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An Introduction to Brexit

In June 2016, voters in the United Kingdom (UK) chose to leave the European Union (EU), a process known as Brexit (**British Exit**). Since that time, politicians have repeatedly tried to negotiate and approve a settlement agreement between the UK and EU that would lay out the terms of the UK's exit.

What is the history of the United Kingdom's relationship to the European Union?

The idea of a union of European countries began after World War II as a way to promote political and economic cooperation and to avoid another major war. In 1957, six countries formed the European Economic Commission (EEC). The UK declined to join the EEC at that time but became a member in 1973. Even then, some citizens in the UK voiced concerns about giving up decision-making power over some policies to a European organization based in Brussels, Belgium.

After the Berlin Wall collapsed in 1989 and tensions between the West (Europe and the United States) and the East (the Soviet Union and its allies) decreased, countries in Central and Eastern Europe sought to create closer ties with Western European countries. A 1993 treaty established the European Union (EU), an organization of twenty-eight European countries.

The EU is both a political union and an economic union that promotes free trade. Member countries can import and export goods without inspection at borders because they follow the same rules and regulations. Goods move tax-free between the twenty-eight member countries. Banking and legal services also can be provided to clients in any EU country without restriction. Under EU law, citizens from other EU countries have the right to live and work in the United Kingdom and vice versa. Citizens in EU countries elect representatives to the European Parliament and enjoy the free movement of goods, services, people, and money.

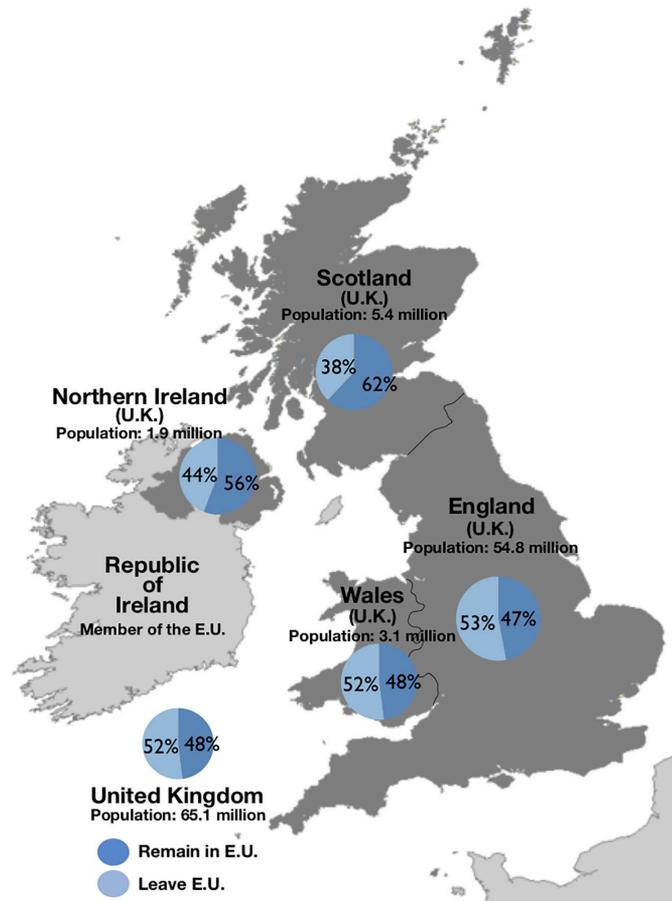
Definitions

Sovereignty—Sovereignty is a country's right to govern itself free from outside interference.

Which issues led to the Brexit vote in June 2016?

The issues that led to the Brexit vote are numerous. (See chart on next page.) Some UK citizens, known as Brexit supporters, want the UK to leave the EU. Others, known as Remain supporters, want the UK to continue to be part of the EU.

Voters in the United Kingdom had a chance to choose whether they wanted to leave the EU or remain a part of the EU in a referendum vote in June 2016. (A referendum is an opportunity for voters to decide an important issue through a popular vote.)



Chris O., modifications by Amy Sanders (CC BY-SA 3.0)

The results of the 2016 Brexit vote, in which 52 percent of voters in the United Kingdom voted to leave the European Union.

