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SOME CONTRADICTIONS OF BREXIT

Slobodan ZEČEVIĆ¹

Abstract: With the referendum held in June 2016, the circle of participation of the United Kingdom in the European integration process begun in 1973 was closed. The objectives of this article are to show some contradictions of Brexit. The UK referendum is inherently contradictory because it occurred at a time when the European Union more than ever conforms to British views on the European project. The European Union has never been closer to the concept of a weak confederal union where each sovereign Member State defends its views in accordance with the daily political interests. As a large country and the former imperial power, the United Kingdom tends to preserve his influence in Europe. Leaving the European Union, the United Kingdom will lose the right to decision-making in the European Union institutions, which means that its political influence in the continental Europe will be weaker. The Brexit is a failure for the European Union, but it also may be an opportunity for progress in the areas where the former impeded and prevented integrative steps. It is primarily about creating a structured European defence, autonomous in relation to the NATO.

Key words: Brexit, United Kingdom, European Union, referendum, federalism, secessionism, intergovernmental cooperation, European sovereignty.

INTRODUCTION

The result of the referendum on the United Kingdom leaving the European Union surprised the world public. During the Referendum Night on 23 June 2016, predictions were that the result would be 52 to 48 percent of votes in favour of the United Kingdom remaining in the European Union. The next day, early in the morning this estimate fell through and, finally, the vote count gave the same ratio but in favour of the British leaving the European Union. A risky, almost hazardous political move of the former British Prime Minister David Cameron, who wanted

¹ Slobodan Zečević, PhD. Full Research Professor in the Institute of European Studies in Belgrade, Serbia.

by calling a referendum and winning in it to silence and defeat Europhobes within his Conservative Party, proved to be disastrous. Cameron actually drove Britain and the European Union into the field of economic and political uncertainty, and may be deemed as one of those British Prime Ministers who made historical failures like Chamberlain, who signed a peace treaty with German Chancellor Adolf Hitler and Anthony Eden, who brought decision on military intervention in the Suez canal in the 50s of the last century.

Cameron's decision to call a referendum on the United Kingdom leaving the European Union is all the stranger as in the British constitutional system a referendum does not decide on anything but has a symbolic and advisory nature. In Britain, all important matters were decided by the Parliament whose MPs in a large majority (about 70 percent), as members of different parties, were committed to the United Kingdom remaining in the European Union. The referendum campaign itself was burlesque and tragic in character. The Labour MP in the British Parliament Jo Cox committed to "Remain" was killed during this campaign otherwise marked by rough deceiving of the public opinion by supporters for "Leave" the European Union. Thus, the secessionist party UKIP leader Nigel Farage claimed that the funds paid into the EU budget in case of leaving the United Kingdom would be used to improve the British health care system, but the next day after the end of voting he admitted that he had lied to the public about that. Fabrications of the current Secretary of State for Foreign and Commonwealth Affairs of the United Kingdom, Boris Johnson, were also part of the pre-election folklore. He, for instance, claimed that due to European regulations in the United Kingdom a bunch of more than three bananas could not be sold. The aforementioned was followed by sensationalist headlines in the British tabloid press.

Anyway, despite the relatively tight election result and pre-election deception, the majority will of the British people expressed in the referendum on 23 June this year to leave the European Union can no longer be called into question. The held referendum, regardless of the legal concerns, has a huge political significance. British politicians do not have room for maneuvering to take a step backward and, by remaining in the European Union, to openly violate the will of the people. British withdrawal from the European Union, although marked by contradictions, is final.

THE UNITED KINGDOM WITHDRAWS FROM THE EUROPEAN UNION, EVEN THOUGH THE LATTER MORE THAN EVER CONFORMS TO BRITISH VIEWS ON THE EUROPEAN PROJECT

The UK referendum is inherently contradictory because it occurred at a time when the European Union more than ever conforms to British views on the European project. Actually, thanks to the individual solutions entered into the Treaty of Lisbon (ban on the tacit transfer of competencies from the Member States to

the EU institutions, emphasised the possibility of leaving the Union), a restrained policy of Germany towards further federalisation of the European Union, the latter has never been closer to the concept of a loose confederal union where each Member State defends its views in accordance with the daily political interests.

