

# Great Decisions 2021

America's largest foreign affairs  
education & discussion program.  
Now in its 67<sup>th</sup> year!

## CHAPTER 3 Brexit and the EU

1

### Timeline of European Integration

- **Post WWII** – Churchill argued for a U.S. of Europe
- **1949** – Council of Europe with U.K. as a founding member
- **1951** – European Coal & Steel Community (ECSC), which Britain declined to join
- **1957** – Treaty of Rome established the European Economic Council (EEC), which Britain declined to join
- **1961** – Britain sought entry into EEC, but blocked by France
- **1973** – Britain joins EEC, along with Denmark & Ireland
- **1976** – EEC referendum in U.K. results in 67% support
- **1981** – Greece joins EEC, then **1986** – Spain & Portugal

2

### Timeline of European Integration (cont.)

- **1985** – Schengen Agreement eliminates internal border checks amongst 5 states, which would grow to 26.
- **1992** – Maastricht Treaty establishes European Union (EU), moving toward an economic & monetary union
- **1994** – Sweden, Austria, & Finland join EU, covering western Europe except Switzerland & Norway
- **1999** – Eurozone of 12 countries is largest cash changeover in history, with Sweden, U.K. & Denmark opting out
- **Post-Soviet Union → 2013** – Several eastern European countries joined EU, with most recent being Croatia

3

### EU/Schengen Area/Eurozone before Brexit

#### The European Union and its different configurations

##### Single market, 28 countries

Free circulation of people, goods, services and capital. Iceland, Norway and Liechtenstein follow most of the rules



##### Schengen area, 26 countries

No interior border controls. Some EU members do not belong, some non-EU countries do



##### Eurozone, 19 countries

EU member states that share a single currency



European Union

EU + Iceland, Norway & Switzerland  
EU - Ireland, UK, Croatia, Bulgaria & Romania

EU - UK, Sweden, Denmark, Czech Rep., Poland, Croatia, Hungary, Romania, & Bulgaria

© AFP

4

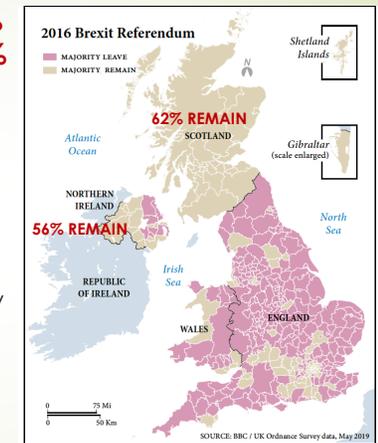
## The Road to Euroskepticism

- **1997** – Labour Party landslide allowed PM Tony Blair to institute social protections coveted by his political left
- **2009** – Euro crisis & **2015** Migration crisis made Euroskepticism a wedge issue within both Conservative & Labour parties. Pro-EU Liberal Democrats broke away from Labour & Anti-EU U.K. Independence Party broke from Conservatives
- **2014** – UKIP won big in local elections and largest number of seats of UK's European Parliament of any party.
- **2015** – European Union Referendum Act (EURA) passed U.K. House 544 to 53, but actually didn't require the government to implement the referendum's results

5

## BREXIT VOTE: LEAVE 51.8% REMAIN 48.1%

- **LEAVE** campaign focused on immigration and revealed extent to which racism remains in U.K.
- **LEAVE** campaign also benefited from pervasive income inequality, one of the highest in the western world
- **REMAIN** campaign suffered from Pro-EU Prime Minister David Cameron's hesitancy to aggressively work against LEAVEers like Boris Johnson in his own Conservative party
- **REMAIN** campaign suffered from failure to counter false economic ads



6

## The Brexit Fallout for Brits

**Christmas Eve Brexit Agreement** – Avoids many of the hard Brexit pitfalls but still has impacts:

- **Irish Border** – Allows an all-but-invisible border, without checkpoints between Northern Ireland and the Irish Republic
- **British Residents in EU** – EU Members will set their own guidelines for any continuing residency by Brits
- **EU Residents in U.K.** – Many with less-than-permanent status will have to apply for residency under new immigration guidelines
- **Trade** – Goods will not face additional tariffs, but there will be additional transaction costs from new licenses and certificates

See BBC, "Brexit: Seven Things Changing on 1 January" at <https://www.bbc.com/news/uk-politics-32810887>

7

## The General Brexit Fallout

- **British Regional Influence** – With new deal, Britain may find itself subject to EU regulations without a vote. Financial interests may shift from London to Dublin, Paris, & Frankfurt
- **British Global Influence** – Retains leadership of 2.4 billion-strong British Commonwealth, but role as U.S. intermediary with Europe will likely shift to Germany & France
- **Scottish Independence Movement** – 2014 referendum was defeated 55.3% to 44.7%, but Brexit and inept U.K. handling of COVID have rejuvenated the movement. Poll shows 58% pro-independence in 2020.
- **EU Stability** – EU lost its 2<sup>nd</sup> largest economy and opened door to other exiters, but remaining members showed remarkable solidarity in Brexit negotiations

8

## Discussion Questions

- ▶ **U.K.** – Do you think the British might have a change of heart and reapply to the EU?
- ▶ **Scotland** – Will the Scottish vote to leave the U.K?
- ▶ **EU** – Are there other members who might now consider leaving?  
Who will step up and take command of Europe once Angela Merkel is out of the spotlight?
- ▶ **U.S. with U.K./EU** – Should the U.S. prioritize its “special relationship” with the U.K. or the EU?
- ▶ **Brexit & MAGA** – Do you see parallels between these two movements?