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Strategy over speculation

Progressive reactions
to the EU referendum in the UK





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Keep calm and rewrite the rules of the European Union

Massimo D'Alema. President of the Foundation for European Progressive Studies

The negative result of the UK-EU Referendum is the biggest signal for leaders to develop enhanced cooperation along with institutional reform. It means tangible reforms for citizens who consider the Europe Union as their present and future.

Brexit is currently the most tangible sign of the European crisis in Europe. But we know that this crisis does not consist exclusively of Brexit. In fact, elements that emerged during the UK referendum campaign are far from being exclusive to the UK. Distrust towards institutions, mistrust towards the elites and the political establishment, fear of immigration, perceived inability by governments to provide viable solutions to the many challenges that the EU and its member states are facing are far from being simply British issues.

At the same time, since the financial crisis in 2008, the social situation has not been taken as a serious issue, inequalities have been growing, economic recovery has proceeded too slowly, and investments have remained too low.

What is the conclusion we can draw from this? That the neoliberal recipe made of austerity and structural reforms has failed. Nonetheless, the progressive recipe does not appear as a viable and credible alternative because we are increasingly identified with the political establishment. The differences between left and right are also fading away, mainly due to the politics of government coalitions, and, additionally, progressive parties are increasingly seen as losing the capacity of representing those parts of society they are still supposed to represent, people who feel betrayed and not protected by globalisation.

We have seen, for example, the disastrous effects that the lack of a common asylum and immigration policy has had on our mutual relations, in particular vis-à-vis the refugee crisis! As for our cooperation in the fields of internal security against terrorism and international security, I am afraid that we are still lacking a vision on how to deal with Islam in Europe. FEPS has tackled this issue, but it seems to remain a taboo that no one wants to really discuss.

Call for institutional reforms

It cannot be business as usual for the EU, as we did after the referenda in France and the Netherlands in 2005. We cannot repeat the same mistakes. We cannot keep wasting our time postponing institutional reforms, because we think that there are other priorities. The European Commission and the European Parliament are proposing many legislative reforms but they often fail to implement them because they lack the institutional instruments to do them. For instance, we have been talking for years of the necessity to introduce the Financial Transaction Tax. Why have we not managed to do it? Because there are institutional blocks that prevent us from introducing it.

This idea is going to be at the core of our project "*Rewriting the rules*" that we are realising together with Nobel Prize Laureate Joseph Stiglitz. But these rules can't be simply economic rules. We shall also discuss the reform of the treaties, because there is an inescapable link between institutional reforms and implementation of our progressive goals. What is more, our focus should be on the Eurozone, because to some extent these are the countries that coincide with the historical EU at 15. We shall concentrate on some form of enhanced cooperation between those member states that are ready to act without making mutual vetoes. And, for instance, we need an agreement on asylum and immigration among those



countries that are willing to commit to it. And those who are not will be simply left out from the common resources necessary to implement such policies.

I believe in the power of example and consider that the first area where this should be tested must be the economy. Without a stronger budget, without redistribution mechanisms, without a common debt policy, without a common fiscal policy, without a common investment programme (including public investments), without a common industrial policy and without facing together the question of competitiveness and last but not least, without a common social dimension, the EU and we, as progressive Europeans, will not go that far.

Brexit - The Aftermath. Bitter-Sweet Independence

Nikita Zammit Alamango. Director of IDEAT. Malta

Seventy years after Winston Churchill famously said “we must build a kind of United States of Europe” on June 23rd 2016, the British voted to be the first European member state to leave the Union.

Some described it as an ‘Independence’ while others considered the outcome as ‘devastating’. However, if there was one thing that everyone across Europe and UK agreed on, on Friday morning, was that European institutions had to ‘wake up and smell the coffee’.

‘Britain Stronger in Europe’ was the official name for UK remain campaign. It drew support across the British political landscape. Conservatives, Labourites, Greens and Scotland’s own SNP. Key players included PM David Cameron, Chancellor of the Exchequer George Osborne, SNP leader Nicola Sturgeon, ex-Home Secretary Alan Johnson and ex-PM Gordon Brown.

They highlighted economic benefits of Britain as an EU member state and concentrated on the uncertainty and consequences a ‘leave’ vote would cause.

‘Vote Leave’ was also a cross party organisation which campaigned thoroughly in favour of Britain leaving the European Union. It transcended political parties as its members included Conservatives such as Boris Johnson (who has already ruled out contesting for PM) and Labour exponents such as Gisela Stuart. Most of all it was spearheaded by the UKIP’s eurosceptic, Nigel Farage, who has been campaigning for Britain’s exit for years on end.

They focused on ‘taking back control’, immigration and border control, and also on economic factors. Contributions to the EU could be spent inside the United Kingdom some said.

Reflecting on the campaigns, both ‘Remain’ and ‘Leave’ could have offered the British public more. More information, less scaremongering. More facts, fewer myths.

This referendum has blood on its hands with the tragic loss of Labour MP Joe Cox who was brutally allegedly murdered by Thomas Mair (shouting ‘Britain First’). This was the first political assassination since the 1990 assassination of Ian Gow, who was killed by the I.R.A.. She campaigned for Britain to remain in the EU and, in the past advocated for Syrian refugees.



The result is now history. Saying that the British people voted to leave the EU would not be accurate. Both the Irish and the Scots voted overwhelmingly to stay in. A generational divide in voter pattern is also evident.

Thus, the outcome not only paves the way for Britain to leave the European Union but also unravels the disintegration of the United Kingdom as we knew it. A referendum in Scotland is highly probable, with Nicola Sturgeon already seeking talks with Brussels to protect Scotland's place in the EU and she even mentions the Scottish parliament effectively blocking UK's exit through a veto. Talks of a United Ireland are also on the horizon.

Friday 24th June 2016 saw the resignation of PM David Cameron and calls for Corbyn to follow suit. From afar the result sends a message loud and clear not only to Brussels but also to the political landscape in England - 'A plague on both your houses'. The country is more divided than ever before.

Citizens have expressed their unhappiness at the political elite both locally and especially, in Brussels. The system just doesn't seem to work for them. The British demonstrated this by carrying out their democratic duties (with a larger turnout than usual).

Are all their issues and frustrations related to the European Union? Probably, not. Will their exit from the EU solve their problems related to immigration, housing, NHS etc? Probably not. One should really blame the austerity measures introduced previously by Government. Just a day after, Farrage already retracted that the '350 million pledge to fund the NHS was a mistake'. Brace yourself, more is come.

Individuals who voted 'Leave' already came forward saying they wish they would have voted differently as reported by the BBC. Petitions to the House of Commons and to Brussels spread across social media for a second referendum and some even pondered London gaining independence!

Calls for similar referenda sprung across Europe in France, Netherlands, Sweden and Denmark.

Simultaneously, the market faced what many called 'Black Friday' the greatest financial hit since the financial crises. The Sterling fell by 15% and the FTSE 100 plunged by 8%, 'wiping 120 billion of the value of the 100 biggest UK companies' according to The Independent.

That sums up circa 15 years of EU contributions.

The crucial problem remains that of communication. This is what the British people were after and what all Europeans yearn for. Lessening the democratic gap between nations and the ruling hand of Brussels.

Unfortunately, the first moves from Brussels were a far cry from what those reeling from the impact of Brexit wanted. In the face of increasing anger, unrest and disappointment on Saturday the six founding EU states met in Berlin to discuss Brexit; choosing to exclude all other European Member States.

Their aim? Pushing for a quick 'divorce' with Britain. The opposite of what PM Cameron wanted, that is leave it to his successor to trigger Article 50, the formal request for Britain to exit the EU.



Their agenda? Federalism. The Brexit vote is being seen as a blessing in disguise and a golden opportunity to rush towards the closer political union, detested by many. Their attitude towards negotiations with Britain can encourage or dishearten domino effects.

Shifting our attention to Malta, Prime Minister Joseph Muscat delivered a strong statement that an EU referendum in Malta 'would be suicide'. He stressed that plans were in place after studies were commissioned to prepare for this unlikely event.

Dr. Muscat stressed the need for the EU to 'be more flexible, more realistic' and to focus more on 'bread and butter issues'.

The Malta Hotels and Restaurant Association noted that British tourists contributed to approximately 500 million euro to the Maltese economy (in 2015). Concerns of a weaker Sterling, open skies agreement between airlines and travel insurance policies were highlighted.

On the other hand, the Malta Chamber of Commerce insisted on being 'optimistic'. They noted that amid repercussions of such events, threats can be transformed into opportunities for Malta and its business environment. Echoing Malta's ever growing financial service sector which might attract companies to move to Malta to remain on EU soil.

Dr. Muscat also noted that Malta will keep a zero VAT rate on food and medicines (which had been negotiated because of the UK's precedent).

Addressing the position of the 27,000 Maltese living in the UK, Dr. Muscat said no impact was expected, although fees would double for students.

However, possible bilateral agreements between Malta and the UK are also likely. Malta, along with Cyprus are now the only two remaining EU states who also form part of the Commonwealth.

In conclusion: Let us put the European dream enshrined in history books on hold. Let us not fuel the far-right across Europe or Trumpism, for that matter. Let us reach out to Joe Public in Lincolnshire England, in Marseille France, in Utrecht Netherlands, in Veneto Italy to mention a few. Bureaucrats need to get out of their comfortable offices in Brussels and Strasbourg and roam the streets of Europe, listen to the people's cry for attention and act before it's too late.

It was a devastating result. It is time for the left to come together throughout Europe and truly become the people's natural alternative rather than create internal factions.

Progressives need to work together.

The result, at best is bitter sweet.

Brexit as a warning: The EU has to change!

Ľuboš Blaha. Member of the national Parliament and Academic. Slovakia

The decision made by the British people will ultimately harm the UK itself, and in numerous aspects. Britain's economy will face a recession, and London's financial center will weaken.



Scotland and Northern Ireland might do an exit of their own. The UK cannot become isolated, and a new deal, which it will negotiate with the EU in order to access the single market, will be a harsh one, as some European leaders already suggest. The Brits will have to pay, and they will not be able to be a part of the decision-making. They scored an own goal. There are three risks that Brexit brings to Slovakia. First, it is the risk for the hundred thousand of our citizens who work in the UK, and who might lose their work permits, or become second category citizens. Second, Slovakia and the whole central European region loses an ally in the issue of migration and mandatory quotas. Third, a domino effect can activate similar referendums even in countries like France, the Netherlands, or Denmark, and hence cause the disintegration of the entire EU. Slovakia is an export-oriented economy, and 80% of that export is concentrated on the Western European markets. The existence of the EU is in our essential national interest. Only about 20% of our citizens desire to leave the EU, and on the political level, only the neo-Nazi party ever talks about it. Nevertheless, a domino effect and the dissolution of the Union would be catastrophic for Slovakia.

On the other hand, a different scenario is more probable. According to that, the Brexit will reinforce the eurofederalist forces within the EU, which have been blocked by the UK for a long time. That is why two completely different groups are celebrating today – British nationalists and the federalists of Brussels.

The first group is happy about a “national liberation” and an “Independence Day”, which really only means a necessity to negotiate a new trade agreement with the EU, which will take away their votes, but keep their obligation to pay to the European budget. Congratulations? The others, on the other hand, are happy because the opponent who blocked the larger European federalization all this time, is gone. Without the UK, they can finally push through the “ever closer Union”... Some European nationalists are cheering the results as well. If I were them, I would certainly wait with the champagne.

Today will go down in history either as the day that began the disintegration of the EU, or the day when the EU got its second chance. If it ceases to be elitist, arrogant, neoliberal and bureaucratic (as is often today), this situation might even strengthen it.

The EU cannot underestimate the fact that it is mostly poor people from small town and rural areas that are rising against them. It is the upper middle class, the people in cities, educated managers and bankers and cosmopolitan sales people that are gaining the most from the European integration. The traditional left-wing voters, the working class, the self-employed, or the unemployed often don't see anything that connects them to the EU – they tend to see it as an elitist globalizing project ruled by a neoliberal logic. It's true, the deciding topics of the referendum campaigns were nationalism and migration, but many left-wing voters also voted for a “No” to the European Union. It was because of a disillusion of a Europe controlled by banks and corporations and arrogant Brussels institutions, a Europe that doesn't care about social issues, and enforces austerity policies.

