

## BREXIT dossier \_\_\_\_\_

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In strong connection to the latest developments generated by the referendum in UK on whether to remain in the European Union or not, the European Institute of Romania is pleased to present to its readers a special edition of its trademark Newsletter.

This edition brings together the opinions of several Romanian and foreign experts on the political, economic and social implications that this process entails. The views expressed are related both to the current situation and also to the challenges the EU will have to face in the future, as a result of the vote given by the British citizens.

At the same time, we would like to express our gratitude to our contributors for all the valuable opinions shared. **p.4**

**Oana Mocanu**

## interview \_\_\_\_\_

### Quo vadis Europe?

Interview with **Iordan Gheorghe Bărbulescu**, Ph. D., NUPSPA, President of the Romanian Association of International Relations and European Studies

**Dear Professor Bărbulescu, you will receive from the European Parliament the European Citizen's Prize 2016. What can you tell us about the significance of this prize and what is its impact on your future activity?**

I am glad, of course, for the attention the EP has given to the work I have done exclusively in international relations and European integration, whether at the central administration level in Romania (MFA), the academia, at home or abroad. At the same time, I see this prize as a recognition of the Romanian school's value in this knowledge... **p.2**



...area and of what we have been doing at the National University of Political Studies and Public Administration for over 25 years, *i.e.* preparing Romanians initially for their country's accession to the EU and, later on, for becoming a partner that is listened to and appreciated.

**The need to bring together national expertise and to promote specific interests at European level is becoming increasingly acknowledged at national level. In this context, in your capacity as President of the Romanian Association of International Relations and European Studies (*Asociația Română de Relații Internaționale și Studii Europene - ARRISE*), could you share with us some of the Association's main objectives and the development plans that you have in mind?**



ARRISE is a professional association that brings together professors and students of European studies - there are more than 200 members; it is a member of ECSA-World (comprising more than 60 countries across continents), including representatives from almost all Romanian universities; its leadership is made up of professors from the NUPSPA, the University of Bucharest, the Alexandru Ioan Cuza University of Iași, the West University of Timișoara and the University of Oradea. ARRISE contributes to the internationalization of the results of Romanian research on our expertise area through its members' participation in congresses, conferences, specialized meetings of ECSA-World. ARRISE runs three international projects awarded through international competitions and directly funded by the European Commission (on migration; international cooperation; as well as formal, non-formal and informal learning).

**From recent developments, it appears that the NSPSA is becoming a regional academic benchmark. Given that in the world there are more and more pressures on social and political sciences (budget cuts, the disappearance of departments, etc.), how do you see the NSPSA's role in promoting these sciences at national and regional levels?**

I believe that our university, like many others, does its job, so to speak, despite the pressures you mentioned. Of course, it is harder to do wonders when money is not enough, but it's all the more wonderful if you succeed under these conditions. The situation of higher education is not great in many parts of the world, at this point, as the economic crisis of 2007-2008 is still affecting it. Even so, the NUPSPA still has a constant number of students, which ensures its functionality. We try, through a diversified offer, to adapt it to current requirements, to provide programmes in foreign languages etc., to meet halfway the social needs, as we understand them, and, in particular, we are seeking internationalization by bringing/sending as many students and teachers as possible from/to Europe, and more. Our participation in international congresses/conferences at home and abroad, our presence in prestigious journals and the publication of books at home and abroad are another way. Last but not least, our work in the area of research projects and EU funded projects, where we rank among the country's top universities. And especially, the ongoing effort to respond with a good quality education to our students' needs.

**The European Institute of Romania (EIR) has recently marked 15 years of activity, during which it served as a bridge between different actors in European affairs (public administration, business environment, social partners and civil society). How do you assess the EIR's contribution to supporting the consolidation of Romania's position within the European Union and what key elements do you think there should be included in the institutional perspective for the next period?**

My position is already publicly known: I appreciate the highly important role played by the EIR in the Romanian society, all the more so as I know the difficulties it has faced, especially financially. The EIR studies have become highly rated, being looked for by all Romanian researchers. I hope it will continue this activity and identify financial sources for publishing them, as they are really helpful for all those interested, and especially for students. It would be useful to publish them in English as well because your work is worth the acknowledgement.

**In the EIR study on cross-border cooperation, coordinated by you in 2015 in the Series of Strategy and Policy Studies (SPOS), you mentioned that the European Neighbourhood Policy has been seen for a long time as a kind of "waiting room" for the European Union's enlargement. How would you rate the importance of the cross-border cooperation between Romania and Ukraine, and between Romania and the Republic of Moldova in this context?**

I strongly believe that these policies, even if not spectacular, enable a better knowledge for people working in their specific areas on both sides of the borders between these three countries. And this, even if it may not seem a lot, means actually very much because, where there is mutual trust between people who know each other, their cooperation will be different. Then, at the political level, this is a marked sign of the will of Romania and the EU as a whole to cooperate with these countries with a

view to democratization and rapprochement to the EU. It is important for their citizens to see actual results of the political will of Romania and the EU to help the Republic of Moldova and Ukraine in their long and difficult road to Europe and cross-border cooperation can help in this regard.

**Romania will hold the Presidency of the Council of the European Union in 2019. In light of your experience both on diplomatic and academic levels, how would you assess Romania's readiness level? What steps would be the next? And, last but not least, how could the academia and professional organizations take part in this process?**

The Presidency of the Council of the EU will be held at a not very easy time, considering what we already know: presidential elections in Romania in July 2019 right when our Presidency starts; the end of the EP elections and the start of the process of appointing the European Commission; let's not forget that August is a month of holidays throughout the EU and that half of December will be "low key" because of the approaching winter holidays. It will not be easy to attract attention on you as a country under these conditions. I say this because, in my opinion, the Presidency is an opportunity to test your leadership qualities, at least regionally, even if it is not "nice" to do it openly. Recently, the MFA held a meeting concerning the preparation of the Presidency; I welcomed it and we reiterated our offer, the NUPSPA's, to support its activities through what we know best, preparing experts who will be dealing directly with its organization. Personally, knowing the MFA, I am convinced that they will and we will do so, well enough at least.

**Given the latest developments related to BREXIT, how do you think this decision will influence the future of the European Union?**

I hoped until the last moment for UK citizens not to decide to leave the EU. It was not so and it is not polite to say that they did not vote as they should have, etc. The voice of the people must be heard and, in this respect, I understand the UK's official position. This does not mean we cannot have opinions. And, in this regard, I will repeat some of the things already said: the UK is losing enormously because of this decision, economically and politically; the EU is also losing, but, paradoxically, it can gain as well. I mean a certain kind of permanent obstruction imposed by the UK vis-a-vis the development of a genuine political dimension of the EU dream, the UK's being that of a single market rather than a political Europe. Incidentally, they are crying after the single market even now, while seeking a new privileged relationship with the EU, similar to Norway's I guess. In addition, the UK will lose jobs, it must conclude new trade agreements with all countries, starting with the US, which have already warned that their priority is the agreement with the EU; it must repatriate common policies with all that this means (new laws, new institutions, etc.). But, in particular, it will face a politically difficult time because citizens in Scotland, Northern Ireland and, recently, Wales, want to remain in the EU and will struggle to this end, also by holding referendums and seeking to become independent. So BREXIT seems more of a failure than a victory. In addition, I don't think it is an indication that others will want it as well, as it is plain to see that exiting the EU is likely to give the UK a hard time, even more so to states that are weaker than the UK! And, last but not least, I think it's time for some clarifications for the EU and the Member States on the future direction. As I've been saying and writing for 20 years, I see only one direction: strengthening the Economic and Monetary Union, the common borders (by establishing a joint border police of the EU), EUROPOL and all other measures with political effects leading, eventually, to establishing a novel type of federation that does not exclude the existence of Member States as it is the case with current federations. More Europe, not less Europe, is the answer, especially now when those who wanted less of it decided to leave the EU. As I said, I think the UK's place is in the EU and I also hope that somehow the EU will go on its way with a UK which understands that one cannot be inside and outside the EU at the same time, as it seemed to do often, hence the categorical reaction of countries such as Germany or France, as well as of the highest officials of EU institutions - the President of the European Commission or the President of the European Parliament.

