## [MUSIC - HENRY BLOOMFIELD]

SARAH BALDWIN: Brexit. Hard Brexit, soft Brexit, cold Brexit, slow Brexit. However you take your Brexit, Britain's departure from the European Union is as chaotic as it is complicated. In fact, we thought this week's episode would be coming out just days before the official quote unquote "Brexit Day," March 29. But instead, things got even more complicated and there's no Brexit day in sight.

To help us make some sense of it all, we spoke with Nick Ziegler, an expert in European politics at Watson. We talked through the many aspects of Brexit. How it might affect Britain, Europe, and the world, what is making it so difficult to follow through on, and why the idea of leaving Europe gained such momentum in the first place.

Nick Ziegler, thank you again for coming in today. It's great to have you here. So, first of all, talk to us about how Great Britain decided to leave. Remind us how Great Britain decided to leave the European Union in the first place, and why is there so much confusion about how it might happen.

**NICK ZEIGLER:** Well, two years ago in June 2016, the conservative prime minister of the UK, David Cameron, decided to hold a popular referendum on Britain's membership in the European Union. And somewhat unexpectedly, the British electorate voted in favor of leaving the European Union.

SARAH BALDWIN: Like 52%, right?

NICK ZEIGLER: That's correct. And David Cameron needed the referendum in order to keep his own Conservative Party unified. There is a rather nationalist traditionalist bloc of conservatives known as the Tories who had always been very skeptical of membership in the European Union, feeling that Britain's subordination to the European Court of Justice was an infringement on British sovereignty, that Britain did not need to belong to the European Union.

And in 2016 the Conservative Party was really assisted in its effort to leave. That is to say the tougher nationalists in the Conservative Party, they were amplified in the sentiment to leave the EU by a new upstart party, the United Kingdom Independence Party, headed by Nigel Farage, which was an explicitly anti-foreigner, anti-immigration party.

The Independence Party, known as UKIP, mobilized very energetically around the referendum. And those Brits who wanted to remain in the EU did not mobilize nearly as much.

So quite unexpectedly, the referendum ended up with a nationwide decision to leave the European Union. As soon as that referendum happened, it began to become clear just how complicated the negotiations to leave the European Union would have to be.

SARAH BALDWIN: They weren't prepared to win.

**NICK ZEIGLER:** In effect, the Conservatives were not prepared to win. That is correct.

- **SARAH BALDWIN:** They must have known that it wasn't just about keeping immigrants out, that they would be severely disadvantaged. That this would be a huge disruption.
- NICK ZEIGLER: Well this turned out to be a classic case of voters voting against any common sense estimation or calculation of their economic interest. It was a vote that pitted opinion on immigration against membership in a very effective customs union and trade bloc that had led to a great deal of economic prosperity in recent decades. It was, in effect, a vote that reflected desire for consolidating national identity against trade openness and, so to speak, globalization within the European context.
- SARAH BALDWIN: And that was-- similar sentiments were being roused not just there, but here and elsewhere in that year.
- **NICK ZEIGLER:** That's absolutely right. Brexit was clearly, along with the election of Donald Trump several months later, one of the key indications that the great democracies of the West, the United States and the United Kingdom, were really beginning to think seriously about openness to the rest of the world.
- SARAH BALDWIN: I guess people probably thought-- if they gave it any thought-- that the UK could just vote to leave and then leave. But it's actually much more complicated than that.
- NICK ZEIGLER: That's exactly right. The leave campaign of course stressed the benefits of exiting from the EU. Britain would have to pay less into the EU common funds. But of course they left out all the benefits of membership in the EU. And because it's a long standing customs union, almost half of Britain's trade is wrapped up under the EU trade regime. In fact, it's over 40% of United Kingdom exports that go to other EU countries, and that all now will either be unwound or have to be agreed on through special bilateral negotiations with the European Union.

Suddenly, therefore, after the referendum the Conservative government realized that it had an extremely complex, difficult negotiating task to undertake with the European Union. This was

also complexified because the European Union countries export to Great Britain, and in fact export even a little bit more. Britain exports about 270 billion pounds worth of goods and services to the EU every year as of 2017. The EU exports more like 340 billion pounds to the United Kingdom.

The relationship, however, is not reflected by the arithmetic balance. It's a highly asymmetric relationship because that 270 billion pounds that the UK exports to the rest of Europe represents almost half of its exports, whereas the 340 billion pounds that the EU exports to the UK represents only about 10% of its exports. This was in effect a massive and rudimentary miscalculation of Britain's negotiating power with the European Union, because in fact Britain's trade dependence on the EU is four times as great as the EU's trade dependence on Britain. So this was the first major complication.