Brexit might be the EU's last warning. Without the UK, which has been blocking social reforms for decades, there is an opportunity for the EU to become what it was supposed to become from the beginning – a social Europe. The individual welfare states of the member countries are but one thing. However, the EU itself and its supranational institutions have never really gone beyond the single free market model, which is a classic neoliberal agenda. People are fed up with this kind of free market system. That is why the people who scream the most about the Brexit are bankers and finance people. And many people, even in Slovakia, are secretly a little happy about that.



No, the UK's withdrawal from the EU is not good news – not for the Brits, not the Union, nor for the Slovaks. But Brussels needed to get some kind of slap to make them pull themselves together. “Business as usual” is not an alternative this time. If the EU continues to be an elitist neoliberal project working for the capital, then people will continue to show their backs to the project. And the reasons can vary – from right-wing nationalism to left-wing anti-capitalism. The problem is not a united Europe, the problem is neoliberalism. But one cannot explain that to some people. If the EU becomes the symbol of neoliberal globalization, then people will vote to leave, even despite obvious economic disadvantages. Because the gains usually go to the financial and economic elites anyway.

If the people of one of the wealthiest countries of Europe are out of patience, then it is only a question of time, when similar things will happen in the poor and crisis-stricken Greece, not to mention the even poorer central and eastern European countries. Europe has to focus on its own social problems and not to provoke people with provincial liberalism and social engineering with regards to the migration issue. The lesson of the British referendum should resonate in the ears of European leaders and Brussels officials for a long time. Europe still has a chance to be better.

Thw UK's referendum and its impact in France

Philip Cordery, Secrétaire national Europe, PS France. France

On the 23rd of June, British citizens decided to leave the EU. As much as we regret to see this country leaving the EU, we fully respect their sovereign decision. We must now concentrate on the next chapter, and find a new dynamic for the 27 remaining member States. In order to move forward, the UK and its leaders need to act swiftly and trigger the withdrawal clause. We cannot afford to waste time, Europe is facing too many pressing challenges on migration, climate change, security, and the economy.

France along with its partners Germany and Italy have a responsibility to make bold proposals that for the renewal of the European project:

- An internal and external security pact to fight against terrorism and increase judicial and police cooperation,
- Reshaping of the Schengen and Dublin agreements is necessary to strengthen border controls alongside a common asylum and immigration policy
- Investing more in Juncker's plan to fund the ecological and digital transitions with a focus on youth
- Strengthening the euro zone through better coordination of economic policies and a convergence of tax, social et wage policies

Our aim is to focus on the future of the EU. The rise of populism across Europe underlines the lack of belief in, and understanding of, the European project. However, citizens are not questioning the ideas of the EU, they are simply frustrated by its inability to respond to the challenges facing our society. It reinforces the need to strengthen integration, move forward with willing partners, take responsibility for our choices and stand up for our common values.



France and Brexit: In (desperate) search of leadership

Amandine Crespy. Assistant Professor of Political Science/ EU Studies at the Université Libre de Bruxelles. France

For France and its least acclaimed President under the 5th Republic, François Hollande, dealing with the Brexit is a high-risk, high-opportunity game. The main objective widely shared across the French political class is to regain leadership which has been continuously declining over the past decade.

Resisting the nationalist tide

A major source of concern in France is that the Brexit could be a catalyser bringing a nationalist wave which could not be contained by the established elites. The leader of the Front National, Marine Le Pen, has made jubilating claims that a “Frexit” was no longer out of reach. She has promised to place a referendum on EU membership at the heart of her campaign for the presidential election next year, a pledge likely to widen the – already powerful – appeal of the far right within the French electorate. The referendum from 2005 is still, for many French people, an open wound. While a majority had voted against the European Constitutional Treaty, pro-EU elites under the Presidency of Nicolas Sarkozy – had decided to ignore the verdict coming out of the polls as the French Parliament then ratified the much similar Treaty of Lisbon. This remains as the loudest denial of democracy in the contemporary French political history.

Against this backdrop, François Hollande is thus willing to make the British exit costly enough to deter any domino effect. Leaving the EU cannot be harmless. You cannot, as the French say, have “the butter, the butter’s money and the smile of the dairywoman”. In EU terms, this means that France will resist any deal which allowing the UK to benefit from the Single Market without abiding by its rules, or to enjoy any other financial benefits while no longer contributing to the EU budget.

Meanwhile, the French political class could barely be more divided. On the radical Left, and although not yet clearly articulated, Jean-Luc Mélenchon is advocating a French strategy of civil disobedience until a left wing French government would force a radical reform away from neoliberal policies. The French Socialist Party has still not recover from the contentious campaign of 2005 with uncreative EUcritics facing uncreative EUreformers. The Conservatives, who currently have 15 candidates running for the primaries to the presidential election, all have different views of how to deal with the post-Brexit EU. Nicolas Sarkozy has recently called for a refoundation of Europe through a new Schengen and a new treaty (possibly) submitted to a referendum.

We also witness the resurgence of old anti-European and anti-British sentiments. While some see Paris profiling itself again as a significant financial place next to the City, there has been much UK bashing, claims that the French influence would benefit from the Brexit, calls to suppress the EU Commission, and even demands that the English language should no longer be an official language of the EU!

Yet, what Europe needs is not old style French chauvinism but rather decisive and responsible leadership.

Leadership vs standstill

With Britain out, and panic shaking the continent, France clearly has a responsibility to endorse constructive leadership. The disintegration of the EU can not only result from a



contagion of the Brexit to other countries and a return to the nations, but also from a deadly standstill. In this regard, the talks at the meeting of the European Council in Brussels on 27 and 28 June have not been reassuring.

Yet again, the EU is under the threat of paralysis, torn apart between those who want to relaunch integration with new projects able to convince European citizens that further integration is desirable, and those who see the Brexit as a sign that, on the contrary, people want less Europe and that the EU should mute towards minimal forms of classical inter-state cooperation.

Under these circumstances, will France be able to play a decisive role for salvaging EU integration? French elites strongly aspire to rebalance the French position vis-à-vis German hegemony, thus restoring the historic power and prestige lost with poor economic performance and erratic politics.

But the task is difficult. Over the past couple of weeks, we have witnessed calls for the six founding states to stick together in the face of the Brexit. Yet, while France and Italy are ready to embrace more integration of the Eurozone (possibly with news mechanisms of risk sharing and fiscal and social integration), the Netherlands and even Germany are much more reluctant. As for Belgium, it is torn apart with a federal government held a coalition of rather pro-integration Liberals and “Eurorealist” Flemish nationalists.

Even the French and the Germans do not seem to agree on much so far. Unlike the French, the Germans are much less willing to adopt a hard line towards Britain. Regarding a further integration of the Eurozone, Germany is reluctant both due to both utilitarian calculations that it would have more to lose with further integration, and democratic concerns about the unsustainability of the current governance structures. With the respective key election taking place next year in both countries, we are clearly threatened by a detrimental political standstill.

There have been rumours that a small group of politicians and EU high officials had been preparing a French-German plan for strengthening cooperation in the realm of security, including border control and the fight against terrorism. While such a plan could potentially include all 27 EU Member States, it remains to be seen whether it can be convincing enough to bring about a new political impetus for the EU. Also, it would require strong political skills for it not to be framed in terms of building a fortress Europe to immunise its scared citizens from the harsh realities hitting around Europe in an egoistic manner, and feeding rather than tackling the amalgam between refugees, asylum seekers, economic migrants, Muslims, and terrorists.

Whether it comes from a voluntarist France, from a novel French-German relationship, or from new clusters across the continent, the EU is in desperate need of new leadership. Everything that resembles the status quo is just not an option. It can only be advocated by those who desire the end of the European Union. Meanwhile, two things are certain. If the EU does not profoundly reform itself and find a way out through convincing projects, it will not survive. If there was ever to be a referendum in the foreseeable future in France, it is very likely to be just as contentious, ugly, and unpredictable as in Britain.



A Luxembourgish Socialist's perspective on the Brexit campaign and referendum

Yves Cruchten. Member of the National Parliament. Luxembourg.

On June 23, the British people have decided by a majority of 51.9 % to leave the European Union. This outcome is more than regrettable. The economic, political and financial consequences for the UK, but also for the EU, are not clear yet and will ultimately depend on the outcome of the Article 50 negotiations. Until then, both will have to overcome months of instability. However, a number of questions arise also regarding the organisation of the referendum and the campaign, questions which touch the functioning of our democratic systems in general.

The whole process of renegotiating the position of the UK within the EU was a clear sign of the European spirit getting lost and showed very clearly how strong the intergovernmental part of the EU has become once again during the past years. Not only has Prime Minister David Cameron kept all of Europe occupied to negotiate yet another special deal for the UK, but these negotiations have only been conducted between heads of states and governments. However, the promise to change certain directives could only have been fulfilled by a vote in the European Parliament, which had not been consulted before making such a promise.

Generally speaking, the way the referendum and its campaign were organised is very disappointing. The referendum in the UK is the result of a long process of British politics being disconnected from the European idea. Indeed, the UK was always more interested in the free market rather than the idea of a political union. This was clearly to be seen in the referendum's campaign: while the Leave campaign, using the slogan "Take back control", was blaming the EU of taking away political control from the UK, the Remain side was mainly arguing that an exit from the EU would be bad for the economy and that the UK would lose access to the free market. Unfortunately, the Remain side, especially Labour, never managed to convince a majority of the British voters of the political benefits of EU membership, such as the protection of workers' rights and improvements on energy efficiency. These are just two examples of the "costly" EU regulations that the neo-liberals on the Leave side so desperately want to get rid of.

The most frightening part of the debate however was that the Leave campaign concentrated mostly on rising fear and hate against migrants and other Europeans living already for years in the UK, all under the pretext of losing their identity. This climate of hate divided British society and culminated in the murder of Jo Cox. That's why the EU has to fight even stronger for its values and for more tolerance.

Furthermore, the leave campaign did not hesitate to spread misinformation and false promises. One of their central messages was that they would put the money that goes into the EU budget into the National Health Service (NHS) instead. This may sound promising especially to people who care about a strong welfare state. All the more devastating that this promise was scrapped the morning after the vote! It has indeed always been a pure national decision of neoliberal politicians not to fund the NHS with bigger amounts of money.

The referendum has also made it apparent just how bad the understanding of - and the belief in - democracy of a large number of people is today. In the aftermath of the referendum, a certain number of British voters explained that they did not really care about



the referendum, or that they didn't believe their vote was actually counting. If even in a country which has a long tradition of liberal democracy and strong parliamentarism, citizens are deeply convinced that their vote "does not matter" – what does this tell us about the general state of our democracies?

As stated in the introduction, the result of this referendum will have negative repercussions on the economy, but it will also make the EU smaller and weaker in its political influence sphere on a global level. In addition, the outcome of the referendum will probably have an effect on politics in other member states as right-wing and nationalist parties feel strengthened by the decision of the voters in Great Britain.

What does the Brexit mean for Luxembourg?

On an economic level, the Luxembourgish finance place loses one of its most natural and powerful allies. As finances have to be regulated on a large scale in order for regulations to really make a difference and not merely shift business to another place in the world, this will be a loss. It will be important for Luxembourg that the same rules continue to apply to London City as well and that the City won't be allowed to go back on the improvements made in all financial centres throughout the EU after the financial crisis. As the Luxembourgish economy is extremely dependent on the economy in the Eurozone in general, a slowing down of the growth in our surrounding countries will also have a negative effect on our national economy.

On a political level, some might think that without the UK, the European Union can finally make a decisive step forward towards a more social, less neoliberal Union. But unfortunately more and more voices throughout the EU can now be heard asking for the EU to reduce itself to the single market and to leave aside all other political fields. It is saddening that especially working- and middle class voters seem to believe that this is in their own interest. All of this gives the European Left, together with civil society, NGO's and trade unions, the obligation to find answers to the conservatives' populism and their half-hearted support of the European values. Socialists and Social democrats have always been fighting for the European idea. It has to become the cornerstone of their political action.

Ireland and the Brexit referendum

Michael Holmes. Senior Lecturer in Politics - Liverpool Hope University. Ireland

If there is one EU state that appreciates how tricky referendums can be, it is Ireland. It has held nine EU-related referendums to date, including of course the double referendums on the Treaties of Nice and Lisbon. If you add to that the unusually close but complex relationship between the two countries, it is no surprise that Ireland was closely attentive to and engaged in the British referendum, to an extent unmatched in any other European country.

If the somewhat unusual case of Gibraltar is excluded, Ireland is the only EU state that has a land border with the UK. The two countries are also significant trading partners, there are very deep social and cultural links between them and of course the aforementioned land border also reminds us of the long-standing territorial dispute over Northern Ireland. So there is an exceptionally close relationship between these two countries.



The first step towards the referendum, David Cameron's renegotiation of the terms of British membership, was finalised on 20 February 2016. This was just three days before a general election in the Republic of Ireland, and the issue of Britain's position in the EU cropped up in many party manifestos. There was a widespread consensus that it was strongly in Ireland's interests for Britain to remain a full member. Indeed, one party that had consistently opposed very previous EU referendum in Ireland – Sinn Féin – found itself for the first time calling for a pro-EU vote.

This did not mean that all Irish parties were happy with the details of the renegotiation. Generally, they were supportive on the issue of deregulation, confident about securing a special deal if any restrictions on freedom of movement were introduced, and concerned about allowing non-eurozone countries to intervene in decisions affecting the euro. However, the over-riding stance was that it was in Ireland's best interests for Britain to remain.

This helps to account for the quite extensive Irish involvement in the referendum campaign. Personnel from the Irish embassy toured the UK giving talks on the Irish position, while the Taoiseach Enda Kenny and Labour Party leader Brendan Howlin visited the UK to call on Irish citizens resident in the UK (who have voting rights) to vote Remain. Of course, Sinn Féin – which is active on both sides of the border in Ireland – campaigned strongly in Northern Ireland. Ireland's Phil Hogan was also one of the few EU Commissioners to venture directly into the campaign.

The result of the referendum was met with widespread concern in Ireland. The message was similar from the right (Fine Gael and Fianna Fáil) to the centre-left (Labour, Social Democrats and Greens) to the radical left (Sinn Féin), leaving another radical left group (Anti-Austerity Alliance/People Before Profit) as the only ones to welcome the outcome. However, this reflects the almost complete absence of a radical right force in Irish party politics – there is no Irish equivalent of UKIP or AfD, much less anything further to the extreme right.

Four main issues emerged in the wake of the result. First of all, Ireland was very concerned about the potential damage to trade. Britain is the largest market for Irish goods, and in return Ireland is the fifth largest market for Britain, so there is a possibility of significant disruption in both directions. However, this could be offset at least to some degree if companies choose to disinvest from the UK and relocate to Ireland after Britain's departure from the EU. In particular, some US companies might be on the lookout for another English-speaking base within the EU.

The second issue is free movement of people. Ireland and the UK have always had an open border arrangement, dating back to Irish independence in 1922. Indeed, while Ireland has always signalled its desire to join the Schengen Area, it has always acknowledged that this could only come about if Britain were to accede to the Agreement as well. Post-Brexit, the main Irish concern is to maintain an open border with the UK if at all possible. This is a more sensitive area, given the anti-migration rhetoric of much of the debate.

This feeds into a third issue for Ireland. The introduction of any travel restrictions would have particular significance for Northern Ireland, since the peace process of the past twenty years has been predicated on trying to make the border between the two jurisdictions on the island as irrelevant as possible. While almost 56% of those who voted in Northern Ireland voted to remain in the EU, there were concerns that Brexit might damage the peace process. In addition, Sinn Féin used the result to raise the possibility of a further – Northern



Irish-only – referendum on Irish unity. While this is only a distant possibility, if Scotland were to leave the UK it would fundamentally alter the context. In the week immediately after the referendum result, there was evidence of an upsurge in the numbers of people in Northern Ireland seeking to take out Irish passports.

These three issues have all been very much on the public agenda. However, there is a fourth issue which has received less attention. Ireland and the UK had become quite close partners in the European Union. The two countries are sometimes lumped together under the pejorative term the Anglo-Saxon economies, and certainly they have both been strong advocates of a neo-liberal approach in the EU. Britain's departure means Ireland has lost an important ally, particularly in relation to issues around corporation tax.

Ireland's membership of the EU has always been tightly bound up with its relations with the UK. Ireland would not – could not – have joined until the UK did so. Having become a member, Europe became a vehicle for a very successful diversification of the Irish economy away from its dependence on the UK. However, that did not mean choosing one over the other. For successive Irish governments, being in a European union that included Britain was the ideal situation.

Now that this arrangement seems certain to end, it presents major challenges for Ireland. For the majority of parties in the country, there is no doubt that continuing membership of the EU is seen as a fundamental national priority. However, Ireland is likely to lobby very strongly for the UK to be offered a favourable deal. Ireland will also be anxious to preserve some form of freedom of travel arrangement, even if only through being allowed a special exemption clause in some shape or form.

Finally, Brexit might be the trigger for some reform within the EU. This is probably the area of greatest concern to Ireland, as they have lost a powerful ally in defending core interests such as Ireland's low corporate tax regime and other forms of inventive company tax provisions. Right-wing and centrist parties in the country will be anxious to preserve these rules, though there is also left-wing nationalist strand of opinion which could support calls for a more fundamental restricting of the EU.

Hope in Times of Referenda

Agnes Jongerius. Member of the European Parliament. Netherlands

The Dutch Labour delegation in the European Parliament was shocked and saddened by the news it woke up to on Friday. Naturally, it accepts the workings of democracy and the will of the British people. But losing a partner in a project of peace and shared prosperity is a shock. This is an end to a 40-year marriage. And as with any divorce, children suffer the consequences. The British youth will be denied the chance to widen its horizons by living and working in 27 other countries.

Our UK Labour colleagues in the European Parliament have not only put a lot of effort into the Remain campaign over the last weeks, but also into the project of a social, progressive Europe over the last decades. Today, they are as sad and disappointed as we are.

The renegotiation of the UK's EU membership was perceived by many, including us social democrats, as a nuisance that diverted attention from more pressing issues such as migration. A mere exercise to address clashing views and power struggles within the



Conservative party, bombastically played out in Brussels. But whether a more profound negotiation process would have led to a different referendum outcome is questionable.

While today's result can partly be ascribed to hyped, aggressive campaigning by 'Project Hate' in what some have called a 'post-factual' democracy, yesterday's vote was most probably not a vote on the EU's democratic deficit or lack of transparency.

Rather, the neck-and-neck result may reflect a dividing line that exists not only in the UK, but in most EU Member States. We must acknowledge that the referendum's outcome is the, perhaps no more than natural, result of an angry working class that has not profited from the European project as much as it was promised. A group that feels ignored, marginalised, insecure about its own future and that of their country, afraid of large-scale migration and confronted much more than the elite with a lack of secure jobs and affordable housing, stagnating living standards, and strained public services. A group that realises the political elite and big business benefits from European integration much more than they do. Arguments of huge economic losses as presented by David Cameron and business leaders may not resound with those who have very little to begin with.

But make no mistake. To a large extent, this is our group. A working class that social-democrats have traditionally defended and represented, that has voted for us and held us accountable. A group we represent proudly and gladly, and that we must get back in touch with as regards fears on migration and globalisation. A group for whom arguments made by big corporates may actually worsen fears of job security and financial stability.

So as progressives, we must take note. We need to address the discontents of globalisation as well as the distrust towards the EU as a whole if we want to European Union to continue to exist.

This is no easy job. According to a recent poll, voters in the Netherlands would do the same as the British if given a chance. Geert Wilders has already used the outcome of the referendum to call for a Dutch referendum on EU membership. He is likely to make the issue key in his campaign in the Dutch elections in 2017. And whilst disagreeing with Geert Wilders comes as no surprise; the Dutch Socialist Party (SP) now advocates a referendum too.

But such a referendum would not solve any problems; it would exacerbate existing ones. We must make it clear that issues that social-democrats are keen to address such as globalisation, social-exclusion, climate change, migration and tax evasion can be addressed more effectively by 27 nations together than by 27 separate sets of policy choices. But also that as far as we are concerned, Europe is not 'finished' yet. That we need a Europe in which in which social protection is not weakened by the commands of the market and social arguments weigh as heavily as economic ones.

Time and again, progress in Europe has been preceded by crisis. And thus, my message today is a message of hope. Today's result shows that Cameron's attempt to sell the EU as a purely economic 'pick and choose' candy store has lost its appeal. So let those who 'remain' now work towards a Europe based on solidarity and social justice, in which the benefits and burdens of the EU are shared equally amongst people of all social classes and backgrounds and towards an EU which provides a solid shield against the challenges of our time. The Europe I want is a Europe that inspires hope in its citizens. In all citizens - not only the elites. Confidence in European cooperation cannot exist without it. In the coming years, I will do



my utmost in the European Parliament to restore hope, confidence and trust in the European project.

UK Referendum: A wake up call for Europe

Eva Kaili. Member of the European Parliament. Greece

The Brexit Campaign will certainly be remembered in the future as a historical mistake, by the Europhile Millennial generation, but it will also be mentioned as the loudest wake up call for European politicians and citizens.

The spontaneous reaction of citizens against the division of EU, is the European movement that brought thousands of people protesting regularly to Remain. A similar movement started in Greece when the Greek Referendum was announced, and it seems this wave of movements across EU is just the beginning of a much needed change, as traditional and mainstream political parties seem to have lost their ability to listen and respond to the new challenges while they delayed the effort of further integration.

The result of a small majority in favour of Brexit, came to everyone as a surprise, including the top Leave Leaders, who abandoned immediately the boat of the disaster that was about to follow, as the polls were showing a small but important lead for the Remain campaign. So, on the night of the 23rd, we went to bed feeling that common sense has prevailed after months of campaigning based on fear, lies, and false hopes. Waking up we realized that it has only been wishful... dreaming. The project of European Integration had to be restarted. We have to make this new crisis an opportunity to answer why we need to belong in a European Union and how we can deal together with the problems of globalization. The possibility of an economic or political biblical catastrophe for UK & EU is the reason we should take some difficult decisions with no further delay and start healing the division and the wounds that hate speech caused.

There is a need for common action against our major political challenges. We need to tackle terrorism, think of a modern Marshall plan for Africa, sharing the burden and giving a chance for education to the younger generations, so that the migration flows would reduce by diplomatic and productive means. Additionally, completing the single market reform, establishing the digital single market, leading the fight against tax havens and asking for fair tax systems, leading the way to international cooperation for common borders and security should be our course of steps in the future. Lastly, achieving energy independency, financial stability, fair trade and everything taking under consideration the social dimension, respecting human rights, rule of law and democracy, and moving forward together and not apart, is the only way.

Coincidentally on the anniversary of last year's referendum in Greece, Nigel Farage, decides to step down from the leadership of the party he founded for the very purpose to lead the UK out of Europe. This has been only one of the episodes in what is evolving to be a major political thriller. Running for the Tory leadership has lost its glory immediately too. The resignation of the PM, David Cameron, the man who has put at risk an entire generation so as to win his party's leadership was followed by Boris Johnson's withdrawing as a candidate. But the most important episode is now unravelling before our eyes: the realisation of the outcome and the lack of leadership for the day after. The political drama started when PM, David Cameron adopted a harder line against Europe as he was trying to win his party's



elections, by appealing to the Eurosceptic members of the Conservatives. It was then at the very start, that the game had already been lost.

