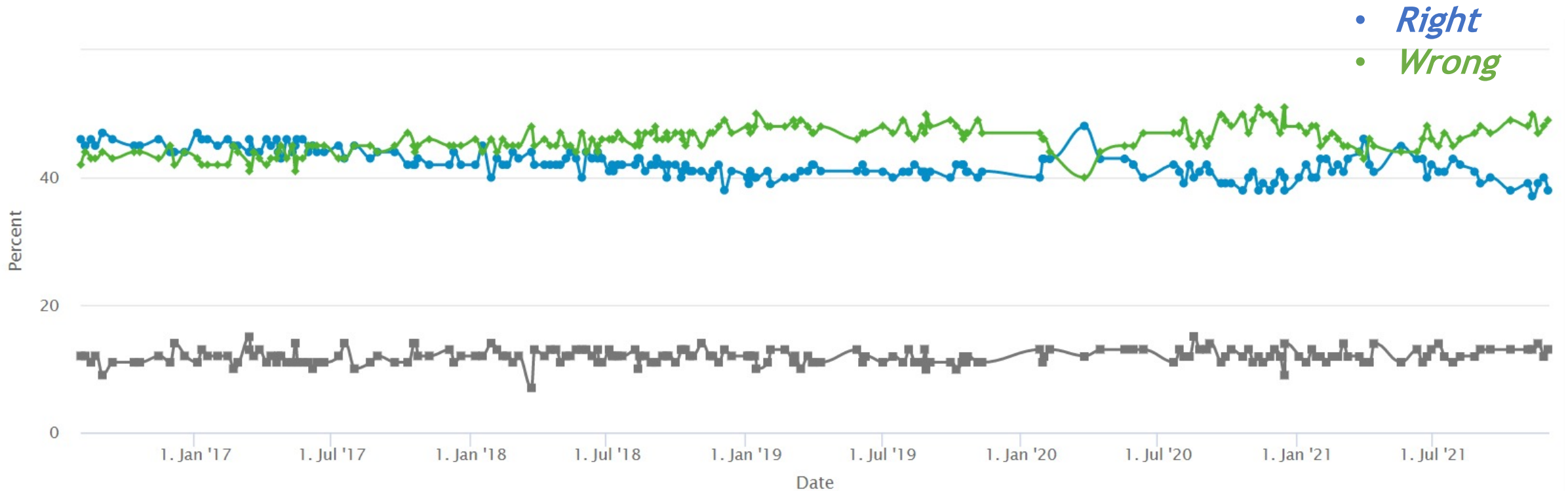
GDP per capita by region



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?*

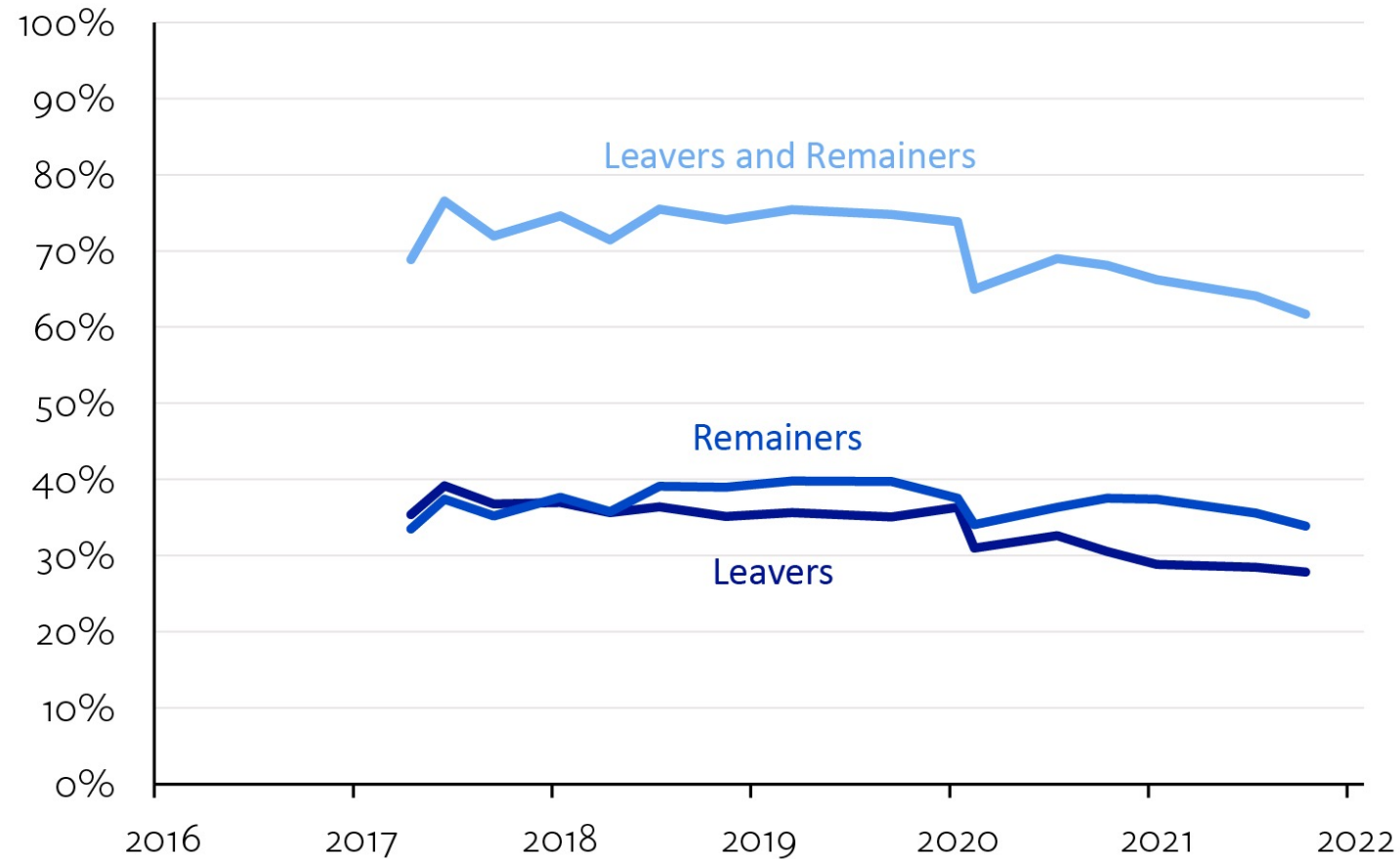


<https://whatukthinks.org/eu/questions/in-hindsight-do-you-think-britain-was-right-or-wrong-to-vote-to-leave-the-eu/>

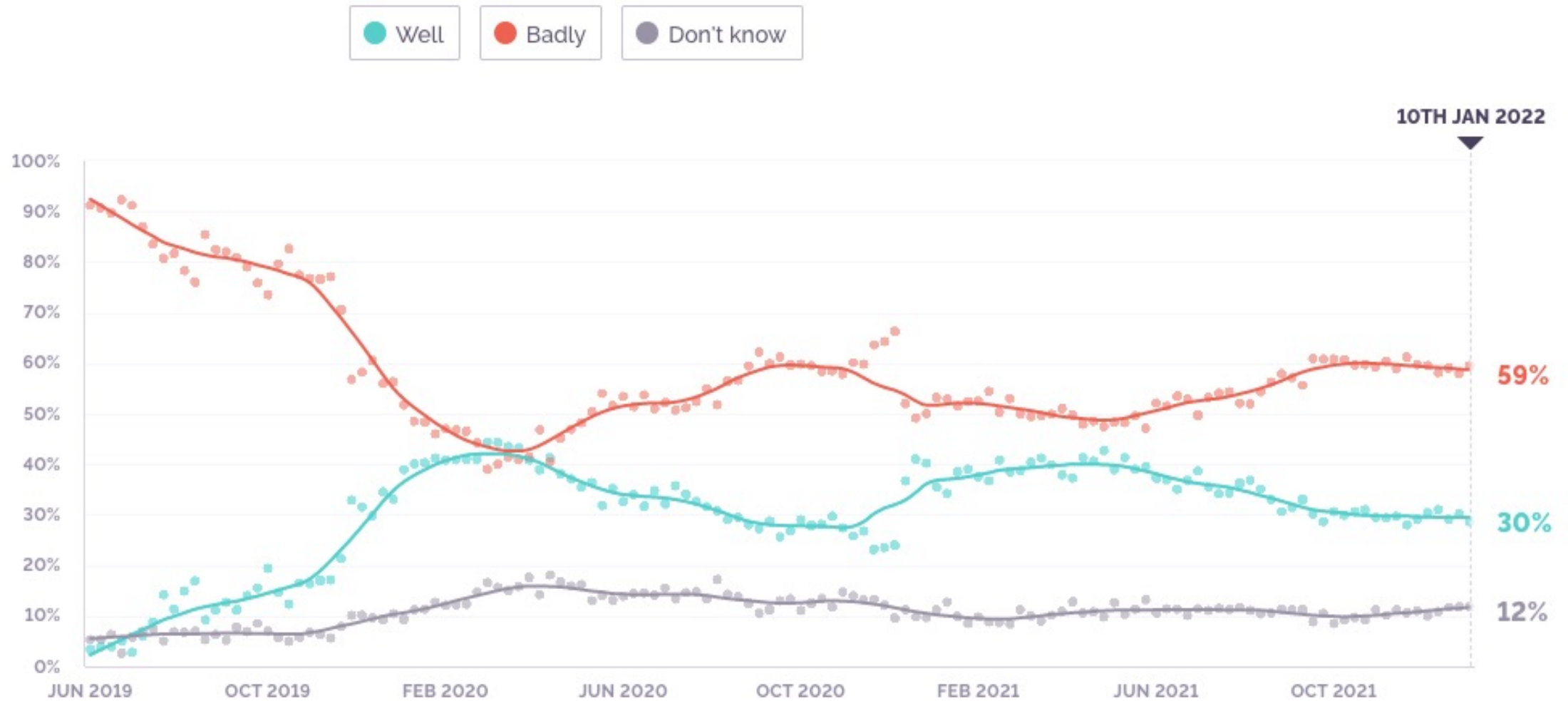
62% of voters continue to hold a Brexit identity and think of themselves as a 'Remainer' or a 'Leaver'

