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Where Does The Brexit Debate Stand In The United Kingdom Right Now?

Presentation to the European Affairs Committee of the Danish Parliament, 14th October 2016

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WHERE DOES THE BREXIT DEBATE STAND IN THE UNITED KINGDOM RIGHT NOW?

**Presentation to the European Affairs Committee
of the Danish Parliament**

14th October 2016

On the 11th October 2016 the opposition Labour Party presented the ruling Conservative UK government with a list of 170 questions – one for each day before Theresa May's self-imposed deadline to start the process of leaving the EU.¹ A more realistic list of questions in the UK's 'Brexit' debate right now would consist of 17 000 questions – the four decade-old UK-EU relationship raises so many questions that it would take that many days (46 years) to address them.

This briefing will focus on three factors in the UK right now – referendum context, UK government, and Brexit debate – with a specific focus on just seven questions in the Brexit debate: legal, political, social, economic, conflict, and environmental questions.

The briefing argues that the UK referendum has unsettled Britain for a generation to come. The unconvincing referendum context, the UK government omnishambles, and the unanswerable questions of the divisive Brexit debates all create a very uncertain future which further threatens the cohesion of the UK.

Prior to 2016 the question of 'Europe' – the UK's membership of the EU - was long considered a 'second order' issue of no real political interest to voters and politicians alike. The divisive campaign, referendum, and resulting political chaos have created a new, first-order rupture at the heart of British society and politics.

¹ [Emily Thornberry and Keir Starmer, *Labour's 170 questions for the Tories on Brexit*, 11th October 2016.](#)



[1] Unconvincing Referendum Context

In January 2013 Prime Minister David Cameron promised a referendum on UK membership of the EU in order to deal with divisions within his Conservative party. The consultative referendum was held on the 23rd June 2016; the result was non-binding.² The result was unconvincing for three reasons - UK voters knew very little about their membership of the EU; the result was indecisively close; and subsequent government policy is unknown.

(i) Referendum Result

2015 UK Population (ONS mid-2015 estimate) ³ -	65 110 000 [100%]
Underage (ONS figure) -	13 712 396 [21%]
Ineligible (own estimate based on ONS figure) -	4 896 363 [8%]
<hr/>	
Abstained -	12 949 258 [20%]
Voted Remain -	16 141 241 [25%]
Voted Leave -	17 410 742 [27%]
<hr/>	
Voting (51% of population):	
Voted Remain -	16 141 241 [48% of voters]
Voted Leave -	17 410 742 [52% of voters]

As the referendum results demonstrate, the outcome was indecisively close – in most voting areas a majority of the people (more than 50% of the eligible electorate) did not vote for either Remain or Leave, as the map below shows.⁴ Subsequent opinion polls show the indecisiveness of the result, with the most recent British Election Survey suggesting a 5-10% swing to Remain.⁵

² [Elise Uberoi, *European Union Referendum Bill 2015-16*, House of Common Library, Briefing Paper Number 07212, 3rd June 2015.](#)

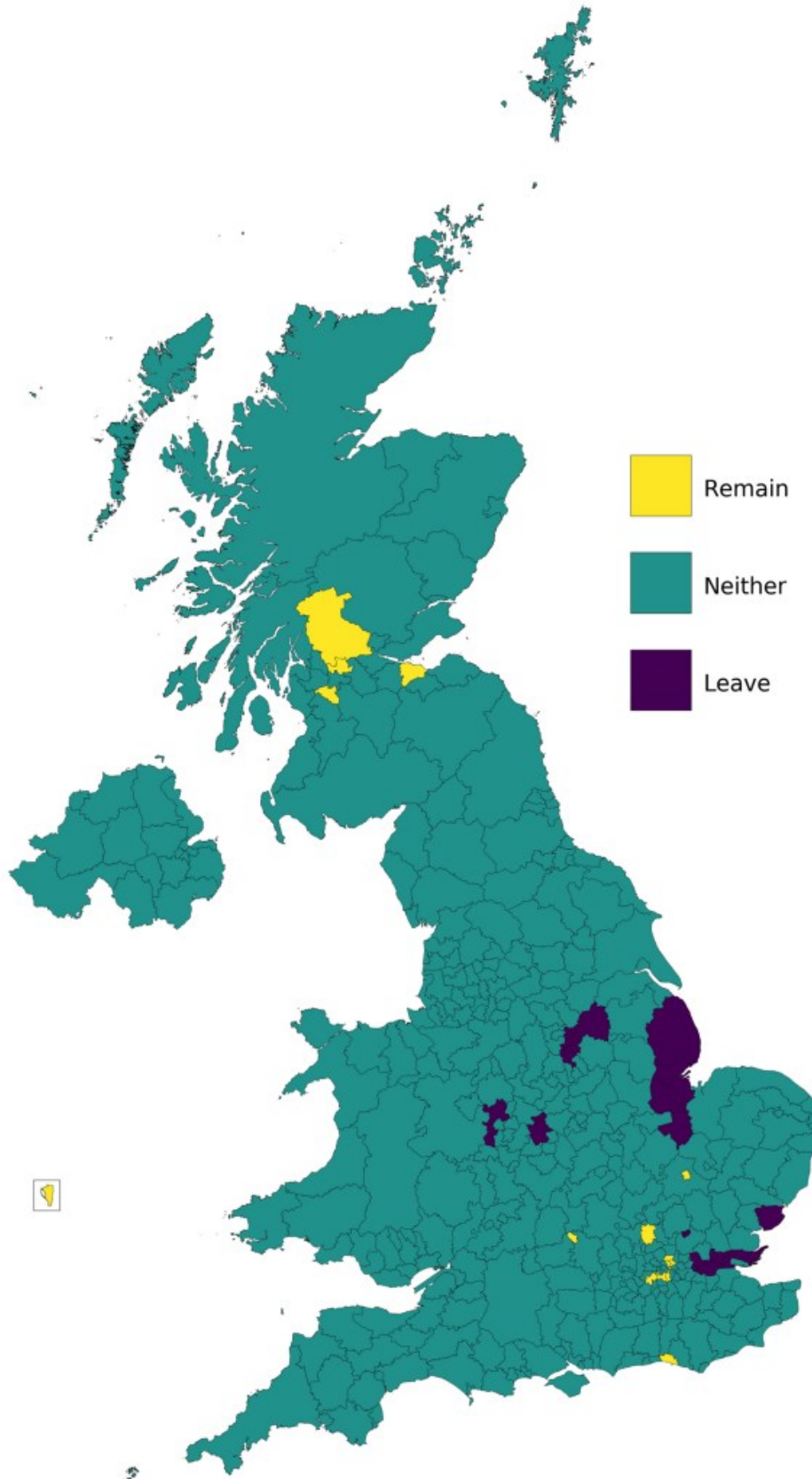
³ [UK population mid-year estimate 2015, Office for National Statistics.](#)