The very argumentation technique of Mr. Cameron disabled his very own campaign to Remain and proved to be completely irresponsible. He has been arguing for years that he wants to retract some powers from Brussels and its inefficiency. He went on and on about the need to reevaluate UK's relationship with the EU. In those lines, and while struggling for re-election, he promised his people a referendum on the British EU membership. He demanded to have a special deal, unlike any EU member state and he did achieve that with his EU counterparts. He announced the referendum, essentially, having laid the ground for the Leave campaign, which strengthened by Mr. Johnson's aspirations, started their campaigning by amplifying and distorting his main message the past years. "EU is disorganised. Let's go." Of course they did not stop there; they have constructed an appalling, racist, scapegoating campaign that used catchy arguments and played with the fear of millions of citizens.

The Remainers on the other side, focused on the "not as well off" argument failing to construct a campaign with a positive meaning, but just only mentioning some of the economic benefits. Instead of conducting a pro-European campaign showcasing the virtues of the greatest political, economic and social achievement in the continent, he was left trying to argue with his Leave counterparts, responding and legitimizing their, arguably, catchier and easy to retain arguments.

Inevitably we reached the point, where we are standing today: UK's politics are in a deep crisis and the British society is divided, with racist slurs and hate crimes appearing depressingly often. The European Union, on the other side is left equally troubled, with some asking for a swift exit, while others hope in a miracle. One thing is sure; Brexit campaign sent a very strong warning for the future of the European Union that we cannot afford to make any other mistakes. The EU needs to be reformed and finely tuned at least, if not reinvented. The need to approach the citizens, during these times that the Trumps and Farages of the world prevail, is greater than ever. It is a herculean task that will combine the deep social reform that the EU needs with the fight against populism (right wing or left wing), bigotry and racism.

The aftershocks of Brexit are not to be taken lightly. Other than the political turmoil, the decision of the people of the UK created uncertainty in the financial markets, hurting first and foremost the UK itself. The worsening economic environment affects countries that are not even economic partners with the UK. My home country, Greece, seems to be protected as it is currently in a financial programme, but as the global output worsens, it will also affect Greece and its struggle to get out of the financial crisis.

Furthermore the impact of such a procedure showcases the politics in the post financial crisis era. Populists will take advantage of the disconnection of people from politics and will try to capitalise on that using whatever means possible, including as we, regretfully, see practices that belong to eras we have sworn to leave behind. The example of the UK is not the first and will not be the last. In my country, populist rhetoric and denial of the truth have been the tool of the current government to grab power and win a referendum, only to waste precious time and resources. France, Germany and Austria see their populist far right parties to gain momentum and to have become an outlet of the social discomfort, while USA seems to be experiencing what can only be called an existential crisis.



The case of the UK made clear to us that, should we need a European Union, and eventually an international community, of prosperity and mutual understanding we need, first and foremost, to reform and address the chronic flaws of our Union. We need to transform it, from a project of the few, as it is often described, to (paraphrasing A. Lincoln) project of the people, for the people and by the people. And as communication seems to be the key to the European Union's survival, we need to address the citizens and explain the benefits of our Union with logical arguments but by showing that what matters the most is caring for people and not for numbers.

A strong, reformed and popular European Union will certainly welcome the United Kingdom, should at any point change its mind. Some of us, remain optimistic just by watching the open minded youth demanding a future in peace and cooperation.

Lessons from the lost Brexit-gamble

Jo Leinen. Member of the European Parliament. Germany

From the very moment David Cameron in his January 2013 Bloomberg speech announced that he would seek a renegotiation of the UK's membership with the EU, it has been obvious that this move was motivated by domestic politics rather than real concern for the European project. Cameron played Russian roulette, presumably expecting the need for a coalition following the May 2015 UK general elections, in which he could trade the referendum away. Three years later, the worst fears have become a reality. After Cameron had unexpectedly - and probably to his own surprise - won an absolute majority in the UK House of Commons, he had to follow through with his referendum promise. As a consequence, much energy all over Europe and within the European Institutions has been devoted to come to an agreement that allows Cameron to campaign for remaining in the EU. Member States and political families made considerable concessions to support Cameron. However, the February 2016 deal for a "new settlement for the United Kingdom within the European Union" played literally no role in the referendum campaign.

In the UK, the generation over 50 years - probably the most economically blessed generation that has ever lived in this country - used the European Union as a scapegoat which is to blame for everything from migration to social inequality. Scared of globalisation and its effects, scared of losing their privileges, they turned to national solutions, to the "good old times", when everything was allegedly simple and clear. Apparently the old generation cannot see that no referendum will stop the process of globalisation, and that regional cooperation and integration is the only way to preserve European influence and standards, and to defend our way of living.

Maybe one could understand that not every member of the generation 50+ can cope with the rapid evolution of society, technology and communication. One could understand that they long for the clarity of the pre-digital world. But it cannot be understood, and it is harmful, that this generation stole their kids' and grandkids' future. Two-thirds of the 18 - 25 year olds voted to remain in the European Union. These young citizens have grown up with the internet, cell-phones and easy-jet weekends on the continent. They know today's world much better than the ones who led the UK and them out of the European family.

As a consequence, instead of being able to focus on challenges like migration, terrorism and economic recovery, the European Union now has to face the shambles resulting from the EU-referendum, while the leave campaigners, responsible for the misery, abscond. The



absurd lack amongst Brexiteers of any plan on how, when and with which aim the UK wants perform the Brexit, proves that the EU has never been the real topic of the referendum. Not for Cameron, not for Boris Johnson and not for Nigel Farage, who gambled with the future of young Brits to gain political power and let others pick up the pieces. If they really had the best interest of their country and its people in mind, how can it be that there is no vision for the future relationship of the UK with the EU? How can it be that all major leave-campaign promises were taken back as soon as the referendum has been over?

Hopefully the Brexit-vote will at least serve as a wake-up call to those national politicians across Europe who are still playing with the thought to exploit the EU for their domestic ambitions. EU-bashing might have been especially widespread in the UK, but that does not mean that other Member States, including Germany, are free from it. In fact the decades-long nationalisation of successes and Europeanisation of failures are largely responsible for the current situation. Anti-Europeans could almost undisputed spread half-truths and even lies about the European Union and instead of vigorously objecting them, parts of the centre of the political spectrum have added their voice to this chorus.

What we need now is a joint effort to win back the hearts and not only the minds of the people for the idea of a united Europe. We need an honest and comprehensive public debate on the future of the EU. Holding a European Convention with the participation of all national parliaments and governments, the EU-institutions and civil-society would provide the appropriate forum to discuss the current challenges for Europe and the instruments which are necessary to solve these problems. The deficits relating to the citizens' participation in European politics, the transparency of EU-decisions and the EU's capacity to act would also be scrutinised. Who refuses such a debate now, continues to play into the hands of nationalists and to gamble with the young generation's future.

Brexit - Opportunities for reforming the Common Foreign and Security Policy (CFSP) and the Common Security and Defence Policy (CSDP)

Arne Lietz, Member of the European Parliament. Germany

At first sight, it seems obvious that the EU would be weakened as an international player as the result of "Brexit". Great Britain is a key player in EU foreign policy thanks to its size, economic performance, and military strength. It has also positively served as transatlantic bridge between North America and Europe. As a permanent member of the UN Security Council, it can speak on behalf of the Union at the United Nations. Furthermore, Great Britain is a progressive force in climate diplomacy and development cooperation: it is the second largest donor of development aid after the United States and the only country in the world that has introduced legislation committing to pay 0.7% of its GNI on development aid. Nevertheless, Brexit also provides an opportunity to strengthen the EU as a foreign policy actor, as it would make a reform of the Common Foreign and Security Policy (CFSP) and Common Security and Defence Policy (CSDP) more likely. It is in this policy area that British Governments have consistently blocked any initiatives aimed at furthering integration in the past. Now former UK Prime Minister David Cameron expressed his country's outright opposition to a stronger European foreign policy after striking a deal with the EU, which he hoped would convince his fellow citizens that Great Britain should stay in the EU.

"Likewise, we have established once and for all in international law that Britain's national security is the sole responsibility of the British government – so, for instance, we will never be part of a European army."



Several strategy and position papers, which I will briefly present below, discuss the consequences of a possible Brexit with regards to the EU's security and defence policy.

Green light for an integrated European security and defence policy

Just a few days after the Brexit referendum the High Representative of the Union for Foreign Affairs and Security Policy presented a "Global Strategy" to the EU Heads of State and Government. The paper is Federica Mogherini's response to the "existential crisis of the EU". The crisis has been worsened by the decision of the British citizens to leave the European Union, while also representing an opportunity for the EU to reform the CFSP and CSDP. The High Representative calls for a "strong Union" (...) that thinks strategically, shares a vision and acts together." Those EU member states that used to hide behind or emulate the UK's anti-integration stance in the European Council now have to take a clear position.

When doing so, they should take into account that Europe's citizens are largely in favour of a truly European foreign policy. According to a Eurobarometer poll from June 2016, half of them would like the EU to intervene more than it currently does. 66% are in favour of a bigger role for the EU in the field of security and defence. Consequentially, we should use the possible exit of Great Britain from the EU to reform and strengthen the Common Security and Defence Policy.

Concrete proposals for reforming the CFSP and CSDP

In the joint paper titled "Founding Europe again" the president of the European Parliament, Martin Schulz, and the president of the Social Democratic Party of Germany (SPD), Sigmar Gabriel, call for a deeper integration in European foreign policy. Another joint paper by the foreign ministers of Germany and France, Frank-Walter Steinmeier and Jean-Marc Ayrault, which is titled "A strong Europe in an insecure World", goes in the same direction, giving numerous concrete examples to illustrate how a reformed CFSP/CSDP could look like. As such, Steinmeier and Ayrault propose that the EU develop a common analysis of its strategic environment and a common understanding of its security interests, while highlighting that there are different levels of ambition among the member states. As a consequence, more ambitious member states should be free to develop a more integrated foreign and security policy that makes use of all available means.

The foreign ministers recommend that groups of member states work together more closely on defence in the framework of the "permanent structured cooperation", which is already foreseen in the EU Treaties. Their proposal to introduce a "European semester for defence capabilities" that would create synergy among national capability development processes and help member states in setting priorities, also aims at further integration in CSDP.

Likewise, Mogherini's Global Strategy proposes gradual "synchronisation and mutual adaptation of national defence planning cycles and capability development practices." I agree with Steinmeier and Ayrault that reforms should not only serve to strengthen defence-related aspects of CSDP, but also enhance the EU's capacities in the field of conflict prevention and crisis response. This corresponds to Mogherini's statement in the Global Strategy that in the future, the EU will be active "at all stages of the conflict cycle, acting promptly on prevention, responding responsibly and decisively to crises, investing in stabilisation, and avoiding premature disengagement". She further stresses that the EU is the best in the field of "soft power", but that it must also be prepared to defend its member states against external military threats, despite NATO remaining the principal guarantor of security for most of them.



According to Mogherini, the EU should cooperate closely with NATO and aim to convince the latter to use dialogue in its dealings with countries such as Russia, while continuing to use deterrence. In the same vein, the EU should cooperate more closely with organisations such as the OSCE, in order to defuse conflicts. The German presidency of the OSCE this year has given similar impressions.

I am in favour of integrating national armament policies and exports, and of conceptually using them as instruments of a European foreign policy. It also makes sense to coordinate investment for security and defence and to provide public financial support for defence research at an EU-level, as has been proposed by Steinmeier, Ayrault, and Mogherini. However, this needs to be linked to a changed approach to exporting weapons and defence equipment to third countries - an approach that uses such exports as a political instrument and does not aim at maximising economic gain.

In Germany, the discussion on the future of European security and defence is also in full swing. In the ongoing discussions on the upcoming White Book on Security Policy and the Future of the German Armed Forces, “pooling and sharing” of capabilities at the EU-level is a central theme. This is positive, as it would increase the interoperability of Europe’s national armed forces and weapons systems without increasing national budgets through parallel defence research.