Traditionally, the United Kingdom has been resolved for the policy of preserving national sovereignty and the concept of inter-governmental cooperation in relations between European countries. The problem was that this attitude is contrary to the spirit of the Treaty establishing the European Community and the European Union, the specificity of which was the very introduction of federal mechanisms (Samardžić, 1998, p. 51 and on) of the irreversible transfer of competencies from the Member States to the institutions in Brussels, as well as legal regulations at the EU level (Clapie, 2010, p. 117). The European common market was not only duty-free area of the free economic exchange, but a customs union within which the jurisdiction of the Community institutions and the Union today was foreseen to regulate and establish, by legislative acts, the rules of production, protection of competition, provision of services, agricultural production, transport, environmental standards, regime of movement of people and capital, etc... This European legislative process has in time received more federal characteristics in the sense that the Commission as a kind of the Union government proposes legal acts to the European Parliament and the Council, as the two legislative councils (Manin, 2005, p. 20). Federal aspects of the Community or the Union were intensified also by the fact that the legal order of the Union takes precedence over national laws of the Member States (Isaac and Blanquet, 2012, p. 397) and that it is directly applicable to legal and natural persons who can invoke it before national courts in exercising their rights. In this legal context, the Court of Justice of the European Union fought to be the ultimate editor and interpreter of the law, like the Supreme Court in federal states (Moreau Defarges, 1998, p. 22).

Given the substantial conceptual differences in the approach to European integration, between France and Germany on the one hand and the United Kingdom, on the other hand, the question is why the United Kingdom joined the European Communities and the European Union in 1973. The answer to this question lies in the economic interests of the United Kingdom, the economy of which could not withstand to be isolated by customs and other barriers from its economic partners from the continent (Simon, 2001, p. 46). The attempt of the United Kingdom to compete with the European Economic Community by establishing a rival organisation “European Association for the free exchange - EFTA”, founded on 20 November 1959, could not replace the British handicap in the Community market (Moreau Defarges, 1998, p. 22). The EFTA was established in accordance with the British perception so that it respects the national sovereignty of the Member States, which deprived it of integrative and federal characteristics. The EFTA was not like the Community, a customs union, only a free business zone between the State Parties. A

customs union involves the establishment of a common customs tariff as well as the implementation of the previously identified common commercial policy in relations with third countries. This removes the problems related to the determination of the origin of the product, smuggling and endangerment of competition within the common market. In practice, it also showed that European countries, for the purpose of economic development, need a stronger entity with federal legislation and the model of adoption of legislative acts in the field of economy. Therefore, most of the EFTA members at periodic intervals joined the European Communities and the European Union, including the United Kingdom (Ireland, Denmark, Portugal, Sweden and Austria) (Zečević, 2011, p. 106 and on). In this context, it should be borne in mind that after only 7 years of membership in the Community, the United Kingdom raised the placement of its goods in the European market by 25 percent (Shapira, Le Tallec and Blaise, 1994, p. 151).

The entry of the United Kingdom into the European Economic Community out of economic interest did not, however, diminish the British resistance to the supranational or the federal concept on which the Community was based. Thus, immediately after the accession of the United Kingdom to the Community, there was a change of government in the country. The newly appointed Labour government was not satisfied with the conditions under which the United Kingdom acceded to the Community, considering that it did not receive sufficient funds for development. Actually, the substantial European funds went to the Common agricultural policy in which the United Kingdom, due to weak agriculture, took part insignificantly (Moreau Defarges, 1998, p. 56). Therefore, in 1975 the Labour Party announced the first referendum on leaving the European Economic Community. Opinion polls forecast the victory of those who opposed remaining of the United Kingdom in the Community, but on the referendum, the overwhelming majority of Britons voted for remaining (Isaac and Blanquet, 2012, p. 42).

A little later British Prime Minister Margaret Thatcher in 1979 challenged the concept of “own revenues of the Community” as a mirage, asking for the following principles to be respected: contributions of the Member States to the Community budget should correspond to the participation of their gross national product in the gross national product community (each according to their wealth); each Member State should receive nearly as much as it paid to the Community Budget.