⁴ [Bob Taylor, 'Brexit - a story in maps', 10th August 2016.](#)

⁵ [British Election Survey, 'Brexit Britain: British Election Study Insights from the post-EU Referendum wave of the BES internet panel', 6th October 2016.](#)



**UK Referendum Result by Voting Area: Remain, Neither, Leave
(majority of eligible electorate)**





(ii) Meaningless Referendum

Despite David Cameron's overconfidence, the referendum is considered meaningless for three reasons: electoral system, biased news media, and BBC bias. In addition, two new factors become important: social media and campaign dishonesty.

The UK first-past-the-post **electoral system** generally produces majorities within the House of Commons, but there has been no government since 1935 that has been elected with a majority of votes. This means that the referendum (similar to European Parliament elections) became a plebiscite on the popularity of David Cameron and the government.

The UK **newspaper industry** is over 80% owned by just 4 billionaires/corporations: Rupert Murdoch's News Corp (The Times, The Sunday Times, The Sun); Jonathan Harmsworth's Daily Mail and General Trust (Daily Mail, The Mail on Sunday, Metro); the Mirror Group (Daily Mirror, Sunday Mirror), and Richard Desmond's Express Newspapers (Daily Express, Sunday Express, Daily Star).⁶ Five of the six of the most circulated daily newspapers (Sun, Daily Mail, Daily Telegraph, Daily Express, and Daily Star) supported the Leave campaign. Content analysis of articles focused on the referendum found 41% were pro Leave as against 27% pro Remain, marking a dominant pro Brexit bias, where six out of nine newspapers had a dominance of pro-Leave articles.⁷ The UK television industry is dominated by Rupert Murdoch's Sky with annual revenues of £8bn, compared with the BBC's annual revenues of £5bn.

The BBC is required to 'inform, educate and entertain', but was unable to do so in the referendum because of its desire to present both sides unquestionably in a policy of 'regulated equivocation'.⁸ **BBC bias** in covering the EU is well established – focused on British political parties, seen through the prism of Westminster, and Eurosceptic (BBC Breadth of Opinion Review)⁹; anti-EU sentiment dominated the news for the whole of June and the Leave campaign was quoted more prominently on TV (Media Tenor International)¹⁰; and that there is little space for independent sources with expert knowledge to verify claims, or put statistics in context.¹¹

⁶ [Media Reform Coalition, *Who Owns the UK Media?* 22nd October 2015.](#)

⁷ [David Levy et al, *UK Press Coverage of the EU Referendum*, Reuters Institute for the Study of Journalism, 7th September 2016.](#)

⁸ [Andrew Jack, 'Brexit Briefing: Balance at the BBC' *Financial Times*, 11th August 2016;](#) [Catherine Bennett, 'The BBC's fixation on 'balance' skews the truth', *The Guardian*, 4th September 2016.](#)

⁹ [Karin Wahl-Jorgensen et al, *BBC Breadth of Opinion Review*, Cardiff School of Journalism, Media and Cultural Studies, 28th June 2013.](#)

¹⁰ [Media Tenor International, *Overall negative media frame on EU*, 24th June 2016.](#)

¹¹ [Stephen Cushion et al, *Impartiality Review of BBC Reporting of Statistics: A Content Analysis*, Cardiff School of Journalism, Media and Cultural Studies, January 2016.](#)



The hostile UK news media and problems with the public BBC service meant that there was **no genuine public sphere** necessary for the referendum to take place.

Two additional factors during the campaigns ensured that the referendum became meaningless: the emergence of social media as an unregulated campaign ground, and campaign dishonesty on an industrial scale.

The UK referendum demonstrated for the first time that political debate has moved away from the old media of radio, newspapers and television to the unregulated 'wild west' of **social media**. Research demonstrates that anti-EU campaigners were dominant on social media and commenting online on conventional media long before the official Leave campaign began. Social media research on *Instagram* shows that there were twice as many Leave supporters and they were five times as active – comparable research on Facebook and Twitter provides similar evidence.¹² The online comments of conventional media, including both Leave and Remain newspapers, were similarly full of anti-EU comments. What made the campaign different was the extent to which such new and old media interventions, comments and contributions were overwhelmingly insulting, abusive and inaccurate. For the first time systematic 'trolling' and disinformation, previously only seen used by the Russian Federation, was found in European media debates.