The call for an EU headquarters for civilian and military CSDP missions and operations, which can be heard in the discussions about the White Book, were already included in the “Position Paper on Europeanising the Armed Forces” of the Security and Defence Working Group of the SPD from November 2014. Steinmeier, Ayrault, and Mogherini all call for the creation of such a civil-military planning and conduct capability as well - an idea that Great Britain repeatedly prevented from materialising in the past. It is important to stress in this regard that given the CSDP’s focus on conflict prevention and crisis response, an EU headquarters would not mean a replication of NATO structures, as has been claimed by the detractors of this idea.

Institutional consequences

The aforementioned reform proposals should go hand in hand with an institutional strengthening of CFSP/CSDP. I support the proposition of the German and French foreign ministers that the European Council and the Council of Ministers should focus exclusively on security and defence at least twice per year. This proposal has also already been called for in the SPD position paper mentioned before. I think it makes sense to put this idea on the agenda once again in the context of a possible Brexit.

Interestingly, neither the Global Strategy nor the paper of Steinmeier and Ayrault discuss the role of the European Parliament. This is regrettable, as a stronger parliamentary involvement is needed to give legitimacy to the proposed reforms. One way to realise this could be - as has been proposed in the SPD position paper - to turn the Sub-committee on Security and Defence (SEDE) of the European Parliament into a full-fledged committee. The aim is not to cut back on the competences of the national parliaments, for instance when it comes to authorising the sending of military forces to take part in CSDP missions. Rather, the European Parliament should be strengthened so that it can shape and control common policies on weapons exports, EU-supported defence research, or CSDP missions and operations in a democratic way. In addition, we should upgrade formats like the Interparliamentary Conference on CFSP/CSDP, where Members of the European Parliament



and their peers from the national parliaments of the member states come together to discuss foreign affairs and security policy.

To achieve this upgrade of the European Parliament, a change of the EU Treaties is needed, which requires an agreement among all EU member states. It is not clear that Great Britain's exit from the EU would clear the way for such a step, but it would at least weaken the group of countries that has been opposing any integration in the field of CSDP in the past.

The left can never win a conflict between the people and the elite

Anders Lindberg. Editorial writer. Aftonbladet. Sweden

June 24th was midsummer eve in Sweden.

It is the most important holiday of the year, rivalled only by Christmas. The traditions go back in history to the Vikings and beyond.

In folklore, midsummer also belong to creatures of the underworld and with the correct magic rituals, you can foretell your future.

That wasn't a particularly good idea on midsummer eve 2016 when the results of the referendum were announced from the British Isles.

The future looks bleak.

Brexit could very well spell disaster for Sweden. Politically and economically.

About 100 000 swedes work in Great Britain and every larger company, from Ikea or Volvo to the people that assemble roll-ups for conferences do business there.

But it is also a cultural issue, in Sweden everyone speaks English and no summer is complete without a new season of Midsomer Murders on TV.

Britain is one of our closest allies in Europe on issues like free trade and as countries outside the euro we share the interest that all of EU is part of all decisions about the future.

Without Britain, power in the European Union moves south.

Post-truth politics

The referendum campaign was a disaster. I visited the action two times, met with intellectuals, party hacks, politicians, think tanks and journalists.

I have personally worked on the "yes-side" on the Swedish referendums on EU and the Euro, and the British debate was the worst I have ever seen.

It was post-truth politics on steroids.

The Leave-side deliberately lied and tricked people on a scale I have never seen before. I don't envy the British politicians who's task it is to clean up a public conversation gone so sour and polarised.



For Sweden it is a strategic interest to keep strong relations with Great Britain regardless of their status in Europe. The renegotiations must be conducted in a generous and fair manner that do not punish the British public or the economy.

But with that said, the Leave-side used a narrative based on the idea that Britain could remain in the common market but without paying and without the free movement of labour. That was a fairy tale.

From a progressive perspective it is important to safeguard the legislation for the common market when it comes to worker's rights, the environment and social affairs.

And the divorce will take a long time. The only country that has left EU before is Greenland after a referendum in 1982. Those renegotiations took three years and Greenland has a population of some 56 000 people.

In Sweden the Brexit vote has triggered a debate about "Swexit". Both the far left and the far right use anti-European rhetoric. The Sweden Democrats, a party with neo-Nazi roots, push for a referendum on the membership in EU. But it is highly unlikely that any of the mainstream parties would go for that.

Especially after seeing the British debate.

The Left Party, a reformed former communist party, harbours the traditional critique of EU from the left about being undemocratic and too much market oriented. But in the Social Democratic party and the Greens most of this left-wing EU-scepticism has transformed into concrete policies that the parties push for within the EU political framework.

A wake-up call

For the political left in Europe the British referendum should be a wake-up call. Even if the majority of Labour voters opted for Remain the demography of the result is really scary.

As many social democratic or socialist parties Labour voters are a coalition of white working class, progressive middle class in cities and ethnic minorities.

That coalition has been in the process of breaking down since twenty years, and in some countries the far right is today the worker's parties.

European politics is increasingly leaving the traditional left-right scale as other conflicts become more important to voters.

The grand narrative in the British referendum was "the people" against "the elite" which, in combination with the issue of immigration became toxic.

And the Labour party failed to connect with its working class base in England.

There are probably many reasons for this. But one clue might be that according to data from 2010 only four per cent in the House of Commons are working class. Over 90 per cent are university graduates compared with 20 per cent in the overall population.



It is interesting to compare voter data in Scotland and northern England. The difference in living conditions between working class voters south and north of Hadrian's wall is not that big. But the vote differently.

Why is it so?

One reason could be representation. The Scottish nationalists have upheld a close relation to these voters, they feel represented. And that change the dynamic for the narrative of "the people" against "the elite".

An other probability is the quality of leadership. The SNP leader Nicola Sturgeon seems to be one of the few grown ups in British politics at the moment. She feels "genuine" in a way that obviously connect to ordinary people.

Both these lessons are probably true in a wider European context. If social democratic or socialist parties shall regain the trust of the traditional working class from the far right the demographic of the parties MP:s and leaders need to change.

False narrative

The tension between centre and periphery, that largely underpin the narrative of "the people" against "the elite", are destroying the coalition the left need to govern Europe. The problems are real, unemployment, lack of housing, entire areas that is left behind. But the narrative is false. There is no People – and there is no Elite.

There are many different peoples with different interests and there are many different elites.

The key to beating populists is to represent their voters better then they are doing in combination with having policies that solve the underlying social and economical inequalities that the thrive on.

That might be easier said than done.

But there are no shortcuts.

Brexit referendum: and now what?

Jamila Madeira. Former MEP 2004-2009. Member of the Portuguese Parliament. Portugal

"Populism is a political position which holds that the virtuous citizens are being mistreated by a small circle of elites, who can be overthrown if the people recognize the danger and work together. The elites are depicted as trampling in illegitimate fashion upon the rights, values, and voice of the legitimate people" Wikipedia definition.

Populism ruled this British referendum. It made it happen. It ruled the arguments for the Brexit and it nourished the feelings that moved the British to vote for the exit of EU. Citizens are entitled of the democratic right to choose and that should be provided the more often the better.

But the process that made us arrive here is quite unorthodox.

Not so long ago EU worked to have a Constitution.



Historically, Members of European Parliament fought for a consolidation of the constitutional foundations of the European Union, as well as the introduction of simple and democratic procedures for a clearer definition of citizens' rights.

The Constitution, drafted by a Convention in which MEPs, national MPs and governmental representatives of the Member States and candidate countries had an active paper in the concentration, in a single document, all that existed and have turned what was a huge legal complexity in something that dared to intend to be the fundamental law of Europe.

This text contained visible benefits for citizens, for the Member States, to the regions, to town halls and, of course, for the effective functioning of the European institutions. It was preceded by an open wide debate to achieve its aim, a new European constitutional law. There was a true citizen's involvement as well as a significant institutional participation for its building up process with thousands of meetings and millions of inputs. Still this was an imperfect law and a minimum compromise for moving forward.

Besides the concrete simplification of the European law and the building up of a clearer jurisdictional system in EU, this European basic law also intended more democratic accountability because it introduced the possibility for citizens to exercise effective control over the actions of the Union. It would work for greater democratic accountability.

In the Constitution, the rights of citizens emerged strengthened to the extent that the "Charter of Fundamental Rights" was an integral part of the Constitutional text. The European Constitution was also more precise and explicit as regards social rights and social cohesion. Thus, the European Constitution in the article 3^o expressly enshrined the objective to eliminate inequalities and promote equality between men and women and full employment, the guarantee of high social protection, the fight against social exclusion, and a high level of education, high education and protection of human health.

At the time, populist extremes tackled the need for even more social Europe and that this Constitution was not enough. Following this message there were two negative referendums on this proposal. The citizens, in spite of recognizing the achievements, were driven to say NO, demanding more. More Welfare state, more social Europe, and for that no constitution! The result wasn't more Social Europe but more autocratic and financial Europe with lack of instruments to tackle Social Europe.

Nowadays, the Brexit referendum intended to tackle a British economic boost and social instruments to solve migration issues. Voting for Brexit there was again a profit for populism and no profit for the people. Britain is an open economy and will still be exposed to the financial markets demand even though outside EU, and it feel the absence of a 500 million consumers market. Migration will not be solved only aggravated with internal social clashes like those that were known in the press after the result was acknowledged.

Even more, how deep will be affected the British community living in EU or how strongly affected will be the strength of English as one of EU's working language if the only country that assumed it as official language leaves? Many questions with still no clear answers. One answer is clear. People were deluded to this result by populism and now they are the ones that will have to live with the result.

Cities and young people voted to remain and older and rural people voted for exit. Scotland voted to remain and now Britain is in a pre-disintegration political moment.



No matter the result, this referendum was a way Mr. Cameron used to profit from populism and live to tell. Now we know that he neither profited nor lived (in his post) to tell. And Britain and British people are the ones now living a critical moment.

As Jean Monnet said April 30, 1952 "We are the Union of peoples, not a coalition of states.", so we as European should have leaders that respect and defend the people and act on its behalf. To better defend Europeans our leaders have to claim its values and democratic principles. While giving the democratic right to choose there should be a process to ensure that Britain keeps a central role as an EU strategic partner.

All EU Member states are willing to see less red tape and more European true value and leadership like was loudly demanded by British citizens. Now learning from this process we must ensure that technocratic will not rule our lives and that our leaders will abandon national egoism and reinforce European integration and spirit in a clear response to a stronger day after.

We must say that for sure we are stronger together than apart. So the true European of today which is obviously all those generations that profited from Erasmus and experienced at young age the European cultural melting pot and the essential role it played to ensure peace and solidarity in Europe have now a critical role to perform. They must rise and stand to defend Europe and its values, they have to assume the leadership of our common future and give to their governments there views on how EU should face this challenge.

Let's follow the true vision of Jean Monnet leaving behind national partial visions and imbalances and we will ensure a stronger Europe.

Dangerous Midsummer, or Moominsummer Madness

Mikko Majander. Adjunct professor of political history at the University of Helsinki and Director of Kalevi Sorsa Foundation. Finland

"Tell us all that's happening out in the world!" Moominpappa asks Snufkin the adventurer who replies: "Fuss and misery..." With this quote from Tove Jansson's famous Moomin stories Ernst Stetter, the Secretary General of FEPS, opened his presentation in early June when he visited Helsinki at a seminar on European politics.

Three weeks later Stetter might as well have referred to another of Jansson's Moomin books, namely Moominsummer Madness that in the original Swedish language is actually called "Dangerous Midsummer" (Farlig Midsommar, 1954). It starts with a volcanic eruption that causes a giant flood wave to enter the Moominvalley. After that everything seems to drift.

Britain's referendum on the EU membership was a political volcano, and its exit result hit like a tsunami also Finland that Friday morning when people were preparing to celebrate the Midsummer, the greatest holiday of the year. If possible, the hangover after the weekend was worse than usual. What would become of our joint European Union? How would the eventual Brexit affect Finland, its economy and security?