The United Kingdom refused to accede to the Schengen agreements from 1985 and 1990 which abolished border controls for the States Parties (Zečević, 2011, p. 269). Yet the United Kingdom made an important break with the federal supranational concept of the gradual transfer of responsibilities in reaching agreement on the European Union, The Treaty of Maastricht in 1993, (La documentation française, 2002) and then the Treaty of Amsterdam in 1999. (Berthu and Souchet, 1998) Bearing in mind that there was a gradual but steady transfer of responsibilities from the Member States to the Community and the Union, at one

moment very sensitive areas closely related to national sovereignty came onto the agenda. It is, for example, the monetary jurisdiction or responsibilities related to the supervision of national borders and migration flows (Clapie, 2010, p. 26). In this regard, the United Kingdom refused to give up their national currency and participate in creating “Euro” as a common European currency under the jurisdiction of the European Central Bank as a federal authority (Isaac and Blanquet, 2012, p. 11). In addition, the United Kingdom opted for the “opting out” formula when it comes to the border control and the implementation of the Schengen acquis, set out in the Treaty of Amsterdam in 1999 (Jacqué, 2009, p. 174). Herewith for the first time a uniform deepening of integration processes in all Member States, or the emergence of the practice of “Multi-speed Europe” was abandoned. This decision of The United Kingdom led to the gap in the integration between the Member States. The United Kingdom was also very restrained in terms of achieving the proposed contract, which established a European constitution in 2004, (Giscard d’Estaing, 2003, p. 11) which, fortunately, was not ratified by France and the Netherlands in referendums in 2005 so it did not enter into force (Isaac and Blanquet, 2012, p. 19).

From the previously mentioned, it is clear that the United Kingdom wanted a Europe based on inter-governmental cooperation with respect for national sovereignty. It is precisely this concept that proved unsuccessful in providing dynamic economic development and conflict prevention on a national basis in Europe.

VAGUE AND AMBIGUOUS ATTITUDE OF THE UNITED KINGDOM TOWARDS THE FUTURE RELATIONS WITH THE EUROPEAN UNION

The United Kingdom as a large European state tended to be one of the European leaders who will gather as many countries as possible around its standpoint. Leaving the European Union inflicts a serious blow to such ambitions. From the economic point of view, the United Kingdom deems it unacceptable for the European tariffs to be re-introduced for its goods, which would cause a further blow to British economic growth already called into question.

British advocates of leaving did not work out a concept of future relations with the European Union. That is why the new British Prime Minister Theresa May announced that she needed time until the end of the year to officially announce to the European Council that Britain intended to leave the Union and to determine its negotiating position. This announcement would formally mark the beginning of negotiations between the United Kingdom and the European Union on “withdrawal agreement” which would determine the way out and a framework for future relations between the two sides. The deadline for the conclusion of a withdrawal agreement is no longer than two years, unless the European Council, in agreement with the other side, by a unanimous decision of all its members, extends

that deadline for a while. This means that in the absence of agreement upon expiry of two years for the British goods there would be automatically imposed tariffs.

The problem is that the United Kingdom does not fully correspond to the known model of partnership with the European Union. The first option would be for the United Kingdom to join the Member States of the European Economic Area, namely Norway, Iceland and Liechtenstein. This would provide the United Kingdom, just like Norway, free access for its goods to the EU market, but it would not participate in certain common policies (fisheries, foreign and defence policy) (Diffalah, 2016). Although seemingly perfect, this solution is not entirely acceptable to the United Kingdom. In fact, Norway accepted in the context of joining the European internal market, free movement of workers as well as the exercise of independent professions. On the contrary, British politicians advocating Brexit promised to restrict the immigration of workers from other Member States, particularly from Poland. In addition, they argued that leaving the European Union eliminates the need for the British contribution to the budget of the Union. However, the Member States of the European Economic Area must pay annually significant funds into the budget of the Union to have the right of access to the internal European market. The height of the British contribution would be one of the particularly difficult issues in future negotiations on the withdrawal agreement. What is even worse for the United Kingdom, Norway has only a symbolic participation in enacting European economic legislation which applies to it in full measure. By leaving the European Union, the United Kingdom is excluded from the decision-making in the European institutions in Brussels.

Another option is the Swiss model. Switzerland is linked to the European Union by a general agreement on economic exchange in 1972, (European Commission, 2016) which is complemented by a series of similar agreements for certain industries that a general agreement did not apply to. However, the Swiss financial sector is not entitled to the free provision of financial services in the financial market of the European Union which does not correspond to the British “City”.

