The Symbolic, Political and (un)Practical Meaning of Brexit

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The new year has begun in the United Kingdom (UK) with the quasi-conclusion of the process of exiting the European Union (EU). The use of the word ‘quasi’ seems appropriate, as Brexit is far from having delivered its most fundamental promise: to have resolved the European question once and for all. Indeed, negotiations with Brussels will remain a permanent feature, not least because Boris Johnson’s trade deal does not cover all of Britain’s trade. It excludes, among other things, the largest part of Britain’s economy made up of services. However, it is true that to overturn a settled decision on the UK’s relationship with Europe has proven to be among the most effective political movements in the country’s history, even in the midst of a worldwide pandemic. For Scottish, Welsh, English and Northern Irish pro-Europeans, that movement has ensured that the start of 2021 was marked with regret for what has been lost economically, politically and symbolically.

Economically, the UK has battled to have full autonomy and to conclude a special trade agreement with the EU. This wish was at the same time political and symbolic, but not very practical. Access to the EU internal market is, by far, more important than the potential benefits of any possible trade agreements with Commonwealth Countries, China, Gulf Countries and the USA. The EU has far more leverage on the UK than these other nations. Moreover, it needs to be noted that when we talk about a Customs Union, we only talk about goods. The British export economy is an economy almost exclusively based on services and totally dependent on value change. Without a Customs Union, for example, the automobile and aviation industries in Great Britain would risk disappearing. Hence, outside goods, the UK still needs to negotiate trade agreements on services, on public procurement,
on investments, on data protection and on intellectual property: a whole range of elements, which are far more important for the UK’s economy than goods.

Some of the existing debates in this regard have highlighted a lack of preparation (and of time to prepare) on the part of both businesses and the central Westminster government. Some others reflect permanent changes to the trade and regulatory environment, which will, over time, mean permanent shifts in business processes and supply chains. The eventual impact of the current situation can be dramatic: the estimated reductions are of about a third in both UK imports and exports. These reductions will make the UK a much less open economy, and one that is much less integrated into European and global supply chains, thus reversing 40 years of structural transformation. If the EU is only a small share of world GDP, it represents, nevertheless, nearly half of the UK’s trade, and that proportion has shrunk relatively slowly over the last two decades.

One option for the UK would be to take advantage of the economic, fiscal and political space that has opened up after Brexit. This would require sustained policy action across a range of issues: housing, youth unemployment, education and social care. These are the areas in which policy has nonetheless gone backwards during the austerity years and a change in direction now would require a genuine and sustainable effort to redistribute wealth, power and institutional capacity from Westminster to the four devolved administrations. None of this would be easy, and it would, in some respects (ironically), make the UK look more European, not less.

Politically, it is fair to say that Northern Ireland represents the most unique situation within the UK, where very much is at stake and where Brexit could threaten the undoing of twenty years of peace and reconciliation. The question of the Irish border is not merely a sovereignty problem or an identity issue. It is a political problem that has also entailed a leadership challenge (e.g., Theresa May). The Northern Ireland protocol aims to avoid the introduction of a hard border on the island of Ireland. It has been specifically designed to avoid a return to checkpoints along this politically sensitive frontier. Its objective is also to minimise potential disruptions of cross-border trade. However, lack of details about the circumstances in which Article 16 of the Protocol could be triggered, risks exasperating the already precarious status of the region, alienating half of the Northern Ireland population in one way or another.

Cross-border and cross-community cooperation have been at the very heart of the peace and reconciliation process in Northern Ireland. This meant attempting to remove any semblance of a hard
border between Ireland and Northern Ireland through the EU PEACE programmes. The EU internal market, the Custom Union and the 1998 Belfast/Good Friday Agreement (GFA) all played a crucial role within that process. Nowadays, the island of Ireland’s economy is fully integrated into the EU. North-South cooperation has flourished in sectors covered by the GFA and beyond, being underpinned by the shared EU regulatory framework. Up to 30,000 workers travel every day to either side of the Irish border and cross-border trade is extremely important. It constitutes almost 75% of exports from Northern Ireland for small and medium-size companies. The lives and livelihood of those people seem now to depend on what will be the next move and this shows how the European question – and its historicization - is far from being politically closed, at least for the foreseeable future.

These (by far non-exhaustive) economic and political aspects of the Brexit process bring us to reflect on what the future holds for the four UK territorial units. Can opinions, even those of Conservatives, shift in the coming decades if and when it is discovered that the rest of the world does not give much attention to these islands? That in reality there is no ‘Anglosphere’ to replace the EU as the UK’s obvious home? Can the fact of having lost a seat at the EU’s table make the UK’s political elites realise that they have also lost their identifiable place in the world? Symbolically, a theoretical form of sovereignty might be a thin comfort blanket for a nation that feels diminished and divided.

In the meantime, with the UK out of the way, the EU27 gets on with their integration project. The idea that they would keep a ‘light on’ for their past colleagues seems hopelessly romantic. The EU of 2040 will be an even less enticing prospect to federalism-sceptic British citizens. Moreover, any possible UK attempt to rejoin the club would not likely be on the same terms. Coming back would be doing so without the once-cherished Thatcher-negotiated cash rebate. As for the generation that would have voted to stay in 2016, but never got the chance, they’ll soon move on: other issues will assume greater priority, starting with the climate crisis. Nonetheless, we have all learnt something from the Brexit experience: if the assumption is that this question has been settled now for a generation or more, Brexit has taught us that politics moves fast. What looked impossible in 2016, is now a reality. If an independent Scotland will one day rejoin the EU, alongside a Northern Ireland that is already half-in, then the question will press on England and Wales all the harder.