The final unforeseen factor was critical - UK voters know very little about their membership of the EU, and were not informed by the campaign debates at all. Comparative research has constantly shown that UK voters are amongst the least knowledgeable on EU matters, with only 28% of polled UK citizens understanding the very basics about the EU (including how many member states there are).¹³ Unlike other European democracies, where publically-employed EU researchers are relied on to provide accurate and impartial information, there was no meaningful participation by any research-based EU researcher in the referendum campaign. Those EU researchers who did try to inform debate found themselves attacked and their publically-funded research dismissed as just 'opinion'. So bad was this complete absence of informed debate and opinion that only one EU researcher's expertise was seen within the public debate - Professor Michael Dougan's (University of Liverpool) 14th June video on the Leave campaign's "**dishonesty on an industrial scale**".¹⁴

¹² [Daniel Jackson, Einar Thorsen and Dominic Wring \(eds.\) EU Referendum Analysis 2016: Media, Voters and the Campaign. Early reflections from leading UK academics \(Bournemouth University, June 2016\).](#)

¹³ [Tobias Buck, 'Britons least informed on EU treaty', *Financial Times*, 29th January 2005; European Commission, *Eurobarometer 83*, Spring 2015; IPSOS MORI, 'The Perils of Perception and the EU: Public misperceptions about the EU and how it affects life in the UK', 9th June 2016.](#)

¹⁴ [Michael Dougan, 'Professor Michael Dougan on the EU Referendum', University of Liverpool, 20th June 2016.](#)



(iii) Explaining the Result

The referendum result table (i) shows that 35% of adult UK residents did not vote, but of those that did a referendum day poll suggests that many (44%) had decided which way to vote more than a year before the poll.¹⁵ This poll also suggests that in addition some voters (14%) decided their vote before the official campaigns began, while more (25%) decided during the campaigns. The final group of voters (17%) were unable to decide until the last days before the referendum. What this poll suggests is that most of those who voted decided how to vote irrespective of the official campaigns, while a greater number were largely undecided or chose not to vote at all. This last group clearly reflects the high degree of uncertainty and lack of knowledge over the UK's membership of the EU.

There are four explanations for the referendum, two of which of which are supported by research-based voting analysis:¹⁶

Leave campaign – the strength of the Leave campaign and the activism of right-wing organisations such as UKIP are widely believed to have determined the result. The neo-liberal leaders of the Leave campaign (Boris Johnson and Michael Gove) and the UKIP party (Nigel Farage) and their wealthy sponsors (Arron Banks, Paul Sykes, and Richard Desmond) are all current or former supporters of the Conservative party. While the campaign was successful in the spread of disinformation, distrust and divisive abuse, it was not the determining factor in explaining the result.

Anti-EU – anti-EU feelings and opinions were strongly voiced by the Leave campaign and were also believed to have determined the result. Important here was the “Let’s take back control” slogan of the Leave campaign and its commitment to five goals:

- Our money – give the NHS millions more every week
- Our economy – create new jobs with new trade deals
- Our borders – a new points-based immigration system
- Our security – deport dangerous foreign criminals
- Our taxes – cut VAT on household energy bills

All five of these commitments were disproven or discredited during the campaign, and were all denied as untrue by the leaders of the Leave campaign immediately after the

¹⁵ [Michael Ashcroft, 'How the United Kingdom voted on Thursday... and why', 24th June 2016.](#)

¹⁶ [Matthew Goodwin and Oliver Heath \(2016\), 'The 2016 Referendum, Brexit and the Left Behind: An Aggregate-level Analysis of the Result', *Political Quarterly* 87\(3\); Matthew Goodwin and Oliver Heath, *Brexit vote explained: poverty, low skills, and lack of opportunity*, Joseph Rowntree Foundation, 2016; Agust Arnorsson and Gylfi Zoega, *On the Causes of Brexit*, Working Papers in Economics and Finance, 1605, Birkbeck College, August 2016; Sascha Becker, Thimo Fetzer, and Dennis Novy, *Who Voted for Brexit? A Comprehensive District-Level Analysis*, Department of Economics Working Paper No. 305, University of Warwick, October 2016.](#)



referendum. Boris Johnson, Michael Gove, and Nigel Farage were subsequently proven to have lied about the major claims of their campaign on questions of contributions to the EU budget, immigration, the EU's Single Market, national security, and taxes.¹⁷ However, while anti-EU opinions were strongly voiced during the referendum campaign, they were not a primary determining factor in explaining the result.

Immigration – anti-immigration views and xenophobia became the major focus of the Leave campaign once it was realised there was no economic case for leaving the EU. The Leave campaign placed considerable emphasis on controlling ‘our borders’ by introducing a new points-based immigration system, although this claim was subsequently denied by leaders of the Leave campaign. Nigel Farage and UKIP’s ‘Breaking Point’ poster and campaign was specifically identified by the UN, Council of Europe, and human rights groups as invoking racism and xenophobia to win the referendum.¹⁸ Research-based analyses of voting found that “those places which experienced an increase in EU migration over the last ten years tended to be somewhat more likely to vote Leave”.¹⁹ Immigration was an important issue in areas that had experienced sudden population change since the 2004 enlargement of the EU, but this was a secondary factor shaped by the primary determining factor – inequality.

Inequality – questions of poverty, unemployment, poor education, disadvantage, and inequality played no real role in the referendum campaigns, but they determined the outcome. All research-based voting analyses demonstrate that those groups most vulnerable to poverty and austerity, with lower education, lower income, and older age groups, were more likely to vote Leave.²⁰ Goodwin and Heath found that support for Leave was 30% higher amongst those with lower education; 20% higher amongst those over 65 years old; 10% higher amongst those earning less than £20 000 (DK 165 000) per year; and 18% lower amongst people with non-white ethnic backgrounds. But they also found that the most important factor was location – people living in marginalised and disadvantaged places, ‘left behind’ by globalisation and de-industrialisation, and hit hard by the previous six years of neo-liberal austerity, were far more likely to vote Leave.