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?

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How well or badly do you think the government is handling Britain's exit from the EU?

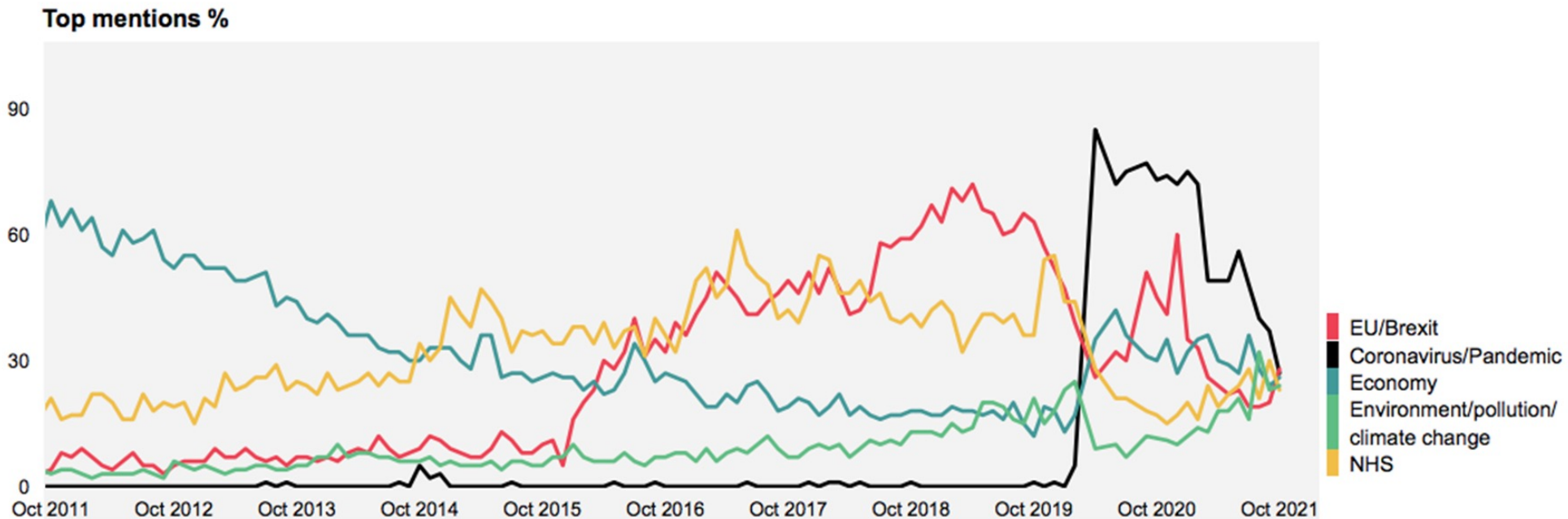


Source: YouGov

6. And next?

Top five concerns: trend

What do you see as the most/other important issues facing Britain today?



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

Source: Ipsos MORI Issues Index