Interview by the Studies and Analyses Unit, EIR

**Iordan Gheorghe Bărbulescu** is a University professor, he holds a PhD in political science/international relations, is a supervisor of doctoral programmes within the National University of Political Studies and Public Administration (NUPSPA), and has authored numerous papers in European Studies field, such as: [The EU. Deepening and Enlargement] (Trei, 2001), [The European Union. From economy to politics and The European Union. From the national dimension to the federal one] (Tritonic, 2005, 2006), [The European Union. The politics of enlargement] (Tritonic, 2007), [Decision - Making in the EU] (Polirom, 2008), [The New Europe] (Polirom, 2015) etc. Under his guidance were also published the Unabridged Trilingual Dictionary of the European Union, Polirom, 2009 and the SPOS Studies entitled "The implications of entering into force of the Lisbon Treaty upon the Romanian institutions and policies", 2010 and „National coordination of European affairs. Mechanisms of cooperation between the Government and the Parliament in European affairs. Comparative study in EU Member States" 2012. His activity crosses the academic realm, being also President of the Romanian Association of International Relations and European Studies and the President of ECSA - Romania. He is a Jean Monnet professor of the European Commission, manager and expert within tens of research projects with European funding. He is also, for many years, a RAQAHE and CNATDCU expert. He used to work for the Ministry of Foreign Affairs, in the European Affairs field, being rewarded the Knight Order of the Faithful Service. He is Doctor Honoris Causa of the Oradea University and he has received the *European Citizen's Prize 2016* from the European Parliament.



**ANA BIRCHALL** Having a Bachelor Degree in Law, at the University of Bucharest (head of promotion), Mrs Ana Birchall has continued her studies at Yale Law School, where she has achieved an MA (LL.M) and a PhD (J.S.D.) in Law.

Mrs Birchall has started her career as an associate lawyer at the White&Case LLP law firm in New York City. In 2003, Ana Birchall returned to Romania, where she started her career in politics at the Ministry of Foreign Affairs and the Foreign Affairs Committee from the Romanian Senate. In December 2012, Mrs Birchall has been elected as Member of the Chamber of Deputies from the Romanian Parliament, and since February 2015, she is the Chairperson of the European Affairs Committee from the Chamber of Deputies, Parliament of Romania.

Apart from her career in politics, Mrs Birchall is a member of the Executive Committee at the Yale Law School Association, an Ambassador of the Vital Voices NGO, as well as a member in the Global Advisory Council WeConnect International.

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The result of the referendum on the United Kingdom European Union Membership represents a sad moment for the European project and unfortunately demonstrates that the threat of Euroscepticism, as well as of the nationalist and populist extremism, is now greater than ever. I believe that this moment draws attention upon the future of the European edifice, being able to induce a strong crisis of confidence inside the Union and among the Member States and revealing the existence of the risk that the European Union, as we now know it, might never be the same.

At the same time, the referendum marks a legitimate option of the majority of citizens in the United Kingdom. We must acknowledge this result and respect the choice made by the British citizens, even if, as I have always said, I believe that Britain's place is alongside the great European family.

Whatever the future of the European edifice, the British referendum is a clear signal of a change that is occurring in the European and international situation. The reactions determined by the choice of the British citizens, first of all marked by the voices of Eurosceptic parties from many states in Europe, but not only, demonstrate that we are witnessing an unprecedented increase of the anti-European discourse and of the nationalist and populist extremism, as well as a tendency to change the position regarding the European leadership in Brussels.

From this point of view, I believe that this event represents a warning that must also be heard in Brussels, where the role and involvement of each Member State in the decision-making process within the EU institutions should be taken into account a lot more, from now on.

However, in my opinion, the lesson learned from this referendum may lead to a new European and international awakening, which could bring forth certain stability because of the consequences revealed by an event of such proportions.

The unity of the European project is fundamental, especially in these difficult moments, due to the fact that only together we can be a truly powerful voice in the global political arena. In order to accomplish this, we must first and foremost re-establish the trust among Member States.

In the current paradigm of redefining the European project, Romania has the opportunity to assume a more vocal position at European Union level and to become an even stronger actor and a generator of European policies.

This can be our chance to demonstrate that Romania belongs to the European elite and that we can constructively and decisively contribute to consolidating a solidary and strong European Union.



**ANGELA CRISTEA** As of 1 January 2014, Mrs. **Angela Cristea** has taken over the position of Head of the European Commission Representation in Romania. With more than 20 years of experience in the field of corporate communication management, Mrs. Cristea has worked in Romania, Turkey and Egypt, and in 2010 she started working at the European Commission's headquarters in Brussels. Mrs. Cristea has studied economics, political science and European affairs. In 1993 she was awarded the title of Master of Philosophy in International Relations at the University of Amsterdam.

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The European Union is facing an unprecedented situation in its history. It has 28 Member States, one of which has voted in favour of exiting the UE, namely Great Britain. For the time being, until its effective exit from the EU, the European legislation will continue to apply in Great Britain. Over the next period, this country will enjoy the same rights and have the same obligations arising from its membership as it has until now.

After the official notification of its departure, in accordance with its constitutional provisions to this end, Great Britain has two years to conclude an exit agreement which will reflect the new

type of relations between this country and the Union of 27 Member States.

Any agreement that will be concluded with the UK as a third country will have to be based on a balance of rights and obligations.

I welcome the interest expressed by the British people in continuing to have access to the single market, as this means that all 4 freedoms (including the freedom of movement) which underlie the European Union will continue to apply for the mutual benefit of both Great Britain and the 27 Member States of the EU.







**ALINA BÂRGĂOANU** Professor and Vice-Chancellor of the National University of Political Studies and Public Administration (Romanian School of Government), Chancellor between 2012 - 2014; Chairman of the Board of the European Institute of Romania; “EU Communication and the Public Sphere” Jean Monnet chair holder and academic coordinator of the Jean Monnet Module “Communicating Europe. Policies for Increasing EU’s Visibility among Member States”. Recent books: *United by or Against Euroscepticism. An Assessment of Public Attitudes towards Europe in the Context of the Crisis* (Cambridge Scholars, 2015), *The Crisis of the European Union. Identity, Citizenship and Solidarity Reassessed* (2013), *Comunicarea în Uniunea Europeană. Modele teoretice și aspecte practice [EU Communication. Views from Theory and Practice]* (2011), *Examenul Schengen. În căutarea sferei publice europene [The Schengen Test. In Search of the European Public Sphere]* (2011), *Fondurile europene. Strategii de promovare și utilizare [European Funds. Promotion and Absorption Strategies]* (2009). Founder of the Center for EU Communication Studies and of the online magazine *Convorbiri Europene* ([www.convorbirieuropene.ro](http://www.convorbirieuropene.ro)); Fulbright scholar (2001-2002).

The referendum on Great Britain’s exit from the European Union is without a doubt the political event of the year on a European level. Since its exact consequences are difficult to assess at the moment, I will refrain myself from making bold or clearly outlined predictions and, in turn, I will highlight some aspects with a certain dose of clarity attached to them.

First of all, the attempt to minimise the effects of this development - financially, politically, geopolitically and symbolically - is doomed to failure. Efforts meant to calm down financial markets and citizens (in that order, just as we have become accustomed to within the European Union) are legitimate, even mandatory. But, no matter how we put it, we are talking about a country’s direct exit from the Union (not from the euro zone). And not just that of any country, but of Great Britain (bearing in mind its population, economy, geographical location, prestige, special relationship with the United States, experience in the field of diplomacy and security). That is why parallels with the so-called GREXIT, looming at the horizon two summers ago, are out of place. Without Great Britain, the European Union will not be the same Union any more.