¹⁷ [BBC News, ‘Reality Check: Have Leave campaigners changed their tune?’, 28th June 2016](#); [The Editorial Board, ‘Brexit Proponents’ False Promises Crumble’, *The New York Times*, 28th June 2016](#); [Bethan McKernan, ‘8 of the most misleading promises of the Vote Leave campaign, ranked in order of preposterousness’, *The Independent*, 24th June 2016](#).

¹⁸ [Agence France-Presse, ‘Reported Hate Crimes Surged Around Brexit Vote: UK Police’, NDTV, 9th July 2016](#); [United Nations Committee on the Elimination of Racial Discrimination, ‘Concluding observations on the twenty-first to twenty-third periodic reports of United Kingdom of Great Britain and Northern Ireland’, 26th August 2016](#); [Benjamin Ward, ‘Britain’s Brexit Hate Crime Problem: UN Report Slams “Divisive” and “Xenophobic” Brexit Campaign’, *Human Rights Watch*, 5th September 2016](#).

¹⁹ [Matthew Goodwin and Oliver Heath \(2016\), ‘The 2016 Referendum, Brexit and the Left Behind: An Aggregate-level Analysis of the Result’, *Political Quarterly* 87\(3\), p. 329](#).

²⁰ [Goodwin and Heath \(2016\), p. 325](#); [Goodwin and Heath, *Brexit vote explained* \(2016\), p.1](#); [Arnorsson and Zoega \(2016\), p. 26](#); [Becker, Fetzer, and Novy \(2016\), p. 16](#).



[2] UK Government Omnishambles

The aftermath of the consultative referendum resulted in the immediate resignation of the British Prime Minister, David Cameron, and summer-long government chaos as the Conservative party struggled to find a replacement for him. This UK government omnishambles ('disastrous consequences of political ambition') has continued after Theresa May out-maneuvered Boris Johnson, Michael Gove, and Andrea Leadsome to become Prime Minister on 13th July 2016.²¹ There are three factors that drive the continued omnishambles: party politics, government cabinet, and political agenda.

(i) Party Politics

The political consequences of the referendum result are primarily shaped by the party politics of the Conservative party, not by the result or by British national interest. Prior to the referendum, the Conservative party was the only major UK party where a significant number of Members of Parliament had declared support for Leave – 138 MPs supported Leave, while 185 supported Remain.²² Exit polling of referendum voters suggests that supporters of all major UK parties voted in favour of Remain, with the exception of the Conservatives - votes for Remain – Greens 75%; Liberal Democrats 70%; Scottish Nationalists 64%; Labour 63%; Conservatives 42%. The debate over the referendum result is politically seen as a Conservative party problem, with opposition parties primarily critical of the divided Conservative government and its proposed legislative agenda.

(ii) Cabinet Politics

The UK government's cabinet of ministers consists of 7 pro-Leave ministers and 15 Remain ministers, plus Theresa May. Astonishingly three of the ministerial positions dealing with the UK's relationship with the EU have been given to pro-Leave supporters. Boris Johnson, who was pro-EU but chose the lead the Leave campaign for personal political gain, was appointed foreign secretary. David Davies, a former minister for Europe, pro-Leave and lacking in knowledge regarding the EU and UK trade, was appointed 'Exiting the EU' secretary. Liam Fox, the disgraced former Defence minister was also pro-Leave and lacks knowledge on questions of trade, but was appointed international trade secretary. These three ministers, together with three other pro-Leave ministers, make up half of the 'European Union Exit and Trade Committee' in charge of negotiations with the EU.

²¹ [Henry Farrell, 'Forget 'House of Cards.' Watch 'The Thick of It' if you want to understand Britain's omnishambles', *The Washington Post*, 1st July 2016.](#)

²² [BBC News, 'Where the cabinet and other MPs stand', 22nd June 2016.](#)



(iii) Political Agenda

The UK government's initial political agenda under Prime Minister Theresa May gives some indication of UK politics during the 3½ years until the next general election scheduled for the 7th May 2020. At the October Conservative party conference, Theresa May announced that the UK government would initiate the EU Article 50 procedure at the end of March 2017, and that it would introduce a 'Great Repeal Bill' in May 2017 which would propose legislation to transpose all EU-related law into UK law on the day the UK leaves the EU. While initially seen as bringing clarity to the post-referendum chaos in the UK, both these initiatives are highly problematic for diplomatic and constitutional reasons. Diplomatically it is widely accepted that the UK cannot conclude any acceptable post-EU economic relations within the two years from April 2017 to April 2019. The combination of the French Presidential elections (April-May 2017), the German federal election (August-October 2017), and the European Parliament elections (May 2019) means there is not enough time for negotiating acceptable post-EU relations before the UK departs. In addition, Theresa May has stated her preference for controlling immigration from the EU over access to the Single Market, as well as her support for negotiating a customs union with the EU.

What is absolutely clear from the UK government omnishambles is that neither the Prime Minister nor her EU-related ministers have the experience or the competence to negotiate the best outcome for Britain – any deal will be for the benefit of the Conservative party rather the UK as a whole.



[3] Divisive Brexit debates

The current Brexit debates in the UK are divisive in that they set local communities, ethnic groups, and regions against each other. The debates reflect the patterns of disadvantage and deep divisions which now clearly distinguish educational opportunity, family income, generational differences, and the post-industrial landscape of the UK. Finally, the debate demonstrates that the processes of the disunited kingdom are accelerating – the 2011 UK Census indicates that British identity is being swept away by home country national identity.²³ Of these divisive, dividing, disuniting Brexit debates, legal, political, social, economic, conflict, and environmental questions are currently important.