Finally, there is the Turkish model which is based on a customs union with the European Union. This relates to the free flow of goods along the common customs tariff to third countries. This model implies that the United Kingdom still lacks its sovereignty in determining the amount of customs tariffs to third countries. On the other hand, the British workers, such as the Turkish ones, would have difficulties in finding jobs and settle in other Member States of the European Union.

CAN THE EUROPEAN UNION TURN THE DEVASTATING BREXIT IN A NEW SUCCESSFUL START?

The European Union loses, as a member, a large democratic country with over 65 million inhabitants, which gave no small contribution to its budget. Namely,

the British paid to the budget of the Union 11 billion and 342 million Euros, Germany 25 billion and 815 million, France 19 billion and 574 million, while the Italian contribution is 14 billion and 368 million Euros (Le Monde, 2016). Besides, with regard to the military service the United Kingdom was the most important member France could count on for the partnership in developing the Union's military capabilities.

The crisis provoked by the British government comes at a time when the European Union is confronted with an even more serious crisis, which is the influx of over a million migrants from North Africa into its territory. In addition, last year the European Union barely weathered the debt crisis of Greece, which threatened to discredit the European Monetary Union and the Euro as a common currency. Thus, the British secessionist performance reinforces the impression that “the European Union is bursting at the seams”.

Yet the fact is that the United Kingdom through its membership in the Union strived to achieve the greatest possible economic benefit and to be less involved in the integration processes. By this, the British were actually destroying the European harmony and hindering the progress towards greater unity and solidarity, which is obviously necessary for the European Union to respond to the challenges in today's globalised world (economic crises, migrations). The United Kingdom has already put itself in a “special position” in relation to the other European Union Member States which would, even if the United Kingdom had remained in the Union, increasingly have resembled that of Norway or Switzerland which are not its members. Furthermore, the UK government strived to establish itself as an alternative European leader compared to Germany and France, attracting to itself Euro-phobic governments of the Member States from Eastern Europe. Therefore, there was a dilemma whether the European Union found it suitable, regardless of the great economic and political importance that the United Kingdom has, to tolerate such a “special member” that was destroying the inner being and the essential objectives the European Union was created for.

Does the United Kingdom leaving the European Union mean the biggest failure and the beginning of the end of the latter? This prediction does not have to prove to be the only right one. The United Kingdom leaving the European Union may be an opportunity for progress in the areas where the former impeded and prevented integrative steps. It is primarily about creating a structured European defence, autonomous in relation to the NATO. The European Union has its own military interests and the need to protect its territory, irrespective of the strategic interests of the United States of America. European defence would not rule out the role of the NATO, but would be established in cooperation with it. In addition, it is clear that a great achievement in the form of the abolition of internal borders between the Member States of the Schengen agreement can be preserved only if effective protection of the external borders of the European Union is established.

The European Union must no longer be an entity entered by millions of people in an unorganised and uncontrolled manner, because that is neither the USA, Australia nor Russia, just to name a few. Therefore, this area requires structured strengths of the European Union with a unified command that would assist the national authorities of the Member States in the protection of external borders.

The European Union has reached a high level of federal integration in the economic sphere. It is about creating a single internal market, a single European currency managed by the European Central Bank, the European economic legislative framework governing the production and marketing of products and services but also the movement of workers and the exercise of independent professions. European economic, environmental and other legislation was adopted by the institutions of the European Union in accordance with the federal model, given that a significant role in the legislative process is entrusted with the European supranational institutions, i.e. the European Commission and the European Parliament. The internal European market, however, is not completed by a single European economic policy, which would be led by a kind of federal government, at least for those Member States that have adopted the Euro as their currency. The single economic policy is necessary in order to quickly and adequately respond to the global economic crises which destabilise the weakest members of the European Union, which is then reflected negatively on the Union as a whole. The federal government of the Eurozone would have to have access to considerable funds to promote economic development but also to help the underdeveloped states, especially in acute crisis situations. Therefore, the introduction of European federal taxes is in correlation with the establishment of the Government of the Euro area.