The second certain thing is that the outcome of the referendum is based on a sufficiently clear vote. The *Leave* camp polled about 1.3 million votes more than the *Remain* camp, marking a significant difference in favour of the former. We should also not forget that the *Remain* camp included the incumbent Prime Minister, who had won the general election with an outright majority 18 months ago, the Queen, the leaders of the financial and business establishment, members of the academia, and also part of the media (it is only a myth that “all” the British media is Eurosceptic). Also, there was an open letter signed by Nobel Prize winners who pleaded in favour of remaining in the EU, to which we can add the explicit support for the same outcome expressed by the United States, including President Obama’s personal plea made to Britons during his visit in London.

What could happen next? In general terms, I believe we can agree on the verdict delivered by the German news magazine *Der Spiegel*: “it is going to be bad for Germany, bad for Britain and catastrophic for Europe”. Leaving aside the mindset reflected by this verdict, as if Germany was not part of Europe, a mentality criticized in the context of the British referendum, the verdict is right. Trying to define a little bit what catastrophic would mean for Europe, I anticipate two possible consequences. I choose only these because they are

processes that have already become clear and visible enough, only to be accelerated by BREXIT.

The first consequence is that the European Union will be identified more and more with the euro zone or the Schengen Area, both with new entries and fresh exits. The two-speed Europe will be enshrined as a well defined political reality: one Europe with well-established (institutional, but also other types of) borders and a second Europe with porous borders, maintained *just in case*, for virtual security considerations or “virtues” such as cheap and skilled labour or the size of domestic markets. It is no coincidence that, immediately after the announcement of the outcome, German Vice Chancellor Sigmar Gabriel published a document drafted jointly with Martin Schulz, the President of the European Parliament, which talked about an “economic Schengen”.

Secondly, the situation created by Scotland’s choice to remain within the EU, even at the risk of leaving the United Kingdom, could generate a domino effect for various separatist movements across the European continent. The risk of redefining borders across Europe (the main significance of the annexation of Crimea) is huge, in general, and for Central and Eastern Europe this risk is immeasurable. As it has been the case so many times before, in this parts of Europe geography will pay tribute to ideological or economic criteria - civilisation vs. barbarism, Capitalism vs. (Post-) Communism, the rich vs. the poor, the developed ones vs. those lagging behind. The Eastern part of the European Union (to avoid using names with ideological connotations, such as East-Central Europe, Eastern Europe) might be the first to pay the price of BREXIT. I repeat: these developments should come as no surprise, as there have been previous warnings about their come about. I just want to mention here the predictions made in 2015 by George Friedman in his book *Flashpoints*: peaceful agreements between the great powers and considerable tensions for the states located on the great compact landmass between Germany and Russia.

If we take a good look, we see that both developments could seriously harm Romania. That is why Romania must “wake up” to the European reality, advocate for rescuing and reconstructing the European project, based on some correct and solid foundations (including relaunching of economic growth), tackle with sufficient prudence the proposals for agreements that are exclusively regional, and find its great allies within the EU.





**GABRIELA DRĂGAN** General Director of the European Institute of Romania, university professor at the Faculty of International Business and Economics, Bucharest University of Economic Studies, and associate professor at the National University of Political Studies and Public Administration and the Romanian-American University. Mrs Drăgan is Professor Jean Monnet and an expert in European Affairs. She published, as author and co-author, numerous books and academic articles indexed in various international databases. She is Director of the Romanian Journal of European Affairs, edited by the European Institute of Romania, member of the editorial board of the Romanian Economic Journal (REI, ASE), member of the editorial board of the Bulletin of the Petroleum-Gas University of Ploiești. In November 2013, Mrs Drăgan received the high-rank decoration *Knight's*

*Cross of the Order for Merit of the Republic of Poland*, conferred by the President of the Republic of Poland, in recognition of her contribution to promoting Polish-Romanian cooperation in European affairs.

## On BREXIT, or a victory à la Pyrus



Regardless of the view or standpoint - economic, political, social, security-wise or of any other nature - the consequences of BREXIT can only worry us. The projected departure of Great Britain from the EU, aside from being just an 'ugly divorce', is in fact *a mutilation with painful and unpredictable side effects for all parties*.

### Where do we stand?

To begin with, Great Britain is not just any member of the EU. The sheer size of its territory and population place it on the third position, after Germany and France, a feature kept also when it comes to its overall contribution to the EU's GDP (almost 14% in 2015, according to *Eurostat* figures). If we think about the capital inflows, Great Britain comes first in terms of *foreign direct investments* among EU Member States (according to World Investment Report, UNCTAD). In spite of austerity, in 2015 Great Britain contributed with approximately 13% of the EU budget, being as such the third net contributor after Germany (21.3%) and France (15.7%) (*HM Treasury, European Union Finance, 2015*).

Great Britain is one of the major international actors and stakeholders. It is a permanent member of the Security Council, of G7, G20, the International Monetary Fund, World Bank etc. Great Britain's exit from the EU will mean that London will withdraw from all European institutions. In line with this reality, Jonathan Hill announced his resignation as European Commissioner for Financial Stability, Financial Services and Capital Markets Union immediately after the final result of the referendum was made public. This means, de facto, that Great Britain is no longer represented at commissioner level inside the European Commission. Also, the latest European Council, that took place at the end of June, marked the de facto withdrawal of Great Britain, as the British chair remained empty during the second day of negotiations and debates. There will be withdrawals from the 10 EU Councils, the body of the Court of Auditors, the EU Court of Justice, the European Central Bank. Nonetheless, we will witness changes in the European Parliament's structure, where UK is going to lose the 73 seats.

Domestically, Great Britain has even greater problems. It is currently facing the threat of a double secession, namely that of Scotland, respectively Northern Ireland. Immediately

after the announcement of the vote's outcome, the Scottish First Minister Nicola Sturgeon said that "the option of another (independence) referendum is and should be on the table", while Martin McGuinness, Deputy First Minister of Northern Ireland sponsored the idea of a unified Ireland. Nevertheless, it must be said that Scotland's decision, which would bring about a process of redrawing the borders inside the European Union, has received mixed signals from Brussels, where some Member States with territorial sensitivities (like Spain) fear a dangerous precedent.

*To sum up*, we can easily understand why, when taking place in such a complex European integrationist structure as the EU, the loss of one of its core components has all the makings of a shockwave.

### What is coming next?

At this moment, there are many question marks and very few concrete answers. How will the negotiations take place after the trigger of Article 50 of the Lisbon Treaty? How long will they actually take since the treaty envisages the possibility of a two-year long process if both sides agree upon it? Which will be the immediate political, economic and security consequences of this developments? What about the medium and long term ones? Should we fear a domino effect inside the EU after BREXIT?

The Robert Schuman Foundation listed, before BREXIT, at least seven possible options of withdrawal negotiations, which ranged from treating Great Britain as a member of the European Economic Area all the way to the status of a non-EU country, like Norway or Switzerland. Regardless of the final scenario, the negotiation process will also imply, as a direct consequence, the *renegotiation and modification of EU treaties*. In such a context, the implicit risks derive from the unpredictable developments that could take place during the EU treaties modification process. We need to look no further than the sad experiences of the 2005 failed referendums in France and the Netherlands on the project of the European Constitution to understand the associated risks. Currently, the EU is going through a difficult time, with the effects of the economic crisis still being felt by many Member States, with shy growth rates and high unemployment, especially among the youth. If we add to this the migrant crisis and

recurring terrorist threats, we look at a rather grim picture which explains, even if only partially, the rise and spread of *Euroscepticism*, a possible game changer when it comes to constitutional transformations.