(i) Legal Questions

In the UK's relationship with the EU, the High Court of Justice of England and Wales has found that "the most fundamental rule of UK constitutional law is that the Crown in Parliament is sovereign and that legislation enacted by the Crown with the consent of both Houses of Parliament is supreme."²⁴ The UK has a 300-year old practice of parliamentary sovereignty on this basis, where parliament may decide which laws to accept and which laws to reject. The UK has been a party to 14,000 treaties over the past 200 years, including the European Communities Act 1972, all of which involve the sharing of sovereignty, but are all subject to parliamentary supremacy.

The UK government's pursuit of leaving the EU raises many significant legal and constitutional questions. First, the UK membership of the EU was based on four decades of democratic debate and parliamentary law-making on questions of the benefits and consequences of EU membership. Regardless of the High Court and Supreme Court rulings, determining the long-term consequences of the UK's relationship with the EU through short-term tools such as a referendum, the use of royal prerogative, or a single act of parliamentary approval has serious consequences for UK democracy that cannot be easily remedied. Second, the UK government's decision to leave the EU radically alters the current constitutional settlement regarding the home countries and national assemblies of Scotland, Northern Ireland, and Wales. Finally, it is inevitable that the moment the UK leaves the EU in May 2019 and enacts the 'Great Repeal Bill', if it wishes to retain access to EU markets, it will need to copy the daily legislative activity of the EU into UK legislation. All three of these aspects move democracy and the law making away from UK parliamentary sovereignty and towards executive and bureaucratic rule by the government.

²³ [Elise Uberoi, 'Brexit: national identity and ethnicity in the referendum', *Second Reading: the House of Commons Library blog*, 14th July 2016.](#)

²⁴ [R \(Miller\) -V- Secretary of State for Exiting the European Union, 3rd November 2016.](#)



(ii) Political Questions

The referendum and UK government policy of leave raises significant political questions about democracy in the UK. First, as discussed, it is clear that the UK does not have a genuine public sphere capable of sustaining adequate public debate necessary for democracy to function. Reforms to laws governing campaign behaviour and a strengthening of the role of the Electoral Commission may help, but the referendum debates were primarily conditioned by a generation of ignorance of the UK's membership of the EU combined with a significant shift from old to new media as a means of knowledge and debate. Second, the political climate and chaos within the Conservative party has led to the UK government shifting to the right and endorsing UKIP's far-right political agenda. Third, this changed political climate endorses the monitoring of foreigners and their children; the reduction of foreign students; and the open hatred of those who speak up in opposition to this far-right political agenda. Fourth, as discussed above the use of a referendum, the significant decline in the UK's public sphere, the change of UK government, and the shift to executive and bureaucratic rule is emptying democratic parliamentary sovereignty in the UK. Fifth, the disuniting of the UK has become an increasingly likely reality, with Scotland and Northern Ireland demanding to remain free moving participants in the EU's Single Market.

(iii) Social Questions

From 1960 to 1984 the UK was one of the more equal societies in Europe, with Gini inequality indices in the range 23 to 27 (compared with Denmark 38 to 28, and USA 38 to 34).²⁵ With the election of the Conservative Prime Minister Margaret Thatcher in 1979, inequality in the UK climbed rapidly to US levels, with Gini **inequality** indices in the range 28 to 35 (compared with Denmark 20 to 28, and USA 34 to 38) in the period 1985 to 2016. As discussed above, the referendum demonstrated the deeply divided nature of UK society, but it also accelerated some of these divisions through the xenophobic and racist language and policies legitimised in the process.²⁶ UK Home Office figures show how a 41% increase in **hate crimes** took place immediately following the referendum, with central Europeans being specifically targeted.²⁷ This increase in hate crimes was on top of the increase in racism registered since Theresa May's October 2013 London campaign against immigrants titled "Go Home or Face Arrest".²⁸ **Racist incidents** and hate crimes had declined in the period 2008-2012, but with the 'Go Home' campaign reversed this trend with a 5% increase in hate crimes in 2013.²⁹ On top of the gradual rise in racist incidents since 2013, and the significant increase in hate crimes following the referendum, the Home

²⁵ [UN University, WIID: the World Income Inequality Database.](#)

²⁶ [Evander Pedersen, 'Professor: Politikerne vildleder arbejderklassen om EU, Kristeligt Dagblad, 30th June 2016.](#)

²⁷ [Home Office Official Statistics, Hate crime, England and Wales, 2015 to 2016, 13th October 2016.](#)

²⁸ [BBC News, 'Theresa May says 'go home' will not be rolled out across UK', 22nd October 2013.](#)

²⁹ [Home Office Official Statistics, Hate crimes, England and Wales, 2013 to 2014, 16th October 2014.](#)



Office figures detail the 147% increase in UK **homophobic attacks** in the three months following the referendum.

Britain's **imperial history** and successive UK government policies are responsible for the relative difference between immigrants and emigrants in the UK. Britain's foreign invasion, colonisation, and empire explain the increase in the proportion of resident population born abroad from 4.3% in 1951 to 8.9% in 2001.³⁰ Evidence from the 1951 to 2011 Census demonstrates that the vast majority of foreign-born and naturalised UK residents are the result of UK relations with its former colonies: Ireland, India, Pakistan, Bangladesh, Jamaica, Nigeria, South Africa, and the USA.

Since 1984 successive UK governments have promoted the four freedoms of movement of people, goods, capital and services in the EC/EU. UK governments have also been at the forefront of opening the EU up to membership and subsequent freedom of movement of people from new member states in **Central and Eastern Europe**, against opposition from other Western European member states. At the same time, UK governments have been opposed to any attempt to introduce common EU rules on immigration and asylum policies, in particular by staying out of internal border arrangements (Schengen Convention) and policies that result from the UK advocacy of free movement of people (Justice and Home Affairs cooperation). Thus in 2004 the 10 new member states of the EU faced transitory restrictions until 2011 in most existing EU member states, except for the UK, Ireland, and Sweden. Hence, successive UK governments' policies resulted in attracting the freedom of movement of people from new Central and Eastern European member states such as Poland and the Baltic states.