Even the eurosceptics were puzzled. For them Britain has been an important ally, a guarantor that the EU will not proceed on a federalist path. After all, among the critics there are not many who advocate Finland's withdrawal from the union. This applies also to the Finns party that in the past has gained the most from the anti-EU sentiments.



The present power relations make the constellation even more complicated. Since May 2015 the Finns party has been the third leg in Finland's centre-right coalition government. If the party was previously known foremost from populism and protest vote, in power it has acted as a reliable partner fit to govern. This is epitomised by the fact that the party leader Timo Soini is currently the Foreign Minister, thus representing in his person Finland to the rest of Europe and the world.

The transformation from a channel for protest and opposition force into power positions has effectively unmasked the populists. According to the polls the Finns party has lost half of its electoral support that has fallen below the 10 per cent mark to single figures. No wonder the party is tempted to use Brexit to upgrade its profile again. The youth league of the party has launched a people's initiative for an EU referendum in Finland. So far it has gained ca. 26 000 signatures while 50 000 is required before the initiative can be presented to the parliament.

Prime Minister Juha Sipilä has made it clear that there will not be a Finnish EU referendum under his government. The Finns party is tied and committed to this line, but Timo Soini tries uncomfortably to sit on two chairs. He made a "private" or unofficial visit to England, meeting representatives from both British EU camps – although not his dear old friend and soulmate Nigel Farage.

The trip raised questions whether Soini was in London in the role of a eurosceptic party leader or as a Foreign Minister presenting Finland's committed pro-EU stances. His ambivalence was heavily criticised when the parliament was – uncharacteristically – assembled from the holidays to discuss the situation that Brexit has created.

Prime Minister Sipilä gave Soini his blessings while assuring that Finland is toeing the line that the EU of 27 is adopting towards Britain. Negotiations should be opened rapidly, and the Brits have to pay a full price for their access to the common market. On the other hand, Britain should be treated fairly with no mentality of revenge. The potential consequences of Brexit for Finland's economy will be carefully studied and clarified.

Thus, after the first shock waves the general mood has been rather reassuring. True, Brexit is a huge political blow to European integration and forces the EU to much needed self-examination. Confidence needs to be rebuilt and regained, but greater risks fall upon Britain herself. The Finnish government can count on public support. In a recent poll almost 70 per cent was against a referendum on leaving either the EU or the joint currency Euro.

It will naturally take time before the consequences of this "Midsummer Madness" are over, but eventually – if it goes by the book – the flood fades away and all the inhabitants of the Moominvalley can safely return and settle happily at home.

Brexit will not be the end of the European Project, but European leaders must understand its message

Víctor Negrescu. Member of the European Parliament. Romania

The moment when the last ballots cast were counted and revealed that the "Leave" camp in the British referendum had won the day is still a vivid recollection. Not only because few had dared to actually consider the direct institutional, political, economic and sentimental repercussions of this divide. In an ironic twist of mood, recent events show that even the



most prominent Brexiters were caught unaware by the sheer size of the turmoil that awaits them. The stark reality of Great Britain leaving the European Union is vivid because, on the one hand, I can not imagine European history and culture without the contribution of the United Kingdom and, on the other hand, because the future of all our societies remains one which - I strongly believe - can only be built together.

It is nevertheless tragic that a political move which had more to deal with internal party strife and economic arguments became what we had always feared it will become: an excuse for scapegoating the immigrants as the cause of all our distress and misery. This happens while it is obvious that the economic models of austerity and unhampered neoliberalism were the ones which had led many Europeans and many British citizens down this path of misery and despair.

It is truly saddening that after a painstaking process of negotiation which listened to the British government's demands and concerns, all the endeavors to work out a compromise, with severe costs for the Eastern European members of the Union especially, were ignored by the "Leave" campaign. Instead of focusing on the new status the UK had just negotiated with the EU, both sides, on numerous occasions, seemed to compete in highlighting the fear and the suffering the opposing side would bring about. I am also saddened by the fact that this campaign was the scene of incredible expressions of populism, xenophobia and racism, on a scale not seen since the "dark ages" of the interwar period.

The future prospects seem, at first glance, bleak for all the protagonists. It is clear, for almost all informed observers, that Britain would find it very hard to prosper outside the EU. The negotiations on withdrawal will be undoubtedly a painstaking mixture of diplomatic struggle, economic acumen and dogged determination on all sides, and the two years interval many people have alluded to seems more like a very optimistic timeframe.

In the meantime, I cannot ignore the fact that there are millions of European citizens whose lives have been thrown into turmoil. I am very disappointed by the coward and deceitful reactions of the Brexit leaders. There are millions of European citizens of all nations working and contributing to the prosperity of the United Kingdom, whose future is mired under clouds of uncertainty. There are numerous Romanians among them.

In my position, as a Member of the European Parliament, as a social-democrat and as a citizen of the European Union, I will strive to ensure that the rights of these people, who bear no fault for a radically incensed campaign, will be observed in any form of political and institutional arrangement pending the withdrawal of the United Kingdom from the European Union.

At the same time, I believe that in spite of the dark days we have witnessed, there are still reasons to hope and to look forward to the future – if we all understand this lesson. The story of the European project has not always been one of victories, achievements and progress. There have been setbacks. There have always been crises, and each time the European Project has emerged stronger and with a renewed sense of its own mission. The shock of the first withdrawal from the European Union is undoubtedly a strong one. It is probably comparable to France's withdrawal from NATO's command structure at the height of the Cold War.

But the present days are also an opportunity. Not to blindly plead for more or for less Europe, but we have an opportunity to build policies and institutions which are not only



transparent, but also efficient. We have an opportunity to build policies and institutions capable of convincing all European citizens that the European Project delivers on their expectations and hopes.

This is the chance for all EU member states to reconsider the priorities behind their policies. This is the best opportunity for EU institutions to understand that people see them as too opaque, too detached from their daily struggle. This is the time for the political class – national and European – to acknowledge its failure and start building real solutions for people’s real problems.

The European identity can not be built through endless words, and European integration can not be achieved by wishful thinking, treaties on paper and pompous declarations. What really needs to be done is to look at the real message the people in the UK have sent through their vote – and this is a message about inequality and lack of opportunity affecting large segments of the British population.

The same inequality and lack of opportunity are felt all across the EU, and also among EU members. A nurse, a construction worker or a student in Romania or Poland do not feel they have access to the same opportunities as their counterparts in France or the United Kingdom; but, as the results of the referendum vote showed us, a citizen of Yorkshire also feels less advantaged than one from London. And yet, one of the purposes of the European Union is encouraging solidarity and economic cohesion all across its territory, achieving lasting improvement in the economy and quality of life for everybody. This is what needs to be done in the future and I believe projects encouraging a two-speed European Union will only further hurt our common project.

A New EFTA-EU Relationship Post-Brexit?

Nat O'Connor. Lecturer in Public Policy and Public Management at Ulster University. Member of TASC's Economists' Network. Ireland

Trying to imagine a “perfect” agreement for the UK to enjoy a stable, friendly and mutually beneficial trading relationship with the EU is problematic. A better solution would be to envisage this future relationship as an ongoing process rather than a final agreement or compact. The best candidate for this process would be a new relationship between the European Free Trade Association (EFTA) and the EU, based on respectful ongoing dialogue on the best way to organise trade with the EU’s neighbourhood. This would involve strengthening the EFTA into something more than it is today. If done right, such a process could provide the EU with a valuable mechanism for trading and co-operating with its close neighbours.

Today, the UK is still in the EU, and in many likely future scenarios the UK will continue to have a close and amicable working relationship with the EU. It is certainly in Ireland’s best interest to use whatever influence it has within the EU to help bring this about.

One major problem is the uncertainty about the details of that future arrangement, and the worry that there might be a period of years where the UK is completely outside the EU—i.e. operating according to WTO trade rules, tariffs and all. This would impose restrictions on Irish citizens’s ability to work and live seamlessly in the UK, which has been taken for granted as part of the informal Common Travel Area since Ireland's independence.



Once the UK-EU relationship is stabilised again, most people seem to be contemplating one of four outcomes, most of which are conceived of as agreements or settlements that would result from years of negotiations: (1) the EFTA-EEA option; (2) the WTO option; (3) remaining in the EU after all, with or without special concessions; and (4) some kind of new arrangement where the UK is able to trade freely with the EU but gains all sort of concessions.

The fourth option is implausible, as the EU is not going to give the UK all the benefits of EU membership without also giving it most of the obligations and its share of costs.

The third option looks like wishful thinking from some who are still struggling to come to terms with the referendum result. The UK would be allowed—and indeed welcomed by many—to stay in the EU, but irreversible damage has been done that will take time to repair. And the unhappiness of so many people in the UK, especially in its poorest regions, has been exposed to full view. Regardless of everything else, both the UK and the EU must recognise the need for much more socially-caring economic policies if they are to redress the inequalities that have been brought to the fore.

The second option is dreadful for Ireland, because all trade between Ireland and the UK would be subject to tariffs, with no exemptions permitted for Ireland as the EU is treated as a whole under these rules. It would not be good for the UK either, as it is a trading economy that relies on having favourable access to its markets.

The first option is the one being explored here, which is for the UK to rejoin the European Free Trade Association (EFTA) and to possibly trade with the EU under the European Economic Area agreement (EEA). There are different possible versions of this outcome.

In version 1.1, the “Norway” model means that the UK joins the EEA and trades in exactly the same way as Norway, Iceland and Lichtenstein. However, that means free movement of people, and it also means that the UK would have to implement EU rules without having a seat at the table when EU member states agree those rules. Unquestionably, this would be a worse position than EU membership from the perspective of many who voted for the UK to leave the EU.

In version 1.2, the “Swiss” model means that the UK becomes a member of the EFTA but is not a member of the EEA. Instead, a broadly similar trading arrangement is agreed with some special opt-outs or exceptions. However, recent signals suggest that Switzerland will be put under pressure to accept free movement of people if it wants to keep free trade, rather than allow an exception of this nature for the UK.

Nonetheless, some kind of hybrid EFTA arrangement—call it version 1.3—that represents a unique compromise between the UK and the EU seems the most plausible outcome. But this isn’t the real answer either.

Having brought the argument this far, a deep problem is exposed with the focus on achieving any kind of agreement, as if such an agreement could be set in stone. The UK must change on foot of the deep social divisions that have been exposed. The EU must change as similar social and economic divisions are rife across Europe and are fuelling nationalist political projects that threaten the union’s future. Both must change over time for countless reasons. How can there be a stable agreement between the UK and EU when both sides are moving targets? Even if such a mammoth document could be negotiated—and it would take



years—future changes could put that agreement under pressure if one side wanted to change its policies in a way that imposed major changes on the trade agreement.

The head-wrecking complexity inherent in any such UK-EU agreement—and the knowledge that a comprehensive new agreement would take years and still be vulnerable to future changes—is at the heart of the economic uncertainty surrounding the UK's referendum result.

An alternative, simpler and quicker solution would be to envisage a new mode of engagement between the EU and its close neighbours. The European Free Trade Association (EFTA) is perfectly placed to be the vehicle for this. The solution is to focus on establishing a good, ongoing mechanism for dialogue as opposed to trying to thrash out all the details of trade and co-operation in one go. The EU will always have neighbours, and now is a good opportunity to build a stable process for respectful and constructive dialogue with them.

The EFTA would have to change. Indeed, it will have to be seriously upgraded to cope if the UK rejoins it. There are many British public servants working in Brussels who might be a valuable addition to EFTA in this context.

It is currently unfair and undemocratic that Norway, Switzerland, Iceland and Lichtenstein do not have a formal seat at the table for EU policymaking that affects them. The EU gets away with it because it is large (population 508 million, combined GDP 16.8 trillion USD PPP) and the four EFTA members are small (population 12.7 million, combined GDP 893 billion USD PPP). In other words, the EU population is 40 times larger and the EU's economic output is 18.8 times larger.