Major Issues in the Brexit Debate

Issue	“Brexit” supporters	“Remain” supporters
Sovereignty	Membership in the EU requires the UK to give up sovereignty over some policies to EU policymakers. Brexit supporters want to reclaim control over policy from the EU.	Remain supporters believe the UK should remain in the EU to influence policies that shape Europe and affect the world. They believe the UK’s voice is more powerful when it is part of the EU.
Membership Costs	In 2016, the UK paid £13.1 billion (US\$23.3 billion) for its share of the EU budget. Brexit supporters argue that money should remain in the UK and be used to improve roads, hospitals, schools, and other essential projects.	The UK receives some of its membership fees back in projects that benefit the UK. There are other benefits to membership, such as free trade with Europe, that Remain supporters believe offset these membership costs.
Trade and Economy	Brexit supporters believe EU rules impose unwanted regulations or controls on UK businesses. If the UK left the EU, Brexit supporters believe the UK could create more favorable trade agreements for Britain.	Remain supporters believe that if the UK leaves the EU, it will lose some of the benefits of free trade with its neighbors. Remain supporters believe leaving the EU would hurt the UK economy.
Immigration	Brexit supporters argue that an influx of immigrants are taking jobs from British citizens and putting pressure on housing, education, and other social services.	Remain supporters acknowledge that immigration can present challenges but argue that under EU law, citizens in the UK also have the right to live and work in other EU countries as well.
Security	Brexit supporters believe the UK is less secure because its open borders to the EU make it difficult to check who enters the country.	Remain supporters believe the UK is more secure as part of the EU because the country engages in intelligence sharing with other EU countries.

What were the results of the 2016 Brexit vote?

The United Kingdom includes the countries of England, Wales, Northern Ireland, and Scotland. A majority of voters in two countries, England and Wales, voted to leave the EU on June 23, 2016. A majority of voters in Scotland and Northern Ireland, however, voted to remain in the EU. Although the vote was close, the majority of voters in the entire UK voted to leave. The prime minister at the time, David Cameron, supported the Remain campaign and resigned shortly after the Brexit vote. After a brief leadership struggle within the Conservative Party, Theresa May became the new prime minister and took on the job of carrying out Brexit.

What is the process for leaving the EU?

In March 2017, the UK invoked Article 50 of the Treaty on European Union, the formal declaration that signaled its intent to withdraw from the

EU. No other country has ever withdrawn from the EU. Under the terms of Article 50, a country has two years to exit the EU officially or must request an extension. An extension must be agreed upon by all other EU members.

What were the terms of Prime Minister Theresa May’s withdrawal agreement?

In November 2018, Theresa May’s government negotiated terms of a withdrawal agreement with EU officials. The deal specified what Britain’s relationship with the EU would be during a 21-month transition period (until the end of 2020) and required the support of each of the other twenty-seven EU countries. The goal was to allow for an orderly transition out of the European Union. Key aspects included:

- An agreement that the UK’s relationship with the EU would remain essentially the

same while the UK negotiated terms of a new trade deal with the EU.

- A financial settlement as to how much money the UK would pay the EU (sometimes referred to as the “divorce settlement”).
- A guarantee as to the rights of EU citizens living in the UK and UK citizens living in the EU.
- An agreement to prevent a return of a border with physical barriers and customs checks between Northern Ireland (part of the United Kingdom) and the Republic of Ireland (part of the European Union).

Why does the border between Northern Ireland and the Republic of Ireland complicate Brexit negotiations?

If and when the UK withdraws from the EU, the border between Northern Ireland and the Republic of Ireland would become the only land border between the UK and the EU. Customs checks would need to be conducted to ensure that goods traded across the border meet each trading bloc’s standards.

The complicating issue is that an open border between Northern Ireland and the Republic of Ireland is seen as essential to preserving a hard-won peace agreement that in 1998 ended years of violent religious conflict in Northern Ireland.

The European Union insists that the border must remain open and that the United Kingdom must be regulated by European customs laws unless another trade deal can be made between the United Kingdom and Europe. This is referred to as the “backstop agreement.”

Why did Parliament reject May’s withdrawal agreement?

After Prime Minister May reached an agreement with EU negotiators, she returned to the UK asking Parliament to approve it. However, members of Parliament rejected May’s 585-page deal in three separate votes. Those who opposed May’s deal expressed various reasons for opposing it. Most objections concerned the “backstop agreement.” Many members of Parliament criticized the agreement for keeping the UK tied too closely to the EU. They also expressed concerns that the backstop agreement could become permanent (thereby keeping the UK in the customs union).

During May’s efforts to get the UK Parliament to pass her deal, a deadline loomed. If Parliament did not approve the agreement by an April 2019 deadline, the UK would “crash out” of the EU. After a formal request by the British government for an extension, the EU granted one until October 31, 2019. After her third failed attempt to get the withdrawal agreement passed, Theresa May announced in May 2019 that she would step down as prime minister.

