JANUARY 2018

FIIA COMMENT $^{\circ}/1$

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CANCELLING BREXIT

POSSIBLE THEORETICALLY, BUT DIFFICULT POLITICALLY

Political difficulties and heightened economic concerns have increased calls to cancel the UK's decision to leave the EU. Yet a longer-term perspective and a new accession process could present a more promising pathway should the UK decide to reconsider Brexit.

The Article 50 negotiations are progressing to the second phase, and the UK's departure date is closing in. Difficulties in the process and related uncertainties have amplified calls to reconsider the decision. These include those by former Labour Prime Minister Tony Blair, who has suggested that a second referendum is needed because people did not know what the terms of the new relationship with the EU would be.

Some of the recent polls in the UK also indicate that slightly more people now consider that it was wrong to vote to leave the EU. At the same time, the majority still think the government should go ahead with Brexit, and analysts tend to conclude that no major swift has occurred in public opinion.

One and half years after the vote, the EU is still a highly divisive issue in UK politics. Prime Minister

Theresa May has managed to hold the Conservative Party together by opting for a hard Brexit. Yet May's miscalculation in calling for a snap election, and the consequent loss of her majority in the House of Commons have placed the Prime Minister between a rock and a hard place. The Labour Party has continued to pledge to respect the outcome of the referendum, and only recently managed to agree on a position calling for a softer Brexit.

Economic concerns and the continuing political turbulence suggest, however, that reconsidering exiting the EU cannot be completely ruled out in the shorter- or longer-term perspective.

Even if opinions differ on whether it is legally possible to revoke Article 50, the President of the European Council, Donald Tusk, recently suggested that London could decide that the process will conclude with no Brexit. Many experts and officials across the EU have also underlined that should the UK government decide to cancel its departure, the remaining 27 member states would welcome such a reversal, and would not hesitate to circumvent such a historic setback in European integration.

Yet some notable political difficulties should not be overlooked should the UK decide to cancel Brexit before it becomes a third state vis-à-vis the EU in late March 2019.

Given the UK's views on the development of the EU, cancelling Brexit would most likely have implications for the EU's reform agenda. As Brexit is merely one background driver of the EU reforms, the Union's attempts to intensify its defence cooperation and further consolidate the single currency could be stymied by UK reservations and demands.



The UK's continuing membership on the current terms would most likely highlight multiple speeds in the EU, and possibly lead to more permanent differentiation, consolidating a two-speed model.

Relatedly, revocation would enable the UK government to hang on to its current opt-outs and the rebate on its financial contribution to the EU. Yet as revoking Article 50 is deemed to ultimately be a political decision, other member states could, however, see an opportunity to attempt to revisit the UK membership terms. They are also likely to be concerned about the longer-term prospects of the UK's EU intentions, and the continuation of the political support for EU membership given the current levels of politicisation and polarisation over the EU in the UK. Attempts to attach political conditions to the revocation on the EU's side could be difficult, and easily hamper attempts to rebuild trust between the UK and the EU.

Against this backdrop, reconsidering Brexit could turn out to be on a sounder footing by adopting a longer-term perspective, and advancing it after the UK is out.

Technically, re-entry would be easiest during an envisaged transition period in which the UK is expected to comply with current

EU legislation, enforce new regulations, and accept the authority of the European Court of Justice. Depending on the scope and depth of the future relations, the more regulatory convergence between the UK and the EU is secured, the easier it would be for the UK to re-enter.

Politically, the process appears to be demanding and could turn out to be a lengthy one. Yet this might be a requirement for a lasting solution.

On the EU side, the UK candidacy would require the unanimous backing of all EU member states. This also applies to decisions to launch and conclude membership negotiations, for which the European Parliament's and the Commission's support is also required. This would, however, enable a thorough political deliberation concerning the implications of UK membership for the Union, as well as an assessment of the UK's commitment to membership, which accepting the EU entry criteria would give some indication of. The so-called Copenhagen criteria were adopted by the European Council in 1993, and they stipulate that a new member state must have the ability to take on and effectively implement the obligations of membership, including adherence to the aims of political, economic and monetary union.

On the UK side, a longer-term perspective currently looks more promising with a view to overcoming the political hurdles seen to be preventing a quick Brexit U-turn. A large enough shift in public opinion might take time to form, and could require the opportunity to weigh the pros and cons of EU membership against non-membership. Should this change take place, it should be reflected in the main parties' positions, as well as the outcome of a general election and probably a new EU referendum. It is therefore difficult to envisage that a shortcut would become politically available, or lead to a solid foundation for membership. /



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