But when the UK is taken out of the EU and moved across to EFTA, the numbers change significantly. The EU (-UK) will have a population of 444 million and GDP of 14.1 trillion USD PPP, and EFTA (+UK) would have a population of 76.8 million and combined GDP of 3.6 trillion USD PPP.

In this new context, the EU population would be less than six (5.8) times larger and the EU's economic output would be less than four (3.9) times larger. The difference between the two sides would be far less asymmetric than the current EU-EFTA relationship.

It's a big difference. The question is whether the EFTA could be transformed by UK membership into something more than an antechamber to EU membership. Is there a possibility of EFTA becoming more political—albeit not integrationist—so that the EU would be willing to sit down and negotiate trade policy on an ongoing basis with such an entity? A political EFTA could have more democratic legitimacy, and the UK is likely to find common cause with the Norwegians and Swiss, who surely do not enjoy being handed EU Directives to implement without a seat at the negotiating table.

Another advantage of this approach is that it is not just about the UK's relationship with the EU, but it is an investment in building institutions that will involve and benefit all of the EU's close neighbours.

Agreement to establish a stable process of ongoing EFTA-EU dialogue could be agreed much more simply and quickly than attempting to negotiate an enormous trade agreement that will be out of date as soon as the ink dries.



An ongoing partnership and process of dialogue between the EU and a strengthened EFTA could provide for stable, friendly and mutually-beneficial relations between the EU and its close neighbours, without the need for a long period of uncertainty about the UK's future relationship with the EU—and indeed, about the future of the EU itself.

Shifting the focus to a stable process of dialogue would mean that the UK (and other EFTA states) keep their current agreements with the EU, with changes agreed on an issue by issue basis over time, rather than trying to solve everything in one go. Any temptation to use the all-or-nothing negotiating tactic—that nothing is agreed until everything is agreed—should be ruled out by both sides as unworkable and not constructive.

This would not work if the EFTA was seen as a serious rival to the EU; one that threatened the political project of ever-closer integration of the people and institutions of EU member states. Any super-EFTA model needs to include a sufficient political package—like commitments around rule of law, democracy, human rights, climate and so on—to avoid undermining the social benefits of the EU.

A super-EFTA model would be preferable to the UK retreating from international engagement on issues like climate change and human rights, and it would also preserve mostly free movement across Europe. Crucially for Ireland, it would move the UK-EU relationship towards close co-operation sooner rather than later.

And, of course, such a solution permits the remaining EU to press ahead with further integration. When the UK leaves, the EU will be dominated by social market economies and social democratic market economies, which makes cohesion and integration easier to do. This poses challenges to the liberal market system in Ireland and in some of the more recent accession states too, but that's nothing new as we're already embarked on the journey of European integration as EU members.

If EU expansion is to be halted for a while, a strengthened EFTA could provide a destination for countries in the Balkans or for Turkey and other countries that want a closer relationship with the EU.

The people of the UK and EU will continue to have good relations. Governments on both sides should work towards a new ongoing process of partnership to provide people with certainty and peace of mind as soon as possible.

Reflections on Brexit and its implications for the future of Europe

Jernej Pikalo. University of Ljubljana. Slovenia

The outcome of the UK vote on membership of the European Union is sobering and worrying at the same time. It took many by surprise. It confirmed the potency of populist national politics on one hand and inability of European political elites to deal with the populist arguments and reform democratic structures of the European political system on the other hand. It showed that the main political cleavage has shifted from historical left-right to the not-so-new establishment – anti-establishment.

Politics in Europe is being restructured due to populist forces on both sides of the old political spectrum. Although ideas of Left and Right populism differ, they both feed on the same anti-establishment sentiment and depoliticisation discourse. The UK citizens are distrustful about the ability of the established political elites at home and in Brussels to deal



with what they see as the biggest treat to their livelihood – migrants taking away “their” jobs, “their” social security provisions, “their” established way of living. Several post-Brexit analyses have shown that the people in the UK voting for Brexit were convinced not by the arguments, but rather sentiments of national opposition to European integration and anti-immigrant rhetoric. Sentiments of regained national sovereignty also featured prominently. In nutshell, it was a potent mixture of nationalism and longing for certainty and security that led so many people to vote for Brexit.

Europeans are increasingly worried about their future. Future seems less and less certain, a far cry from Europe of hope and prosperity of the last half of a century. After the economic crisis in the last decade and the neoliberal measures applied by the national governments and European institutions, people are simply worse off than they used to be and that worries them. They distrust political processes as such, as they have seen too many times that established political parties in power have taken measures in the interest of the capital and against their own people. This meant less solidarity among people and the states and more questions on whom to rely on in times of hardship. Social democratic parties that had traditionally been successful with answers to such questions, have been in the last decade unable to come up with a coherent and convincing arguments to people’s concerns about their security. Not just physical safety, but security in the broadest sense of the word: social, human security, including certainty of the future. While the Right has addressed the concerns of the citizenry by emphasising physical security by law and order, closing of the borders, restrictions on movements of people, etc., the Left has struggled to explain its position to this day. This is one of the main reasons why populism with its oversimplified explanations and solutions is gaining so much support across Europe.

The Brexit has shown that the European Union is in a serious need to rethink its way of doing politics, the contents of the politics and its institutional design. For the peripheral and core states alike the EU meant more than just addition or superstructure to their national politics – it meant new quality, new never seen before political, economic, social and cultural solutions that added to the quality of people’s lives in a way national solutions were unable to. Today the EU is increasingly second best choice to national politics. As strange as it can sound in the age of globalisation, but the national feeling of being on “its own” has surpassed supranational “common” feeling in many polities of the EU. Populists are arguing for the renationalisation of the EU powers to national politics to defend “its own” (which, of course, does not include the immigrants). That is why one of the greatest challenges in the “EU rethink” will be how to make EU and its politics attractive and trustworthy again. In times when citizenry is increasingly disaffected with how politics is done at home and in Brussels, this is a major task and an important stone in building of the new EU political structure.

For states like Slovenia it is of the strategic importance to remain at the core of the European project. One of the least desirable consequences of Brexit and EU restructuring would be the EU of “several speeds”, “several co-centric circles”, of “core and periphery”, etc. Such post-referendum solutions would add further differences to already established ones and would not be cohesive for Europe, where some would feel second-class and disadvantaged. Slovenian political leaders have in their first reactions to Brexit emphasised the need for stronger Europe, where deepening of relations would not happen just in some areas and in some policies. Whether future EU is a “closer Union” (i.e. deepening) or a “better Union” (more effective within the same institutional frame) remains to be seen. As it looks now, it needs a new vision, trust of its citizenry and an institutional frame that would be more adept to answer challenges of post-modern democratic life.



**Brexit lesson number one:
Truth and love do not always win over lies and hatred**
Tomas Prouza. State Secretary for European Affairs. Czech Republic

We all remember the key philosophy of late Vaclav Havel that truth and love win over lies and hatred. The British referendum campaign has clearly shown that for complex issues lies, scaremongering and refusal of any responsibility are the best short-term strategy possible.

The British referendum was, without a doubt, a major milestone in the history of Europe. We have seen a major nation and a Member State decide that its future no longer lies within the European Union. The results of June 24th, 2016 will, for the foreseeable future, be the measure for approaching all of our actions on the European stage.

It is time to reflect on this decision and look back at the steps that preceded it.

The Road to Referendum

The referendum was not born overnight. It has been on the minds of Europeans, and most importantly, Britons not for months, but years. The dissatisfaction of many politicians in the United Kingdom with its position in Europe has been known for years, if not decades. Ever since 2013, David Cameron has been paving the path to renegotiation and a future referendum. Both were equal parts of a single election strategy. At first a renegotiation of terms and then a call for a vote on whether these terms were satisfactory enough for the people of the island nation. The gamble paid off and the Conservative Party led by David Cameron won the parliamentary election handsomely. The realisation that David Cameron will have to make good on his promises set in as a simple promise was not enough to quell the Tory rebellion.

Renegotiation and strategy

However, it wasn't until the letter addressed to Donald Tusk in November of last year that the rest of Europe got a good look at what exactly the United Kingdom expected out of its new place in the European Union. The areas of renegotiations were broad, ranging from economic governance and competitiveness to sovereignty and immigration. Those were the basis of a new deal for the UK as envisioned by David Cameron. Some, for instance competitiveness, were with no clear drawbacks, others, such as "immigration" or rather "limitation of free movement" as other Member States call it, were clearly problematic from the beginning.

Despite many trying (and even trying to create an institutional crisis by calling for resignations of European politicians who stayed out of the campaign at a specific request of David Cameron) it would not be fair to put blame for the result of the referendum on other Member States. Even as the February Agreement got lambasted by many, especially the English press, for being "too little, too late", cooler minds knew that the Agreement, like any other throughout history, was a compromise. And what is the co-operation of European nations about if not compromise?

Through their membership, the United Kingdom has enjoyed what could be considered one of the most unique and privileged positions in the EU - through their opt-outs in areas such as the Schengen Agreement, the Eurozone, the Charter of Fundamental Rights and the Area of Freedom, Security and Justice, and through its rebate, the United Kingdom has been able to negotiate exactly what parts of integration they were willing to join. Yet, here we were, in



February, ready and willing to once again do more. The fact that the final agreement was not a carbon copy of David Cameron's initial demands should not be surprising. We were ready to do our part in retaining the United Kingdom as a Member State. At the same time, however, we could not simply let go of the fundamental principles the EU is built upon. There were, are and always will be clear red-lines beyond which we simply cannot go. The Fundamental Freedoms must prevail, united and not chipped away. Even so, I believe that what we achieved in February was a solid foundation for a new relationship with the United Kingdom within the EU.

Campaign woes

It is clear that the result we all awoke to in the early morning hours of Friday June 24th was not the one we hoped for, nor the one we spent many tireless days and nights working towards while drafting the February Agreement. The aftermath that followed made one thing remarkably clear. The vote, no matter its outcome, was only tangentially related to anything we agreed or could have agreed upon in February. During spring, the campaigns on both sides were overtaken by internal issues that spoke of a more divided society than we expected. Where, in the final weeks leading up to the referendum, was the Agreement from February? Out of view and out of mind. Entirely different issues took over. Now, in the days that followed, it is becoming consistently more obvious that whatever promises the Leave campaign made, they were not based on facts and, moreover, there was no plan forward. The Remain campaign faced consistent criticism for being nothing but scare-mongering europhiles, but as we can see now, a future with no strategy going forward is an inherently frightening prospect.

The way forward

Like any other issue we have faced, however, we too will deal with whatever the next era of the EU brings. Specific and rational steps are crucial at this point in time. The Treaty provides for an exit procedure, and although untested, it will be the way forward. No negotiation without notification is the phrase of the day. Member States, including the Czech Republic, are not willing to embark on this unprecedented journey based only on the result of a non-binding internal referendum that, so far, has no official legal impact on the European level.

Nevertheless, it is clear that even if the United Kingdom and the European Union have embarked on different courses, it does not mean that our paths will not meet in the future. It is upon us now to consider what the future holds and how best to change our path going forward to prove to our citizens that a united Europe is still the best option. Two attributes will decide how well we survive – Action and Trust. We need to turn ourselves into the Union of Action and Trust to regain the faith of our people.

How neoliberal globalization put the UK out of the EU

Bartosz Rydliński. Ignacy Daszynski Center. Poland

At the first glance, many may wonder about the association between British referendum, globalization and the Polish experience of transition. However, all three elements are linked in a logical whole. The modern world is very interdependent, both in the political, socio-economic and historical way. When in the eighties of the twentieth century, Margaret Thatcher was destroying the trade unions, liquidating the various branches of British industry and privatizing state-owned enterprises and the Polish "Solidarity" assumed power, a few have seen the relationship between these phenomenon. While Thatcher introduced neoliberal policies by force, in Poland few people suspected that grassroots mass labor movement will provide millions of Poles multimillion structural unemployment, collapse of



social policy and instability of life for the two and a half decades. Thatcherism and the festival of "Solidarity" ended up the same. Consolidation of neoliberal hegemony over the Thames and the Vistula River.