Most likely, tough and lengthy discussions and debates will follow not only between Great Britain and the EU, but also among the other 27 Member States. BREXIT is bound to bring back into discussion thorny topics like the *size and structure of the budget*, the *configuration of EU policies*, the *multiannual financial framework*, and will force the European leaders to devise a new *vision and strategy for the future* in order to promote a new *model of development*. It is not at all hard to expect that BREXIT will mark a new trial by fire for the EU as whole and its future. Even though there are voices who perceive the virtual leave of Great Britain as a step forward towards “an ever closer Union”, the status quo demands greater scrutiny. Let us not forget that Great Britain is not the only Member State which expressed its reserves regarding the different initiatives aimed at achieving a

greater integration (like, for example, the positions referring to the Banking Union or the migrant quotas). Recent remarks made by the French Minister of Foreign Affairs Jean-Marc Ayrault and his German counterpart Frank-Walter Steinmeier (*A strong Europe in a world of uncertainties*) seem to have laid the base for *new fault lines* inside the EU, between euro zone members and the rest, between those countries who advocate for a transatlantic security umbrella under NATO and those Member States who favour the creation of a *European Security Compact*. In short, between those countries who desire more integration and, on the other hand, those who plead for greater autonomy in all aspects of their sovereignty.

For now, we can only conclude that there are still many questions left open and very few answers and certainties. We are going to have a long and hot summer in 2016 while waiting for autumn and the European Council due to take place in Bratislava on September 16<sup>th</sup> where, hopefully, at least some of the questions raised here will find an answer.



## KERRY LONGHURST

Jean Monnet Professor at Collegium Civitas in Warsaw, Poland. She also teaches at the College of Europe and was previously Senior Lecturer at the University of Birmingham in the UK.

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## BREXIT – Background Factors and Elusive Scenarios



When Europe woke up on the morning of 24 June to the news that the British public had voted to leave the European Union there was a profound sense of bewilderment. A close call was expected, but the prevailing assumption on the eve of the referendum was that the population would come round to realise that BREXIT would deliver only uncertainty and that remaining fully inside the EU would be the best chance for the UK government to shape the future path of European integration in line with its interests.

How to explain the result? It is not a controversial claim to make that the British public never warmed to the European project, which in part can be explained by the lack of basic knowledge and rational debate about the EU in the mass media and the education system. The BREXITeers capitalised upon this and essentially pedalled the idea that EU membership only served to stymie the UK's economic and political prowess and well-being. On the back of this, the less than aesthetic faces of BREXIT, namely Gove, Johnson and Farage, essentially concocted a nationalistic narrative grounded in outmoded illusions of British grandeur and reference to the UK as an imperial power with global

outreach and a force to be reckoned with. Such sentiments found resonance amongst a public and mass media concerned with the migration / refugee crisis, the blame for which was placed on the EU's shoulders. Consequently, the BREXITeers convinced the majority of the voting population that unencumbered by EU membership the UK could assume a preeminent global position as a sovereign power, peel back EU laws and regulations, negotiate better trade deals, manage its own economy and borders and also plough back funds from the UK's contributions to the EU budget into health and education - areas in which the current government have struggled to maintain public confidence of late. To sum up, the 'Leave' campaign's motto 'Take Back Control' was mesmerising, whereas the 'Remain' campaign, despite holding the facts and figures that could reveal the factual holes and inaccuracies of the BREXITeers struggled to appeal to the masses.

But there is much more to be said about this. BREXIT says a lot about the state of British politics and society. First, the media was unable or unwilling to act as facilitator of an inclusive public sphere for rational and informed debate.



The popular press colluded with the BREXITeers, propagated their main arguments, took away nuance and also helped them negate the role and voice of experts, entrepreneurs and intellectuals in the debate. Second, the nature of the campaign says something about the persistence of 'class' in the UK and how in particular there exists a distinct 'uber-elite' who were able to actively dupe a large proportion of the population with promises that they have now largely reneged upon as they desert the public sphere, probably to return again in the form of 'celebrities' on reality shows in the not too distant future. Third, the result showed divergences between the different parts of the UK and between different generations - this is in part, quite encouraging as it at least suggests that there is a generation of young people with a sense of allegiance to the European idea.

Three weeks on and the '48%' have gained considerable voice. People from all backgrounds are articulating their support for the EU and the UK's place in it not least as the political and economic implications of BREXIT become evident. The

'Leave' campaign did not have a plan or blueprint in mind as to what should happen if their dream came true, moreover, key personalities are readily jumping ship with no sense of remorse or recognition of accountability.

What next? Confusion and uncertainty prevail. It is still an open question as to when and in what form the UK's departure from the EU will take place. Furthermore, possible scenarios and modalities for a future relationship between the EU27 and the UK remain elusive. Meanwhile, British politics has been thrust into disarray with both main parties suffering from a crisis of leadership. It is difficult to finish on an optimistic note, but it seems that the BREXIT result has been a true wake-up call for the UK; there is actually a relatively strong and growing groundswell of popular support for the EU, Farage and Johnson are spent forces and it is very unlikely that Gove will lead the Conservative party. Many of those who voted to leave the EU feel duped and misled. Perhaps, there is a chance therefore, that BREXIT will usher in a progressive phase in the UK's relationship with the EU.



**FLORIN BONCIU** Graduate of the Faculty of Trade from Academy of Economic Studies, PhD in Economics on "*International Cooperation in High Technologies*", senior researcher with the Institute for World Economy, university professor with the Romanian-American University, member of the Scientific Consultative Committee of the European Institute of Romania. Between 1991-2002 he worked in the field of foreign investment promotion and collaborated with international organizations such as the Organization for Economic Cooperation and Development, United Nations Economic Commission for Europe, World Association of Investment Promotion Agencies. He published numerous articles, papers and studies on international balance of power and global economic problems. Among the **books published:** *World Economy under a Magnifying Glass: From Acute to Chronical Crises* (co-author), 2010; *Foreign Direct Investments before and after the World Crisis*, 2011; *World Economy of 21<sup>st</sup> Century: a multi-polar World in Search of a New Paradigm*, 2012.

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## The much larger context of British vote for BREXIT



There are periods when history flows like a peaceful river and when things are predictable; and there are periods when history seems to haste, changing a lot in a very short period of time. The British vote for BREXIT is just a part of such a period of accelerated change, not the cause, but rather one of the effects that took place at this moment, because some long term phenomena have reached a point of maturity and discontinuity. Among these phenomena there are: the inequality that polarizes people, particularly in the Western societies, combined with stagnant earnings and falling real earnings for the lower and middle classes; the debt issues that divided EU member countries into creditors and debtors; the reaction to imposed migrants quotas; the departure of European Union from the fundamental characteristics of subsidiarity and moving towards centralized, political

approaches aiming at the establishment of a United States of Europe; and above all the overlooking of the diversity of cultures, history, spirituality, levels of development and almost everything else that characterizes Europe and should have been its main strength in the global competition.

Such phenomena made George Soros to say in April, 2015, well before the British referendum, that: "A voluntary association of equals turned into an involuntary association of un-equals."

Until further developments in Great Britain (that may or may not invoke the Article 50 of the Lisbon Treaty) and in the rest of the EU, what we know for sure is what the Common Statement by the Foreign Ministers of Belgium, France, Germany, Italy, Luxemburg and the Netherlands, told us on



June 25, 2016: “... we shall also recognize different levels of ambition amongst Member States when it comes to the project of European integration. While not stepping back from what we have achieved, we have to find better ways

of dealing with these different levels of ambition so as to ensure that Europe delivers better on the expectations of all European citizens”.



**QUENTIN PEEL**

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## BREXIT and the EU

The referendum vote in the UK to leave the European Union has already caused havoc in the British democratic system, profound uncertainty in global financial markets, and soul-searching in the rest of the EU.

In the UK it has caused a constitutional crisis and threatens a prolonged economic downturn. But both of those things could cause contagion - both political and economic - in the EU. The dilemma for the Member States is that they may well require different responses.