The immigration question that the British conservatives had cared so much about is also quite complicated. Britain suddenly had voted to restrict immigration from the EU to Britain. On the other hand, it wanted the European Union to continue providing easy access for its retirees, for its summer visitors, who throng to the beaches of southern Europe in the summer, as well as to its short-term visitors. So it looked like a very tough negotiating task for which the Conservative Party was really not prepared.

SARAH BALDWIN: And then, so where do things stand now?

NICK ZEIGLER: These negotiations, which have been going on now for well over a year, have reached a standoff because Theresa May as prime minister has not been able to reach an agreement with the European Union that her own Parliament is willing to accept. This also signals an acute crisis for parliamentary government in Britain because there is not supposed to be a split between Parliament and the government.

The government has to represent the majority party in Parliament. In fact, Theresa May only has a minority government at the moment, and doesn't seem able to weld together a parliamentary majority around any deal that she can reach with the European Union. So it's a very real standoff.

SARAH BALDWIN: And one of the major sticking points is this word we keep hearing, the Irish backstop, that seems to be very difficult to find agreement about. Can you explain what that is, and why people feel so strongly about it?

NICK ZEIGLER: The Irish backstop really exemplifies all the complexities in this agreement. Part of Theresa May's support in Parliament comes from the Democratic Unionist Party in Northern Ireland. This is a party in Northern Ireland, part of the United Kingdom which is contiguous and on the same landmass, of course, as the Republic of Ireland. But the Republic of Ireland is the sovereign country which is a member of the European Union irrespective of what Britain may or may not do with regard to Brexit.

For the Republic of Ireland and the rest of the European Union, it's critical to maintain an open border across the entire landmass. That is to say, the boundary between the Republic of Ireland and Northern Ireland part of the United Kingdom must remain open if the EU is going to agree to Britain's exit. The openness of the border is also extremely important to many Irish and Northern Irish because commerce goes across that border every day.

For the farmers in Northern Ireland in particular it's absolutely crucial to keep that boundary open. It's also very important to maintaining the peace between the Protestants in Northern Ireland and their primarily Catholic population. In the Republic of Ireland.

SARAH BALDWIN: Right. It's not just about trade, it's about history.

**NICK ZEIGLER:** That is absolutely right. And as a result, there is a real standoff on this issue. The Conservative Tories in the British Parliament are very reluctant to allow part of the United Kingdom, namely Northern Ireland, to exist under a trade regime, which is effectively part of the European Union, while the rest of the United Kingdom-- Scotland, Wales, and England-strike their own trade agreement with the EU and with the rest of the world.

This is verily nearly an irresolvable disagreement. And the backstop signifies an interim agreement to keep the border open in the absence of a deliberate agreement that would be reached between the European Union and a newly-independent Britain in the next few years.

## SARAH BALDWIN: Until 2020 or 2022.

**NICK ZEIGLER:** That is absolutely correct. There is a great deal of legal interpretation of exactly what this part of the current deal on the table really means. And the most conservative of the Tories in Britain, namely the hard Brexiteers, are not willing to accept any agreement that might prevent Britain from hardening that boundary at some point in the future.

SARAH BALDWIN: So, Nick, I want to be sure I understand this. Even if by some miracle an agreement is

reached, that doesn't mean that in a few years a huge, and intricate, and difficult negotiation will again have to take place around this very issue.

- **NICK ZEIGLER:** That is correct. It's very possible that the issue of the Irish backstop would need to be, at a minimum, clarified. And the range of openness to that future negotiation is exactly what splits different factions of the Conservative Party in the Parliament right now, and exactly what makes it so difficult-- to date, impossible-- for Theresa May as Prime Minister to mobilize a majority, even from within her own party.
- **SARAH BALDWIN:** What sense did you get about public opinion in Britain last week when you were there? Do you think people-- we can't know how many, but many people must be having second thoughts.
- **NICK ZEIGLER:** Yes. There's no question that many British citizens are reconsidering now the wisdom of leaving. The recent polls have put the possibility of a second referendum at about 6%, 7%, even 9% who would now vote in favor of remaining within the European Union.

There is nonetheless great reluctance in Parliament and the government to submit this decision to a second referendum because it could be viewed-- and would by many Britons be viewed-- as manipulating public opinion and not accepting a vote which the political elite didn't like, therefore just having a do over again and again until they get the vote that they want.

It's one of the reasons that this whole notion of having a popular referendum really turned out to be quite dangerous for the Parliamentary system.

SARAH BALDWIN: So who are the likely winners and losers of Brexit in the UK?