How has Prime Minister Boris Johnson approached Brexit?

Conservative party members selected Boris Johnson to replace Theresa May as prime minister in July 2019. Johnson promised to hold new talks with the EU and explicitly focused on removing the Irish backstop agreement.

Shortly after taking office, Johnson announced he would prorogue, or suspend, Parliament from September



Sinn Féin (CC BY 2.0).

Brexit protesters at Stormont in Belfast, Northern Ireland, October 8, 2015.



Left: UK Government [OGL v.3]. Center: UK Prime Minister [OGL v.3].
Right: Gage Skidmore [CC BY-SA 2.0].

Left: Prime Minister Theresa May (in office July 2016-July 2019). Center: Prime Minister Boris Johnson (in office July 2019-present). Right: Nigel Farage, leader of the Brexit Party.

11 to October 14, 2019. Many citizens and members of Parliament saw this as a powerful move to suppress democracy. They voiced concern that Parliament would not have enough time to review and debate any new Brexit agreements Johnson negotiated with the EU before the October 31 deadline.

On September 24, 2019, the UK’s Supreme Court ruled unanimously that Johnson’s five-week suspension of Parliament was unlawful. Members of Parliament returned to their jobs the following day.

On October 17, 2019 Johnson announced he had a new deal with EU for a new withdrawal agreement. Parliament will have to approve the deal.

Johnson has promised to carry out Brexit on October 31, 2019, even if it means leaving the EU with no formal separation agreement (what some refer to as a No-Deal Brexit).

What is a No-Deal Brexit?

A No-Deal Brexit would require an immediate withdrawal from the European Union with no agreement about a transition period. The UK would immediately leave the EU’s single market, customs union, and other EU institutions like the European Court of Justice. Some advocates for this

scenario believe that the UK could avoid paying a “divorce settlement” of about £33 billion (\$40.5 billion) to the EU to fund projects and commitments it made while part of the EU.

Opponents of a No-Deal Brexit claim that if the UK wants to negotiate new trade deals and begin a new economic relationship with the EU, it would be wise to start the relationship off well. They also fear it would cause significant trade disruptions and a slowing economy, civil unrest, and shortages of food, fuel, and medicine.

A majority of members of Parliament prefer an orderly, negotiated settlement with the EU and want to avoid a No-Deal Brexit. Those who support a No-Deal Brexit acknowledge that although there will undoubtedly be challenges, any risks are exaggerated. They argue that the process has dragged on long enough.

European governments are trying to prepare for a range of possible scenarios. The EU has warned that a sudden British withdrawal from the EU could have devastating effects on transportation, supply connections for manufacturing companies, and trade. They have begun hiring more inspectors and customs officials to staff airports and cargo ports. There are concerns that trucks could be backed up for miles at ports awaiting inspection.



diamond geezer (CC BY-NC-ND 2.0).

Epping, England, United Kingdom, June 2016.

How might Brexit influence public opinion in Scotland?

Other potential challenges loom on the horizon for the UK. In 2014, citizens in Scotland voted on a referendum to decide whether Scotland would leave the UK and become an independent country. Fifty-five percent of voters opposed Scottish independence. In the more recent Brexit referendum in 2016, sixty-two percent of Scottish voters said they wanted to remain in the EU. Concern about Brexit has renewed calls from some Scots to revisit an independence referendum. Might Brexit lead to Scotland leaving the United Kingdom?

How might the UK avoid a No-Deal Brexit?

Each of the following actions could help avoid a No-Deal Brexit.

New Deal—Parliament could pass the new deal that Boris Johnson has negotiated with the EU.

Request an Extension—The UK government could request another extension from the EU. Parliament has voted that Johnson must request an extension if Parliament has not signed a Brexit bill by October 19, 2019. There is no guarantee that European leaders would agree to another extension.

New Election in the UK—There could be a new election called in the UK. A new government could formally request that Article 50 be revoked, which would effectively cancel Brexit. It is not clear whether Article 50 could be withdrawn.

Second Referendum—Members of Parliament could require a second referendum vote on Brexit. This time, a referendum could ask voters to either approve leaving the EU on the terms that the government has negotiated or for staying in the EU.

Brexit may also have implications beyond the UK. Trade and manufacturing disruptions would likely result in slower economic growth and could have significant ripple effects in the global economy. The stakes are high, which is why many politicians have urged a careful, gradual approach to Brexit. As the British public grows further divided about Brexit, how will British politicians proceed?