The prime source of uncertainty is about how the UK government and parliament will interpret and respond to the referendum vote. Although it was technically only an “advisory” vote, key figures including David Cameron, the outgoing Prime Minister, and all the leading contenders in his Conservative party to succeed him, insist that it should be treated as final. But others argue that the UK parliament is sovereign, and must vote on the final decision. There is a cross-party majority in the House of Commons in favour of remaining in the EU.

Markets hate uncertainty, and both the pound sterling and the

London Stock Exchange have been hit. So have EU stock markets, some of them even more negatively.

The consequences of BREXIT could scarcely have come at a worse time for the EU, still struggling to cope with the fallout from the Eurozone crisis in Greece and Italy. So the first priority for EU leaders is to stabilise the financial markets and offer a future relationship with the UK that will not undermine the whole web of economic ties between the 28 countries.

The best deal for both sides would be for the UK to retain full access to the Single Market, like Norway. But Angela Merkel, German chancellor, and fellow leaders are adamant that would mean keeping freedom of movement for EU workers, and contributing to the EU budget.

Those are precisely the EU obligations that a majority - albeit a narrow majority - of UK voters rejected. A majority in parliament would vote to accept them, but without another referendum on the future relationship between the UK and EU, it is hard to see how the contradiction can be resolved. The vote has left practically no winners, and an awful lot of losers.



**HELEN WALLACE**

Prof Dame Helen Wallace FBA, Honorary President of the University Association of Contemporary European Studies. She has previously held posts at the London School of Economics and Political Science, the European University Institute and the University of Sussex.

These are troubling times for those of us in the UK who have been involved in studying European integration and in particular following the tangled story of UK membership of

the EU. I first came into the story when as a student I watched the November 1967 press conference by General de Gaulle in which for the second



time he vetoed UK membership of the then EEC. I wrote my PhD thesis on aspects of the "successful" UK accession negotiations.

What a lot of water has passed under the bridge since those days. Some of it has been clear water - the enormously important contributions made by the UK - both governments and British society and business - to shaping the development of the European Union: the single market, the eastern enlargement, the elements of a common foreign and security policy, as well as middle level policies for environmental protection, research and innovation and so forth. Alas much of the water has been muddy - the exceptionalism of the UK anchored in its opt-outs from core EU policies, most prominently outside the Eurozone and outside Schengen. Perhaps most fundamentally we British have failed to develop a collective narrative about ourselves and our various roles within the broader European family, so "we" are the British and "they" are the Europeans and we have not taken ownership of the very real influence that the British have exercised inside this European family.

In these circumstances it is not hard to see how the "Leave" campaign came to exercise such traction in the BREXIT referendum or to observe that the "Remain" campaign proved unable to counter the claims of the no-sayers however tenuously based many of them were. It turned out that there were confusions between messages to the heads

and messages to the hearts of the electorate. So the result for me was brutal, but not a surprise.

The outcome of the referendum leaves a great deal of subject matter for the research community to dissect and after all we here in the UK have a large community of outstanding scholarship in European studies. There is plenty to examine within the processes of European integration as such and an enormous amount of comparative political analysis to be done. Why for example were the practitioners on the "Remain" side so confident of the comparisons with the 1975 EEC referendum in the UK and with the 2015 Scottish independence referendum, while the "Leave" campaign drew its lessons from France, Ireland and the Netherlands?

As academics we face difficult times ahead both personally and professionally. We have become accustomed to the experience of Europeanisation in our professional lives and the mechanisms that have helped to promote this will now alas become weaker. No doubt in our various ways we shall strive to retain what we can of the positives for our profession and to limit the negatives. On the doorstep over recent weeks I heard quite a lot from electors that was derived, sometimes garbled, from work by academic colleagues. As we go forward into the uncertainties of the BREXIT UK, we should also reflect on our responsibilities towards the world of political practice and about how our core messages are transmitted more widely.



## IOLANDA STĂNILOIU

Seasoned professional in the field of communication, management and life-long learning, participating steadily as a manager, consultant, evaluator, or trainer in NGOs projects and programs, public information campaigns, human resources training, personal development and coaching programs.

She is currently adviser to the minister and spokesperson for the Ministry of Labour, Family, and Social Protection and Elderly.

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## BREXIT implications for the bilateral relations between Romania and the United Kingdom in terms of employment and social affairs



In terms of Employment and Social Affairs agenda, the priorities for Romania have been and remain related to facilitating Romanian workers' access to the UK labour market, respect for their rights, ensuring the most favourable working and social security conditions possible.

The Romanian community living in the UK counts 225 000 persons, representing the second largest community of citizens of EU Member States, after the Polish community. Among them, 52% reside in London, 175 000 are workers and 179 000 are registered as tax payers. We can estimate that a large part of the Romanian citizens currently residing in the UK are well integrated into the labour market. At the same

time, in 2016, 9 200 Romanian students were registered in Bachelor's, Master's and PhD degree programs.

In terms of professional training, some of them are highly qualified, occupying jobs in labour market sectors facing a shortage of skilled workers: doctors (2 000), nurses (4 000), social workers, experts in the financial and banking sector, artists, architects, teachers/professors, IT specialists and researchers. Others occupy jobs in fields that do not interest the local labour force: agriculture, construction, elderly care.

The Ministry of Labour, Family, Social Protection and the Elderly (MMFPSPV) actively follows the developments and

consequences of BREXIT for the Romanian citizens living in the UK. From the perspective of the bilateral relations between Romania and the UK, MMFPSPV envisages a rational approach and maintaining negotiations with the EU within the general margin, as well as a series of aspects subject to bilateral negotiations for the protection of the interests of Romania and Romanian citizens in the UK.

Thus, we will monitor the situation of Romanian citizens living in the United Kingdom and we will cooperate with British institutions for the implementation of measures to prevent discrimination against Romanian citizens, as well

as xenophobic, violent and offensive manifestations against them.

We will continue to offer Romanian citizens information on the rights and obligations on the British labour market and in the social field, including information on any future changes, if they are put into place.

At the same time, we are assessing the perspective of stimulating the return of Romanian citizens who have not managed to find a job in the UK, are in transition between jobs or inactive in the Member State of destination.



### **ILTER TURAN**

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## **BREXIT from a Turkish perspective**



The decision of the British people to leave the EU has produced three types of responses in Turkey. To a group not to be neglected, which is busy making ends meet, whatever happens in the EU is their business and is, therefore, of little relevance to Turkey. To another group, heterogeneous in nature, including both those who are opposed to Turkey's search of a future in Europe and those who are fed up with the arrogance with which many members and institutions of the EU have approached Turkey, BREXIT shows that the EU is also running into trouble and that trouble may even be existential. This, therefore, is a positive development, an indication of where things may go in the future. A third group, on the other hand, is gravely concerned that an arrangement that has brought stability, peace and prosperity to the continent since after the Second World War is under challenge and this is likely to produce negative outcomes for Turkey.

I do belong to this third group that meets BREXIT with anxiety for a variety of reasons. First, the EU constituted not only a framework for European cooperation but also for regulated political competition. In this framework, Britain played the role of the balancer reminiscent of its role in the balance of power system that prevailed in Europe during the 19<sup>th</sup> Century. With Britain out, a France that seems to be declining may find German prevalence difficult to digest, a possibility that will place major stress on the Union. Secondly, the British departure may invite others

to advocate a similar undertaking. While other departures may seem unlikely at the moment, each referendum is not only likely to paralyze the Union temporarily, but also weaken its determination to become a more coherent and integrated entity. Third, a weakened union would deliver less stability and prosperity than now, augmenting the credibility of the arguments of those that are opposed to either the existence or of further development of the union. For example, a weaker union would be less likely to conclude a Transatlantic Trade and Investment Partnership, and it would be less capable of developing a security framework for the defence of Europe.