**NICK ZEIGLER:** Well, it's very hard to see who the winners are at this point, at least in conventional terms of calculating economic interest. British agriculture would surely be a major loser because it would lose subsidies from the European Union, but even more importantly lose a huge part of its export markets.

There are some estimates that hundreds of thousands, if not millions of lambs and sheep would have to be slaughtered because the markets for that livestock would immediately evaporate. And other farmers would similarly lose. It's very hard to see the banks or other financial services as coming out of Brexit as winners.

And it's really quite a loss for a lot of younger British citizens who've grown up as part of the European Union. The educational exchanges across Europe are now extensive. Many young

Britons go to Europe to study for a year or two, and the same the other way around.

Of course, it's also a big loss for any EU immigrants who are in Britain. It's unclear exactly what their status would be. But if they have come recently to Britain they may be forced to leave.

- **SARAH BALDWIN:** And what about the stakes of a British withdrawal from the EU for the EU, what is at stake for the rest of the European Union?
- NICK ZEIGLER: Well, that's a very interesting question because short-term it is very clear that the consequences for the European Union are less than they are for Britain. In effect, most of the EU member countries have gotten used to the idea of a Brexit, and they may or may not like it, but it's something that they think is going to happen. Longer term, Brexit would have very interesting consequences for the European Union and would work both for and against, I think, the progress of integration.

On the one hand, Brexit, however it works out, has led the EU political elite to redouble its efforts to guarantee the integrity of the common market, to work for greater cohesion within the European Union. On the other hand, working against EU integration is the demonstration effect that a British exit from the EU would have.

Eurosceptics all over the European Union would point to a successful Brexit as an example of how a democratic electorate can take their country out of the European Union. If for any reason Brexit does not happen or is delayed, then Eurosceptics would accuse the EU elite of manipulating politics and going against the will of the referendum in 2016.

- SARAH BALDWIN: If the United Kingdom does successfully leave the European Union, do you foresee a contagious effect? Is there any other country where there's enough anti or Eurosceptic sentiment that it could cohere and take over, and sort of push a country to engineer its own exit?
- **NICK ZEIGLER:** I think it is very possible. There is no other member country which is on the verge of exiting at this time. But Brexit would certainly establish a playbook for leaving the European Union, even if it's a messy playbook. It is possible to imagine other countries with a stronger populist vote beginning to think about leaving. It could be, conceivably, Hungary. It might even be Denmark, which at times has expressed-- whose political parties have expressed real skepticism about the EU, beginning to think about engineering their own exit. That is very possible.

- SARAH BALDWIN: If we imagine a world in which the UK has exited, post-Brexit world, do you think that that's a verdict on the experiment that the European Union was? Is it a failure, or is it just something that's evolving?
- **NICK ZEIGLER:** It would, I believe, in this particular case represent a failure of the democratic aspirations of the European Union. It's in principle not so terrible to have a supranational polity which allows one of its member countries to leave. But that's only true in logic.

In practice, Brexit would mean a real blow against the viability of parliamentary democracy in Britain itself. And it also would reflect the rise of populist sentiment within one of the great democracies, and indeed the oldest parliamentary democracy in the Western world.

So Brexit would have very serious and lasting consequences at a symbolic level without any question.

SARAH BALDWIN: Well, Nick, regardless of what happens, give us a bigger picture analysis of what this means.

**NICK ZEIGLER:** Well, I think the Brexit debates, however they turn out, signify very real doubts about the vitality and possibly even the viability of parliamentary democracy in Britain. And it's been too difficult for the British Parliament to figure out a way to interpret and represent the sentiment expressed by the British electorate. And this is an example, in a way, of the difficulty that parliamentary institutions seem to be having in representing and realizing the sentiment of their populations in many countries, including the United States.

SARAH BALDWIN: And what are the implications for the United States, if any?

**NICK ZEIGLER:** Well, I think the implications for the United States are a general weakening of the Western ideal of combining prosperity in a capitalist economy with democracy and politics. It becomes harder and harder to demonstrate that these two things fit together as well as they have fit together over the last few decades, at least for the majority of their populations.

In a way, that's exactly what is at issue in the rising doubts about whether political elites in Western Europe and the United States have been doing their job for their populations.

SARAH BALDWIN: Nick, this has been fascinating, if not exactly uplifting. But we'll be on the edge of our seat for a while. And I hope you'll come back and talk with us again.

**NICK ZEIGLER:** It's been a pleasure. Thank you so much.

## [MUSIC - HENRY BLOOMFIELD]

This episode of "Trending Globally" was produced by Dan Richards and John Mazza. Our theme music is by Henry Bloomfield. I'm Sarah Baldwin.

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