Like the rest of the developed (OECD) world, the UK's long-term **demographic decline** is dependent on the role played by immigration and emigration, whether for education, employment, or travel. With predicted proportions of residents over 65 of approximately 20-30% and over 85 of approximately 5-10%, the UK faces very real challenges of its medium-term economic and social tax, benefits and care.³¹ Recent migrant workers into the UK help address this demographic challenge and are net tax contributors, and they are also essential parts of the workforce in the manufacturing industries of the UK. In particular, the food, tourist, logistics, building, textiles and clothing, and wholesale trade industries all have migrant worker shares of total employment over 20%, with all UK industries averaging approximately 16% migrant workers.³² Migrant workers from the 2004 enlargement

³⁰ [Office for National Statistics, '2011 Census analysis: Immigration Patterns of Non-UK Born Populations in England and Wales in 2011', 17th December 2013.](#)

³¹ [Francesca Colombo, et al., *Help Wanted?: Providing and Paying for Long-Term Care*, OECD, 2011; Christine de la Maisonroue and Joaquim Oliveira Martins, 'Public spending on health and long-term care: a new set of Projections', *OECD Economic Policy Papers*, No. 6, 2013.](#)

³² [The Migration Observatory, 'Migrants in the UK Labour Market: An Overview', Oxford University, 9th November 2015](#)



of the EU make up approximately 5% of all UK industrial employees, and are particularly active in the food, domestic services, accommodation, and logistics industries.

Finally, the **social freedoms** of people living in Europe have changed massively since the 1980s – freedom to travel, study, live and work in each other's countries without significant restriction. It has been forgotten just how difficult and expensive it was to travel; how little opportunity there was for studying without English as a common language; all the prejudice and barriers to moving and living in another country; and the unlikelihood of finding work in another European state. At the same time, **social rights** covering human rights and workers' rights such as gender equality, LGBT rights, paid holiday leave, parental leave, equal pay, fair treatment, and limits to the working week have all become law in the UK and across Europe because of the EU.³³

(iv) Economic Questions

Economic prosperity in Europe has improved dramatically since the 1950s. The living standards (UN Human Development Index) of every EU member state have improved significantly since the 1950s, in particular those countries with relatively low initial levels in Southern and Eastern Europe.³⁴ These rising living standards across the EU include substantial improvements in income per person, education, and life expectancy. Perhaps the UK could have improved its living standards outside the EU, but the history of the UK's relative decline from the end of the First World War until EC membership in 1973 makes clear this was not the case. In 1913 the UK's living standards were ranked 6th in the world (behind New Zealand, Australia, Denmark, the Netherlands, and Canada), but by 1950 the UK had been passed by the USA, Switzerland, Sweden, and Norway to be ranked 10th in the world.³⁵ During the 1960s this post-imperial decline continued, ensuring that by 1975 the UK's living standards were ranked equal 13th in the world after being caught by France, Japan, and Austria. During the same period, the economic decline of the UK was similar – between 1950 and 1973 the UK's growth of national income per person was the slowest of any of the major G7 economies (including West Germany, France, and Italy). But since joining the EU in 1973, the growth in the UK's national income per person has been the fastest of any of the major economies.³⁶

Economically the question of UK **membership costs** of the EU (approximately £8 billion per year) is irrelevant. The UK economy is worth approximately £2 000 bn (or 250

³³ [Unite the Union, 'What has Europe ever done for us?', 22nd May 2014.](#)

³⁴ [UN HDI, 'Trends in the Human Development Index, 1990-2014', 2015 HDR Report; Nicholas Crafts, 'The Human Development Index, 1870–1999: Some revised estimates', European Review of Economic History 6\(3\), p. 397.](#)

³⁵ [Nicholas Crafts, 'The Human Development Index, 1870–1999: Some revised estimates', European Review of Economic History 6\(3\), p. 397.](#)

³⁶ [Chris Giles, 'Economists' rare unity highlights peril of Brexit', Financial Times, 15th June 2016.](#)



times the annual EU membership costs). UK trade makes up approximately 60% of the Gross National Income, of which trade exports to the EU are worth £229 bn per year (or 30 times the annual EU membership costs). Foreign Direct Investment stock in the UK from the EU is worth approximately £500 bn (or 60 times the annual EU membership costs). Current estimates of outstanding commitments by the UK to the EU are estimated at £20 bn (or 2.5 times the annual EU membership costs). Annual European Investment Bank loans to the UK are worth approximately £10 bn per year (just over the annual EU membership costs).

The political and social divisions within the UK will be greatly exaggerated by the economic costs of leaving the EU. All independent research-based economic analyses provide information on the relative economic costs of leaving the EU, but provide little indication of the likelihood of each option occurring. The UK has at least three economic options after leaving the EU, but only one is likely in May 2019 – WTO-based trading relations with significant and permanent consequences for the UK economy:

European Economic Area membership, similar to Norway, is the first economic option but is highly unlikely. The idea that a transitional EEA membership could be negotiated in just two years is unlikely (it took existing EFTA members 5 years to negotiate). EEA membership is likely to be opposed by existing EEA members who do not want their special relationship with the EU shaped by UK commercial interest. Similarly, a transitional EEA membership is likely to be opposed by existing EU members who have always seen the EEA as a solution for European states wanting closer relations to the EU, not as a resting place for a departing EU state. Membership of the EEA would involve membership fees, the four freedoms of movement, the implicit jurisdiction of the CJEU and the explicit jurisdiction of the EFTA Court. EEA members have never invoked Article 112 emergency measures or declined to legislate EU laws and rules into national legislation for fear of damaging the EEA relationship. The static economic costs (not factoring in productivity costs) of UK participation in the EEA are in the range of approximately -1% to -2% loss of GDP growth spread over a 15 year period following departure from the EU. The dynamic economic costs (factoring in productivity costs) of UK participation in the EEA are in the range of approximately -3% to -4% loss of GDP spread over the same 15 year period.³⁷