Rather than continue with the difficulties BREXIT might pose for Europe, let me turn to how it would affect Turkey and its relations. To begin with, a weakened and less capable Europe is a security concern for Turkey, a country that is located in a troublesome region where European commitment as a security provider is always important. Secondly, the EU had served as an anchor for Turkey in organising its own domestic politics along democratic lines, while expanding the rule of law and making the market economy more operational. Its weakening is likely to negatively affect the nature of the Turkish political system that is already coming under the challenge of one-man rule. Thirdly, Britain had been a strong supporter of Turkey's accession to the EU. Therefore, Britain's withdrawal from the EU will prove dysfunctional for her pursuit of full



membership. In this light, it is hardly surprising that some circles have begun to advocate in favour of putting a period to Turkey's membership negotiations with the EU.

What does the future hold? An optimist would say that if the British departure paves the way for a two-speed Europe,

it might be easier for Turkey to find a place for itself in the second tier. A pessimist would identify BREXIT as the beginning of the end. If that happens, both all members of the EU and Turkey would end as losers in all domains from security to economics and democracy. That is an outcome that nobody wants.



## ANTONIS KLAPSIS

PhD, Adjunct Lecturer at the Hellenic Open University and at Neapolis University Pafos. Academic Coordinator of the Centre of International and European Political Economy and Governance of the University of Peloponnese. Author of five books and co-author of another, has published numerous papers in distinguished peer-reviewed international academic journals. His latest book *An Unholy Alliance: The European Far Right and Putin's Russia* was released in English in May 2015.

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## The United Kingdom referendum: A reflection on its result and its possible consequences



### *A divided nation*

The result of the United Kingdom (UK) referendum was a triumph for the supporters of BREXIT. It was a disaster for Prime Minister David Cameron, who put forward the idea of the referendum in order to ease the pro-BREXIT opposition within his party, vainly hoping that the "Remain" choice would eventually prevail. The result of ballots depicted a clear division in the British nation: in contrast to England and Wales, in Scotland and in Northern Ireland the majority of the voters supported the continuation of the UK's participation in the European Union (EU). The prospect of Scotland's secession in case the BREXIT actually takes place is quite probable, whereas supporters of a united Ireland have called for a vote on the subject: before threatening the cohesion of the EU, the "Leave" vote already threatens the cohesion of the UK.

### *The growing success of nationalist populism*

Eurosceptics from all EU member states hailed the result of the UK referendum as a major success of their causes. It is yet another link to the chain of their growing influence across the continent. Nationalist populism is on the rise and will most probably continue to attract the votes of millions of Europeans. The results of the 2014 elections for the European Parliament were a clear indication of this trend, not to mention the results of national, regional

and local elections in most EU countries. The call for more "national sovereignty" as opposed to the "supra-national" ideal of European integration is becoming more and more appealing to European public opinion. At an internal British political level, the referendum might lead to a strange outcome: being a single-issue Eurosceptic party, UKIP, which was the most ardent supporter of the "Leave" vote, is quite likely to see its electoral influence diminishing as after a BREXIT its reason of existence will have ceased.

### *BREXIT and the EU*

If the result of the referendum is applied, the UK will become the first member state to withdraw from the EU. However, the British government has not yet triggered article 50 of the Treaty on EU. It is not clear when or even if this activation will take place. Despite the result of the referendum, it is not entirely unlikely that a BREXIT will not take place - and it is certain that it will not happen immediately. The UK's withdrawal will be a blow to the EU and might even trigger a chain reaction with other member states following the same path. But this blow will not per se be lethal for the EU. On the contrary, the political and economic consequences will be more painful for the UK. Maybe the most important consequence of a BREXIT will be an increase in Germany's dominance in the EU: after all, for more than a century Great Britain has been acting as a counterbalance to German hegemonic tendencies.



**RADU MAGDIN**

Romanian analyst and consultant, former honorary adviser to the Prime Minister for external communications. He worked for 5 years in Brussels, in EU affairs, during 2007-2012.

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## BREXIT and Eastern Europe



BREXIT has consequences on Eastern European countries, and the truth is there is more peril than opportunity in this crisis. First, the European project is under threat: at a key moment for Europe, when the continent has challenges both inside and at its Eastern and Southern borders, one key country decides to exit. Symbolism of unity is lost. Second, Eastern Europe also loses a key US ally in its efforts to present Eastern challenges, and particularly neoimperial Russia, as critical in Brussels. Of course, the UK stays in NATO, but its contribution to EU's foreign and security policy will be missed.

Third, but just as important, Brussels loses the champion of the liberal flank, where a lot of other Eastern European countries were present, promoting economic freedom and cutting red tape. Fourth, the UK is the biggest hub in Europe for Eastern

European expats, whether we are talking about Poles, Baltics or the increasing number of Romanians in Great Britain. These people's situation during BREXIT negotiations and immediately afterwards is a key concern for capitals from Warsaw to Bucharest. Fifth, we may have to increase our contributions to the EU budget: BREXIT will cost us financially.

Are there any opportunities that come with BREXIT? Not really, except for the illusory joy of being able to perhaps host some additional EU agencies or jump a seat in terms of influence in Brussels. A multiple speed Europe, encouraged by BREXIT, might prove an opportunity but mostly for countries that will manage to be in the driver's seat, in the primary speed group. The rest risk peripheral positioning. It is key for Romania to reform at high speed to join the first half of the platoon.



**ANDRÁS INOTAI**

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## What does BREXIT mean for the UK and Europe?



Although, from the very beginning of membership in 1973, the UK had always been rather Eurosceptic and against any deepening of the integration, as well as looking at the EU almost completely just from a business perspective (how much can I gain for my money), without the developing of genuine „European identity”, the outcome of the referendum took most people by surprise. Still, it is a „sacred moment” for Europe's future, if we are able to learn the lessons and get prepared for the future.

Immediate lessons for Europe:

a) A short-sighted and power-obsessed political action for pure domestic purposes (Cameron's party politics in order to keep power) nurtured consequences for the entire architecture of the European integration. If we do not wake up, several other member countries may follow this path with catastrophic consequences for peace and stability in Europe. The rapidly growing gap between short-term political rationality (four

years the most due to the electoral cycle) and the necessity of shaping, implementing and communicating longer-term strategic priorities (demography, sustainable growth, competitiveness, future of the welfare state, etc.) became once again manifest. To narrow this gap Europe-wide dialogue with the societies, often on cross-country level, is urgently needed.

b) As a result of, unfortunately successful, populist propaganda the majority of British voters still felt they were a global power as half a century ago. They were open to being misled and started to raise the question of why did I vote for BREXIT just the next day. A two-level disappointment can be registered. One with the current and in communication partly manipulated situation of the European Union (before the referendum) and the second one with the suddenly discovering post-BREXIT consequences. What kind of policy will be able to remedy a „double disappointment”? And which political movement will be doing or further misusing it?

c) The psychological-ideological consequences of the global crisis of 2008 could have been easily identified almost from the beginning of the crisis. Some experts (including myself) have called several times the attention to the logical and time-related sequencing of different types of the crisis: financial, macroeconomic, social and, finally, ideological-mental. Even if the first stages of the crisis were under control (with some question marks), the ideological crisis has just got its peak. Several governments of the Member States seem to base their politics and communication on the mental

contamination of already mentally polluted people - with dramatic consequences not only for the EU as such but also on future stability, peace and normal life among European countries.

Only emphasizing and successfully communicating the „costs of non-Europe” we can hope that the current trend of disintegration can be stopped and the EU will be able to recover, whatever its future architecture will look like (core and periphery, multi-level integration, relations between nation-states and federal structures).