When in 2004 the government of Tony Blair opened the British labor market to citizens from the new EU countries political elites in Poland, breathe a sigh of relief. Suddenly a country of nearly twenty percent of unemployment could count, that "the British dream" for many will be tempting myth. And so it was. Moreover, one million of Polish citizens chose Britain as the place of their dreams come true, for a stable and well- paid employment, access to health care and the chance to score better life for themselves and their children.

The Polish state, by the British welfare state made a symbolic outsource of obligations to its own citizens. Over the years, Poland has done nothing to stop the socio-economic emigration of Poles praising at the same time, that it is a country of low taxes and wages, facilities for the operation of large corporations and constant economic growth. The neoliberal primus among all. A few in Warsaw analyzed the possible negative consequences of this policy, especially in the context of increasingly serious announcement concerning a referendum on the exit of Great Britain from the European Union. Neither Jaroslaw Kaczynski, nor Donald Tusk did not take seriously the fact that the "Polish plumber" can contribute to the output of the United Kingdom of the European family.

After Tories went to power and David Cameron became prime minister more and more people started questioning positive effects of Blair's "open door" policy regarding economic immigrants from Central and Eastern Europe. Cameron by himself has repeatedly stressed that social benefits "tourism" must be curtailed, that social and economic dumping take British jobs and that the EU common labor market should have some limitations. The British, who for centuries drew on the inflow of cheap labor began to fear. Deindustrialization and the flight out of industry and thousands of jobs to Asia started to undermine the economic stability of many citizens of the United Kingdom. The frustration of the British working class, watered nationalist and xenophobic sauce led to the fact that the red settlements in England and Wales did not protect the UK and the European Union before the crash of Brexit. Of course we cannot blame English or Welsh blue-collar workers for that, but above all those who for years have agreed to a neoliberal ideological dictates.

Neoliberal globalization is having a range of views, from the Thatcher revolution in the eighties, through the "shock doctrine" in Poland and other countries of the former socialist bloc in the nineties to a massive de-industrialization of Europe at the turn of the twenty and twenty first century led to a new socio-political division of the losers and winners of mentioned process. On the one side we have working poor and the unemployed and global cosmopolitans on the other. First group have been abandoned by the social democrats, both in Poland and the UK. Faith of Tony Blair and Leszek Miller on reconciliation of free-market economic development and social democratic policies proved extremely naive. This policy has brought even greater social stratification forming political base for all kind of Eurosceptics and so-call Eurorealists. In Poland such phenomenon bring to power Law and Justice, in the UK contributed massively to Brexit.

European social democracy must look on current problems in wider historical and global perspective. In addition to the growth of nationalist, xenophobic and illiberal tendencies in the European Union, we see unexpectedly popularity of right-wing populism in the United States and the militarization of the public discourse in the Russian Federation. Middle East has for years been the theater of war, with the bloodiest installment is Syria and Iraq. Global South suffer as a result of global warming which affects the mass migration to the North. We live in "interesting times", which requires from us, from European social democracy, radical



answers! The total anti-neoliberal narrative for the European Union is one of those elements. Staying with Christian Democrats in the European Union's "grand coalition", supporting austerity policies, lack the courage to nationalize failing banks and massive bailouts must end right here and right now. Each threat is also an opportunity. We live in the time of the return of the political, social, class and international antagonisms. Let's use this moment to create a new socialist European project based on the actual, grassroots democracy, strict control of the EU's executive, the lack of tolerance for capitalist speculation, public founded modern and clean industry, exporting Europe human rights and not bombs for allies. Only through courage in the implementation of our deepest dreams, we can prevent Europe from falling!

The Impact of the British Referendum on European Affairs

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The decision undertaken by British voters to leave the European Union will soon reveal itself for producing effects very different from what appears today. In the near future this decision will have a greater impact on the political and cultural identity of the European Union rather than on the Euro economy. I am not sure yet whether we will be able to say the same regarding the British economy.

In my opinion, the reason is simple and powerful at the same time. The project of European integration is built on an assumption: fostering economic integration is quintessential to increasing political integration. The main pillar for the advancement of economic integration is the monetary union. I do not mean that monetary integration is the end point of substantial integration, but that is the point where European integration starts getting serious. Countries, like the United Kingdom, that stated their determination not to become part of the monetary union had foregone the right to be a major player in the path toward increasingly stronger economic and political integration across European Countries.

Obviously this British decision took place well before the Referendum and it has always been, in my opinion, the most important limit to the influence of Britain on European institutions. This influence, whenever it was felt beyond the natural protection of national interest, was always directed toward steering the EU in the direction of an open society. The determination toward free trade and mobility of people and capital would not have emerged equally strongly within Europe if the UK had not been part of the project. Although lately the British push in this direction has wavered, the outcome of the Referendum may weaken the European commitment toward an open society. This is the major risk of the British Referendum. It is a risk that the European Socialist and Democrats more than anyone else have to erase: it is the risk that concerns decay into fear and fear destroys the protection of solidarity and cooperation.

The European challenge is thus clear: how we can make this failure – Brexit – “the opportunity more intelligently to begin again”, paraphrasing Henry Ford. European integration has to respond to two demands. First, how can we make European institutions and governments more effective in responding to the different systemic challenges as soon as they arise? Second, how can we make sure that, whatever response is undertaken, there is a strong sense of political ownership spread across European citizens and not just European governments?

The answer to both questions depends on our ability to enhance coordination and cooperation among European governments that belong to the Euro Zone. We seem to forget



that the adoption of the Euro sparked an irreversible political progress. There is no point in questioning the consistency and adequacy of the process that led us here. We lack time and we have to present prompt European responses to the systemic challenges. If we look at the management of the financial crisis of 2008-09 that led to the economic crisis of 2011, Europe did not lack ideas, it lacked resolution and coordination. European institutions and national government alike ended up adopting effective responses to the calls of the crisis. From quantitative easing to a vast array of structural reforms, many of which are still in progress, the problem has never been the nature of our measures but rather the timing. The delay of these responses ended up reducing their effectiveness, postponed the economic recovery and hampered job creation. Lack of jobs is a failure of the European promise.

Some Europeans respond to the shortcomings highlighted above by a rule-based approach. Rules after all are a coordination device and, if quick coordination is missing, this approach could foster prompter responses. There is certainly some consistency in this perspective but there is major drawback if we look at the origins of the European rule system.

The rule system that we have designed and approved within the European Union has been thought to manage the process of integration during tranquil times. It is not well equipped to face deep shock with systemic impact. In these cases a rigid application of pre-established rules may be detrimental to the objective of the enhanced coordination necessary for an effective policy response. A prompt and coordinated policy response across European institutions and government is the objective, rules are just means in pursuance of this objective. Lack of effective responses takes away the political ownership of European citizens. It makes them believe that no answer to their deeper demands can be addressed by the European project.

The volatility triggered by Brexit is providing an additional, possibly final, opportunity to revert the involution of European politics. We should never forget that the early promise of the European Union was not only peace. It was peace as the premise for prosperity. We have guaranteed peace and prosperity until the technological transformation begun in the late 90s. That transformation has challenged the basis of the European socio-economic model. The economic crisis has only reminded us that we were faltering in front of this challenge. Let us take the opportunity of the British Referendum as the last warning in order to overcome the shortcomings of an uncertain European integration.

From self harm to social Europe?

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When in the 1960s the poor of the US ghettos rioted for the first time, they burnt down the areas in which they lived. When the excluded of the French banlieus rioted in the 2000s, they burnt down the schools which served them. Now the excluded white ethnics of the English working class have gone one better. They have not only trashed their country's economy (which arguably has given them very little for years), they have set in motion a process by which the institutions of the United Kingdom itself could be destroyed.

They were egged on by a gang of pyromaniac public school boys, some of whom now seem to be regretting their lapse from normal standards of civilised behaviour. And of course the leader of the Labour Party watched from the sidelines, unable to decide whether to join in the fun or give the hooligans a gentle ticking off.



The referendum was fought on a rather peculiar franchise. It included not only all Irish citizens legally resident in the UK, but also citizens from that almost forgotten institution, the 'Commonwealth'. So a newly arrived person from Pakistan could vote, a long-term resident from France or Poland could not. Although the British government had promised to extend the franchise to all citizens living abroad, it never got round to doing this before the referendum. There are somewhere around 1.2 million Brits (including me) living elsewhere in the EU and most of us could not vote.

About 10% of the population of Great Britain have at least one Irish grandparent; about 400,000 British residents were born in Ireland. Ever since Irish independence there has been a so-called Common Travel Area between Ireland and Britain, which ensures freedom of movement and indeed freedom of residence between the two countries.

The Irish government and many Irish politicians pleaded with the Irish in Britain to vote Remain. Most of their arguments were an Irish version of the dreary economic arguments used by the Remain campaign itself: they highlighted the damage to the Irish economy - weakened exports - that will probably follow from a Brexit. Only towards the end of the campaign did they begin to raise bigger political issues...

Virtually all British politicians are at least 'euro-sceptics'. It is difficult to think of any profiled politician who has ever made a speech praising the European Union (Tony Blair did a few times, but apparently always outside the UK). This deep-rooted hostility explains a curious fact. Both countries joined the then EEC in 1973. At very minimum common membership of the EU provided formal and informal channels of communication between the two governments. Irish politicians and Irish commentators have always been clear that this joint membership helped contain the ethnic conflict in Northern Ireland. By contrast, British politicians have virtually never even suggested that the EU was part of the context for the Peace Process that has ended armed conflict in Northern Ireland.

The Brexit campaign did not exactly pay much attention to Ireland, but every now and then campaigners claimed that nothing would disturb the Common Travel Area. Today if you travel from Dublin to Belfast you are hardly aware that you are crossing an international border. If Northern Ireland stays part of the UK, then it is difficult to see how this can continue: there will be some form of 'hard border' again. Indeed, if Scotland now leaves the UK, and this of course is very likely, it is not clear what Northern Ireland will remain part of. There are already a few Unionists (i.e. those who claim a British identity) who suspect it might be better to join the Republic.

So a campaign fought by people waving the Union Jack and demanding 'Give us back our country' has probably destroyed the United Kingdom itself. The UK becomes just England and -for the time being - Wales. Not bad going for patriots.

For some time there a distinct English identity has been emerging within the UK, partly in response to the rise of Scottish nationalism. It does seem that the more likely people are to identify as English, rather than British, the more likely they were to vote for exit. In England (much less so in Scotland) there has been a terrifying rise in overt racism. People who appear foreign have been attacked on the streets. Clearly the perpetrators carry this out in the name of 'Englishness' rather than 'Britishness' but it would be simplistic to reverse the linkage, and see any English identity as more racist than any other European national identity. However, the Brexit campaign included many racists; the campaign did appeal to the worst forms of anti-immigrant prejudice; the campaign's success has licensed -



hopefully only temporarily – the sort of overt racism that everyone assumed had long disappeared from Britain.

There might be a few silver linings. I've argued elsewhere that Brexit could reinvigorate a social Europe, since one of the many obstacles to any European social policy has always been the stance of the UK government. While some Irish exporters will suffer, clearly financial services will relocate from London to Dublin. Until the Scots join, Ireland will be the only English-speaking country in the EU (apart from Malta). And so on...

But perhaps the best silver lining is in England itself. Most young and well-educated Brits are absolutely furious that their poorer and older relations have managed to burn down their own house. Outside the two main parties and their pathetic half-hearted Remain campaigns, you hear voices that are now whole-heartedly a call for Europe – the Europe of which we once dreamed.

As the President of Ireland said in his speech at the recent FEPS-TASC conference:

What has happened to the discourse on the European social model? What has happened to the discourse on social cohesion? In many respects the Barroso Commission's dominant view represented the very antithesis to Social Europe...Without a discourse of solidarity and cohesion – a discourse that is transcendental to aggressive nationalist claims and a narrow understanding of national interests – Europe will, I am afraid, continue to disintegrate .

The silver lining might be the rebirth of the European ideal.