In the context of Brexit, the question is whether it would be advisable for the remaining Member States, which have not adopted the single European currency, to do so. The past experience has shown that asymmetric European integration does not give any positive results. Meeting the need of the United Kingdom to be, in many areas, in an asymmetric position in relation to other Member States (Schengen, European currency) has only fed the British secessionism which culminated in the course of 2016. In any case, the example of the SFR Yugoslavia also speaks in favour of the instability of asymmetrical and confederal projects.

CONCLUSION

Given its island location, the United Kingdom had a special relationship towards European integration. Namely, even Winston Churchill defined British foreign policy with three rounds of action. It is about giving priority to the construction of extremely close relations with the United States of America. With the American help, the United Kingdom managed to remain one of the few European countries that withstood the attacks of the Nazi Germany. After World War II the British

government was convinced that only in a solid alliance with the United States of America could it resist the Soviet Union and other socialist countries. In addition, it had an objective to maintain a close relationship with its former colonies in the framework of the Commonwealth. In the first years after World War II there was a belief among the British politicians that the United Kingdom maintained to be a colonial power and the real winner of the war alongside the United States of America and the Soviet Union, and that trade within the Commonwealth was the most important and sufficient for its economic prosperity. In this regard, the United Kingdom remained aloof during the establishment of the European Coal and Steel Community in 1951 and the European Economic Community in 1957. In addition to the belief that Britain was a world power, it was deemed impossible to transfer part of its sovereignty and rights to legislative decisions from the British Parliament to the authorities of the European Communities in Brussels. This attitude changed in the early sixties of the last century when the United Kingdom was faced with economic stagnation and isolation in relation to the Member States of the Community, and the British governments on two occasions in 1961 and 1967 sought to accede to the above-mentioned, but it was not successful due to the veto of the French President De Gaulle. After the fall of De Gaulle in 1968, the new French president Pompidou was more favourable to British accession to the Community, and it was achieved on 1 January 1973 (Cartou, Clergerie, Gruber and Rambaud, 2006, p. 50).

With the referendum held in June 2016, the circle of participation of the United Kingdom in the European integration process begun in 1973 was closed. With the will of its citizens, the United Kingdom will no longer continue to be a member of the European Union, although it is very likely that Brexit will not meet the expected results and promises of British politicians secessionists. In order to have access to the European market share of revenues collected by taxing its citizens, the United Kingdom will have to pay to the budget of the European Union. As a large country and the former imperial power, the United Kingdom will lose the right to decision-making in the European Union institutions which means that its political influence in the continental Europe will be weaker. Brexit is the British strategic success only if the underlying intention of the British politicians was to awaken secessionism in other Member States as well, and thus give a fatal blow to the project of creating a sovereign European state.

Would the nations of Europe continue to live without the European Union? The answer to this question is, of course, 'yes', except that a significant part of political and economic decision-making would be moved from Brussels to Washington, and perhaps partly to Moscow or Ankara. European states are too small to have their own political influence in today's globalised world dominated by mega-states like the USA, Russia or China.

The European integration project was aimed to create conditions so that European nations and states in the European institutions decide their own destiny, i.e. the social and economic model in which they want to live. Whether Brexit has marked the end of this political project, i.e. the end of building European sovereignty, the forthcoming years will show.

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Slobodan ZEČEVIĆ

NEKE PROTIVREČNOSTI BREXIT-A

Apstrakt: Referendumom održanim u junu 2016. godine krug učešća Velike Britanije u procesu evropske integracije započeo 1973. godine je zatvoren. Predmet ovog članka je da pokaže neke od protivrečnosti Brexit-a. Britanski referendum je sam po sebi protivrečan jer se javio u trenutku kada Evropska unija više nego ikada odgovara britanskim pogledima na evropski projekat gde svaka od suverenih država članica brani svoje stavove u skladu sa dnevno-političkim interesima. Kao velika država i nekadašnja imperijalna sila Velika Britanija će da izgubi pravo na odlučivanje u institucijama Evropske unije što znači da će njen politički uticaj u kontinentalnoj Evropi da bude slabiji. Izlazak Britanije iz Evropske unije može da bude prilika za napredak u oblastima u kojima je ova prva kočila i spečavala integrativne iskorake. Reč je pre svega o stvaranju strukturirane evropske odbrane, samostalne u odnosu na NATO pakt.

Ključne reči: Brexit, Velika Britanija, Evropska unija, referendum, federalizam, secesionizam, međudržavna saradnja, evropski suverenitet.

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