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## After BREXIT – a Point of View from Bulgaria



The results from the referendum on BREXIT are clear, the consequences are yet to be seen - both for the United Kingdom (UK) and for the European Union (EU). Leaving the possible scenarios for the future of the UK aside, the majority of BREXIT assumptions refers to the external and internal implications for the EU. When it comes to the latter, all Member States that joined the EU during the Fifth Enlargement process have proved to be particularly vulnerable. Without the UK, the objective of achieving “an ever closer Union” gains more importance for keeping the internal cohesion than before, and at the same time gets increasingly reachable. However, if further integration is the solution to the present challenges, then the EU has to ensure that the EU Member States which joined in 2004, 2007 and 2013 accelerate the adoption of the single currency (as stipulated in the accession agreements), join the Schengen area (which for Bulgaria, Croatia and Romania seems to be a pending issue), participate in the Banking Union, finalize the Energy Union,

complete the European Single Market, etc. All of these emerge as challenging tasks for the new Member States, but also for many of the so called old members. Therefore, it is most likely that the EU will gradually adopt the “public bus” approach (Eckart Stratenschulte: 2016) - when it comes to further integration, some countries will get in, whereas others will get off depending on the specific sphere.

Another feature of BREXIT is the upcoming trio to take over Presidency of the Council of the European Union from July 2017 onwards - UK, Estonia and Bulgaria. For Estonia and Bulgaria this will be the first presidency of the Council ever and a possible rescheduling in this configuration is everything but a desired option. On the other hand, though, holding the EU Presidency by Member States which already look outwards will be, indisputably, the less preferred and efficient decision for the EU as a whole.



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collaborator of European media (France 24, Challenges, Rai3 Mondo). He has translated from Italian to French the book from Sandro Gozi, *Génération ERASMUS: ils sont déjà au pouvoir* (Plon, May 2016). He has been honoured „Ufficiale dell’ordine della Stella d’Italia” in September 2014.



## Beyond BREXIT: an opportunity?

Since the 23<sup>rd</sup> of June, the European Union is yet again facing a new difficult period with the BREXIT, after the referendum provoked by Prime Minister Cameron for domestic political purpose. One might consider this is the normal process of the European integration from the '50s and even more for the last decade. After the financial and economic crisis and the Greek public debt situation putting at risk the Eurozone, then the migration waves demonstrating the weaknesses of the Schengen area - not fully operative with no effective control of the external borders, no common asylum criteria, the difficulty to distinguish between economic migrants and refugees applying for the asylum protection - this is a new crash test for the Union. A period of uncertainty that may put the European project in danger, as long as some Member States seem to continue to behave exclusively on a national interest basis. Under shock, the European Council has decided not to rush, and has agreed to gather in Bratislava this autumn, for an informal meeting.

Despite this gloomy situation, two paths should be followed independently, but these don't seem to be the road maps chosen by our leaders, in particular Chancellor Merkel and President Hollande. Their own political agendas, both facing crucial general elections in 2017 is making them falter in the broad euro-sceptical public opinion mood.

The first is to start the discussion as soon as possible to find a new partnership between the UK and the 27 European Union Member States. Uncertainty is bad for everybody, but

in particular for the markets, the investors and the economy. There is no need to wait for the article 50 to be activated by the new Conservative Prime Minister to understand how this divorce will be possible without too much damage for both sides. The process will be longer, more technical than what the pro-BREXIT reckoned and will be painful in particular for the UK. The sooner, the better also for the international image the EU will convey in this process. Once the new UK Prime Minister will decide to invoke the respective Lisbon treaty article, the EU negotiators will already have some concrete proposals.

The second is to put in place a "Convention" composed by one hundred members with the mandate to screen the current EU institutional architecture, the European policies and their effectiveness, the budget, the implementation of the subsidiarity principle and to propose three scenarios to simplify and make the EU more efficient. Once transmitted to the European Council, there will be no obligation to follow one of the proposed path or all the conclusions, but this democratic exercise will make the case for a fresh momentum, showing to the European citizens that the European Union will adapt itself to the current weaknesses (jobs, economic growth, migration, terrorism, environment, etc.) with a different perspective. The BREXIT may then become an opportunity for those who continue to consider that "sharing sovereignty" at the European level is the best tool to regain control over global challenges.



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## The path to the UK's withdrawal from the European Union

On 1 January 1973, the United Kingdom of Great Britain and Northern Ireland joined the European Economic Community (EEC), following the signature of the accession treaty. A year later, Labour Party leaders promised to hold a **referendum on membership**, so that in 1975 the British people had the opportunity to decide in favour of remaining in the EEC (by a majority of 67%). In the following years, several British politicians expressed their views on holding various referendums concerning the European Union, but until May 2015 none of the initiatives had led to actual results. The situation changed with

the firm commitment undertaken by the Conservative Party to hold a referendum on membership by the end of 2017, in the aftermath of winning a majority in the House of Commons of the UK Parliament<sup>1</sup>.

Thus, in the following months, the voting options were promoted in two campaigns. The first one was aiming to **leave the European Union** (*Vote Leave Campaign*) and was supported mainly by the eurosceptic UKIP Party leader Nigel Farage. The second (*The In Campaign*) focused on **remaining in the Union**

<sup>1</sup> Timeline: Campaigns for a European Union referendum, BBC News, 21 May 2015, <http://www.bbc.com/news/uk-politics-15390884>.

and was promoted by British PM David Cameron, particularly after the negotiations which took place at the European Council of 18-19 February 2016.

But before that, the Conservative leader had advanced a number of objectives in the negotiations with the European Union to assure the British people that their interests are respected and heard in Brussels. The British priorities, later addressed by President Tusk to the members of the European Council, were: **economic governance** (ensuring mutual respect between the Member States taking part in further deepening of the Economic and Monetary Union and those which do not), **competitiveness** (simplifying legislation and reducing burden on business to cut bureaucracy), **sovereignty** (given its special situation under the Treaties, the UK is not committed to further political integration) and **free movement** (clarifying the interpretation of current rules on social benefits for migrants who want to come to the UK)<sup>2</sup>.

Following the European Council of 18-19 February, an agreement was reached on **strengthening the special status of the UK in the EU**, to be subject to a referendum among the British people. On **23 June 2016**, more than 33 million people in England, Scotland, Wales, Northern Ireland and Gibraltar went to the polls to decide the future of the UK. The results announced on the second day confirmed a **majority vote for the option to leave the European Union** (51.9%) at the expense of remaining in the EU (48.1%). Most votes in favour of leaving were cast in England (53.4%) and Wales (52.5%), while the majority vote for remaining in the EU was expressed in Scotland (62%) and Northern Ireland (55.8%).

Regarding the **relation between the distribution of votes and voter characteristics**<sup>3</sup>, there was a strong correlation between those who voted for leaving and the proportion of voters for UKIP at the European Parliament elections in 2014. From the education level perspective, non-graduate voters were

particularly in favour of the UK's withdrawal. From a socio-economic perspective, C2DE<sup>4</sup> voters in the labour market voted mostly to leave the EU. The City of London voted to remain in the EU, with 59.9% of the votes cast by its inhabitants.

In the morning when the results were confirmed (24 June 2016), **Prime Minister David Cameron made several press statements**, saying that the British people's vote is a giant democratic exercise, and the outcome of their will must be respected. Maintaining that a new Prime Minister will be best suited to handle the UK's withdrawal from the Union (triggering Article 50 of the Lisbon Treaty), he announced he would remain party leader until the next election to be held within the Conservative Party<sup>5</sup>. On the same day, **EU leaders issued a joint statement** on the outcome of the referendum in the UK: "In a free and democratic process, the British people have expressed their wish to leave the European Union. We regret this decision but respect it"<sup>6</sup>, President Tusk, President Juncker, President Schulz and Dutch Prime Minister Rutte said. They also noted that the document "New Settlement for the United Kingdom within the European Union", reached at the European Council on 18-19 February 2016, will not take effect anymore.