Bilateral Free Trade Agreement (FTA), similar to those of Switzerland, Canada, or even Turkey's Customs Union with the EU is the second economic option but is also unlikely. As the Swiss and Canadian models have demonstrated, the mixture of supranational-EU and international-member state competences require agreement amongst both EU states and member state national and regional legislatures. The Canadian free trade agreement took

³⁷ [Carl Emmerson, Paul Johnson, and Ian Mitchell, *The Single Market: The Value of Membership versus Access to the Single Market*, Institute for Fiscal Studies, August 2016\).](#)



7 years to negotiate and was subject to agreement by 38 legislatures – a model that would make agreement between the EU and the UK unlikely to be agreed inside of a decade. The Swiss bilateral model is far more complicated and difficult to maintain, with widespread agreement in the EU prior to the UK referendum that it should not be replicated. The Swiss bilateral agreement involves buying into programmes, such as the EU research programme, as well as participating in the free movement of people. However, free movement of services are restricted to certain areas, which involve Swiss companies establishing subsidies within the EU. A customs union, such as Turkey's, primarily applies only to free movement of goods, with Turkey applying the common external EU customs rules and tariffs, but the movement of goods into and out of the EU is not subject to the customs controls and 'rules of origin' that EEA and EFTA goods are. The annual static economic costs of UK participation in a FTA are in the range of approximately -2% to -3% loss of GDP growth spread over a 15 year period following departure from the EU, depending on the specifics of the agreement. The dynamic economic costs of UK participation in a FTA are in the range of approximately -5% to -8% loss of GDP spread over the same 15 year period, depending on the specifics of the agreement. An FTA or customs union might save some of the UK's manufacturing industries, but are unlikely to save most of the UK's services industries (which make up 80% of the UK economy, GDP 2016).³⁸

World Trade Organisation (WTO) membership provides the most likely outcome in the medium term, as both EEA and FTA prove difficult, if not impossible, to achieve. UK tariffs with trading partners would be subject to WTO rules on the basis of 'Most Favoured Nation' levels, unless FTAs or existing agreements remain in place, which is unlikely. The UK would also have to renegotiate its membership of the WTO as it joined in 1995 as part of the special status granted to the EU as a Regional Trade Agreement. Falling back on WTO membership would have a critical impact with EU's Common External Tariff, customs barriers, Non-Tariff Barriers, and regulatory barriers being enforced on the UK. The annual static economic costs of UK trade on a WTO basis are in the range of approximately -3% to -4% loss of GDP growth spread over a 15 year period following departure from the EU. The dynamic economic costs of UK trade on a WTO basis are in the range of approximately -5% to -10% loss of GDP spread over the same 15 year period. In the absence of an FTA, it is predicted by Leave supporters such as the discredited neoliberal Patrick Minford, that UK agriculture and manufacturing would soon be eliminated.³⁹

³⁸ [Jacqui Jones, 'UK Service Industries: definition, classification and evolution', Office for National Statistics, 6th September 2013.](#)

³⁹ [Nicholas Crafts, 'UK Economic Growth Performance in a European Context: Has EU Membership Made Much Difference?', CAGE, University of Warwick, June 2016;](#) [Thomas Sampson, Swati Dhingra, Gianmarco Ottaviano, and John Van Reenen, 'Economists for Brexit: A Critique', Brexit Analysis No. 6, Centre for Economic Performance, LSE, 24th May 2016;](#) [Owen Worth, 'Reviving Hayek's Dream', Globalizations, September 2016, pp. 1-6.](#)



The Leave campaign emphasised Britain fulfilling the neoliberal dream of becoming a fully-privatised, free-market state, similar to Singapore or Hong Kong.⁴⁰ These idealised views are highly misleading, firstly because there are no examples of developed countries ever having succeeded economically in this way – for example Singapore is a state-owned economy with 90% of land, 85% of housing, and 22% of GDP owned by the government. Secondly, the necessity of free trading with any and all economies in the world will make the UK more vulnerable to the influence of larger economies such as China or the USA, who will inevitably demand Investor-State Dispute Settlement (ISDS) to the detriment of UK sovereignty and possibility security. Theresa May's agreement to the highly problematic Hinkley Point C nuclear power station indicates that such processes have already begun. Thirdly, it is not realistic to expect that the UK will succeed in agreeing beneficial **bi-lateral trade agreements** with emerging economies such as China, India, or Brazil. It is unlikely that any agreements will be reached without substantial compromises from the UK (for example, over foreign ownership and strategic assets, as well as easing visa controls for foreign nationals).⁴¹ Similarly, even if compromising agreements are reached (such as the Switzerland-China FTA), in the medium term they could not compensate for the loss of EU markets, while in the long term the economic growth predictions of the world's largest emerging economies are flattening to levels comparable to post-war Europe – India (7%), China (5%) and Brazil (3%) after 2020.⁴² Finally, any such bilateral free trade agreements are primarily important for trade in goods, which places the UK at a disadvantage, while trade in services are rarely covered to the considerable disadvantage of the UK economy.

(v) Conflict Questions

Peace in Europe has been only guaranteed by addressing the roots of conflict – the long-lasting mistrust and hatreds built-up between the peoples of Europe. Prior to the process of European integration in the 1950s, it is almost impossible to find a decade of peace between current EU member states going back centuries. Clearly, peace among the European warring nations since 1950 has not been achieved by the EU alone as the presence of the USA/NATO, and the fear of the Soviet Union were important. But NATO defends European members from external aggression, it does not prevent conflict amongst European states – as the 1974-2004 conflict between NATO members Greece and Turkey over Cyprus illustrates. The military interests of the USA have swung towards East Asia, leaving Europeans to deal with Russia.

⁴⁰ [Jeremy Warner, 'If this is the end of globalisation, what hope for UK trade post Brexit?', *The Telegraph*, 19th July 2016.](#)

⁴¹ [John Farnell, 'A meaningful UK-China FTA is wishful thinking', *Financial Times*, 25th October 2016;](#) [John Gapper, 'If China cannot beat Europe, it will acquire it', *Financial Times*, 27th October 2016;](#) [FTView, 'May's Indian journey is a hard test on immigration', *Financial Times*, 6th November 2016.](#)

⁴² [Carl Emmerson, Paul Johnson, and Ian Mitchell, *The Single Market: The Value of Membership versus Access to the Single Market*, Institute for Fiscal Studies, August 2016;](#) [Knoema, China, India, and Brazil 'GDP Growth Forecast 2015-2020 and up to 2060, Data and Charts'.](#)



The UK has been heavily involved in conflicts with European states prior to joining the EU, most of which have been forgotten. The long-lasting dispute with **Spain** over Gibraltar, reignited in the 1960s, will inevitably flair up again, as will conflicts over fishing rights that were addressed by Spanish EU membership in 1986. Similarly, it is forgotten how often the cross-channel ports of Dover, Folkestone, Newhaven, Ramsgate, Calais, Dieppe, Boulogne, and Dunkirk were blockaded by British and French protesters over commercial issues such as transport, agriculture or fishing prior to the Single Market. In addition, conflict between the UK and **France** over migration control, for example in Calais, will be inevitable. Fishing wars between the UK and **Iceland**, Faroes, Ireland, Norway, France or Spain are also far more likely after the UK leaves the Common Fisheries Policy.

The biggest conflict question is over the status of **Northern Ireland** which, after the 1969-1997 'Troubles', was resolved within the context of equal Irish and UK membership of the EU. The departure of the UK from the EU will introduce the greatest strains in Northern Ireland since both states joined the EU together in 1973. The likelihood is that UK will leave not only the border-free Single Market, but also the Irish-UK Common Travel Area (established 1923) unless the UK is able to negotiate membership of the EEA before departure in May 2019. This will inevitably heighten the risk of conflict over the status of Northern Ireland, as well as significantly impact on the Irish economy. One possible outcome is that UK citizens living in Northern Ireland will become Irish/EU citizens over the next 2 years, shifting the politics of the region.

(vi) Environmental Questions

Debates over legal, political, social, economic, and conflict questions are central to understanding the long-term consequences for the UK over the rest of this century. But they are not the most important question. In 2016 the world crossed a threshold, a tipping point, from which the planet will not return – the average concentration of CO₂ in the atmosphere is now at 400 parts-per-million, guaranteeing that mean surface temperatures will rise above 2 degrees Celsius and continue to rise.

Prior to joining the EU, Britain was called the 'dirty man of Europe' because of its appalling pollution and conservation standards. It was perfectly normal to grow up in a coastal town where sewage ran down the local beach. The EU has promoted the strongest environmental protection programmes and laws in the world, trying to lead the massive transformations needed to cope with climate change. Britain's beaches are safer, its water cleaner, and its air more breathable because of EU membership.

Theresa May has stated she is committed to signing the 2015 Paris climate change agreement in 2017, but the UK's departure from the EU raises serious questions. It is inevitable



that the UK leaving the EU will change the grounds of the EU's 2030 climate change Effort-Sharing Decision, the greenhouse gas Emissions Trading Scheme, and hence the EU approach to climate change. In terms of alternate energy this shift in UK position has been taking place for some time – the UK dropped out of the top 10 of the World Energy Council's Trilemma Index for energy for the first time in 2016.⁴³ The UK government's support for nuclear power over sustainable energy, and its support for fracking in Lancashire demonstrate its problematic environmental position. This environmental position is likely to worsen as UK agriculture declines after departure – pushing the UK into adopting GMO agricultural production and foodstuffs. The Leave campaign was committed to removing environmental and labour legislation, such as the 2013 Energy Act, the 1996 Employment Rights Act, and the 1998 Working Time Regulations. It is inevitable that the neoliberal drive for free trade, economic pressure on the government, and the desire to remove environmental legislation will all have negative consequences on environmental questions in the UK.

Where does the Brexit debate stand in the UK right now?

As this brief has made clear, the unconvincing referendum context, the UK government omnishambles, and divisive Brexit debates have opened a rupture at the heart of British society and politics that will dominate and dissolve the notion of a united kingdom this century. The unconvincing referendum context, with a meaningless referendum and indecisively close result primarily explained by structural inequality, leaves UK politics scarred by the realisation that there is no one nation called Britain. The subsequent UK government omnishambles driven by party politics, incompetent ministers, and a right-wing political agenda, significantly reduces the possibility of a good outcome for Britain. The divisive Brexit debates that are only just beginning over legal, political, social, economic, conflict, and environmental questions will divide and disunite Britain in a way unseen in modern British history. It must be recalled that prior to the global financial crisis and Conservative government austerity programme, the UK's membership of the EU was a second-order issue, behind first-order national political, social, and economic issues. The events of 2016 will be remembered for reversing the poles of UK politics by submersing genuine UK socio-economic challenges of inequality, disadvantage, poverty, and injustice beneath the veneer of nationalism and neoliberal ideology.

⁴³ [World Energy Council, 2016 Energy Trilemma Index: Benchmarking the sustainability of national energy systems, 3rd October 2016.](#)