One of the **first effects of this referendum** has to do with the uncertainty and volatility of financial markets (the sterling pound is still dropping). In addition, the fact of not knowing the exact parameters of triggering Article 50 (starting negotiations with the European Union and establishing a new status as economic partner) causes uncertainty to also prevail among investors, making the economic growth questionable. From a political point of view, other eurosceptic leaders have expressed their interest to hold referendums on the EU membership, so the risk of contagion across Member States remains significant. The debate on the future of the European Union will be continued by the leaders of the 27 Member States at a summit due to take place in Bratislava on 16 September 2016.



**MIHAI SEBE**

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## Migrate another day. BREXIT and the migration process



The BREXIT referendum has proven once more that emotions do have their role in politics and thus the force of populist messages such as "Take back control of our borders" appeal

to human nature. If the economic fallout was almost instant and the political ramifications have been equally fast-moving, what will take far more time to sort out is what BREXIT means

<sup>2</sup> Letter by President Tusk to the Members of the European Council on his proposal for a new settlement for the United Kingdom within the European Union, Press Release, 2 February 2016, <http://www.consilium.europa.eu/ro/press/press-releases/2016/02/02-letter-tusk-proposal-new-settlement-uk/>.

<sup>3</sup> Elise Uberoi, European Union Referendum 2016, Briefing Paper, Number CBP 7639, 29 June 2016, House of Commons Library, <http://research-briefings.files.parliament.uk/documents/CBP-7639/CBP-7639.pdf>.

<sup>4</sup> C2DE refer to people in skilled, semi- or non-skilled manual jobs, the unemployed, casual workers and pensioners

<sup>5</sup> EU referendum outcome: PM statement, 24 June 2016, press release, <https://www.gov.uk/government/speeches/eu-referendum-outcome-pm-statement-24-june-2016>

<sup>6</sup> Statement by the EU leaders and the Netherlands Presidency on the outcome of the UK referendum, Press Release, 24 June 2016, <http://www.consilium.europa.eu/ro/press/press-releases/2016/06/24-joint-statement-uk-referendum/>.

for the migration policy both at the European Union and United Kingdom level. Now, since the divorce negotiations seem to be messier than predicted, immigration will be one of the big issues in this process. What is at stake?

The British Leave vote seems to be very polarized as the idea to limit immigration gained a lot of appeal, and the key signal to all who have ears to hear and eyes to see is that one: immigration must be better controlled.

In the short run, the most pressing question is that of the rights of EU nationals currently living in the UK, both right now and once the formal withdrawal from the Union occurs—a process that could take two years to complete, from the moment when the government triggers Article 50 of the Lisbon Treaty.

This question generates in turn two subsequent questions:

- 1) If the UK does not accept the principle of people's free movement as a price to pay in order to gain free access to the single market, is the EU willing to offer it comprehensive access to the single market?
- 2) How would the UK compete with the EU, if the UK restricts the free movement of persons? Would the British people accept an immigration policy based on a liberal view?

Another complicated issue is the border question - who will control what? What to do with the issue of Calais refugees?

In the long run, the most pressing questions are related to:

- 1) the role of migration in any EU negotiations?
- 2) how would the British political elites reach a nationwide consensus on migration policies?

As for Romania any political statement so far has repeatedly underlined the need that any subsequent negotiations take into consideration the principle of people's freedom of movement and securing the rights of Romanian workers in the UK. This red line has gained a wide political support and is supposed to be reaffirmed in any decisions concerning the BREXIT.

However the support may vary in accordance with the replies to a series of questions:

- 1) what is the status of the EU nationals inside the UK at the moment of the Referendum?
- 2) the negotiations are estimated to last two years - in this time the UK must respect its EU obligations - if this is the case what will happen with the nationals arriving in the UK in this time framework? Would they also have a special status? How would the UK authorities react if they had a EU intra-migration spike?



## BOGDAN MUREŞAN

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## BREXIT highlights the *generational gap* at European level



The European Union has been for a long time regarded as the most successful model of post-modern supranational integration, harmoniously combining the principles of peace, prosperity and supranationality. The EU promised to deliver prosperity through integration, but in recent years it has instead become a symbol of austerity and conflict, finding itself under the constant threat of *Euroscepticism*, a flaw that undermines the Member States' sense of solidarity. The European Union's crisis of cohesion, imagination and credibility has reached its peak in June with the referendum in UK bound to decide the country's destiny in or outside the European family. Without attempting a thorough analysis of this event that sent shockwaves throughout the continent, I will make two brief comments on BREXIT.

First of all, I find remarkable and appalling at the same time the fact that the main architects of the *Leave* campaign, Nigel Farage and Boris Johnson, have decided to step out of the forefront of the British political scene as soon as they have reached their short-sighted goal, showcasing a stark lack of vision and continuity. "**The glorious BREXIT heroes of**

**yesterday are the sad heroes of today**", said the president of the European Commission Jean-Claude Juncker. The refusal of the two aforementioned politicians to get involved in the vacant leadership of a Great Britain which invoked, for the first time in EU history, Article 50 of the Treaty of Lisbon, is a clear sign that not even they expected to actually win. And it also goes to prove that *unchecked populism, driven by a toxic nationalism, continues to plague the Old Continent*, sometimes with dire consequences.

Second of all, BREXIT has outlined the European-wide "generational gap" between the young and the elderly, given the fact that, even though their common future was the main stake of the vote, only 36% of the Brits aged between 18 and 24 have come to cast their vote. By contrast, 83% of the over-65 British expressed their option during the popular consultation. It is by now common knowledge that the young British are overwhelmingly pro-European and, without a doubt, if more of them would have been present at the referendum, the UK would not have been at the moment a leaving member of the EU.



## Slovakia takes over the semestrial EU Presidency

Holding the Presidency of the Council of the European Union is, without a doubt, one of the most important and demanding tasks arising from EU membership. Also, it is an ideal opportunity for the respective country to showcase, during a six months mandate, its leadership skills, to increase its visibility on a European level and to leave its mark on the decision and policy making processes inside the EU. *During the second half of 2016, starting July 1<sup>st</sup> 2016, this role is played by Slovakia, a rather small country characterized by some stark domestic contrasts, but with big ambitions.*



Placed in what may be called the geographical centre of Europe, Slovakia, a country with a population of about 5.5 million which adopted the single currency in 2009, continues to suffer from a prolonged lack of socio-economic cohesion. The GDP growth of three percent in the second half of 2015 and the good influx of EU structural funds are counterbalanced by a worrying rate of youth unemployment (25%) and by the clear differences in terms of development between the rich West and the poor East of the country.

In a nutshell, **the priorities of the Slovak Presidency**, as they were formulated by Prime-Minister Robert Fico, are as follows: *an economically strong Europe, further developing the single market, a sustainable migration and asylum policy* and, last but not least, *strengthening the Union's position on the world stage*. In order to achieve these objectives, the Slovak Presidency intends to base its actions on three coordinating and integrating principles: achieving tangible results, overcoming the internal divisions between the Member States and focusing more on the citizens, in the spirit of Jean Monnet's famous epigraph: "we are not forming coalitions between states, but union among people".

Following this, the Slovak Presidency expressed its desire, among other things, to facilitate a *better communication of the positive aspects surrounding the European project*, insufficiently known by the ordinary citizen.<sup>1</sup> In other words, we are talking about that "strategic communication" which the European Commission envisages from 2004 onwards.

An interesting point of view was made by the Slovak Minister of Foreign Affairs, Miroslav Lajcak, who is actively considering to be a candidate for UN Secretary General position. He said that *it would be in the general benefit of the Union if its policies were to be elaborated in a greater degree by the Member States, with a smaller contribution from the European institutions, who should primarily implement these policies and make sure there are no conflicts between political decisions*. Lajcak's comments may come as a surprise given the fact that, usually, smaller EU Member States tend to favour the community method - with a reinforced role for the EU institutions - rather than the intergovernmental approach, which brings to the fore the national governments when it comes to policy making.<sup>2</sup>

Prime Minister Robert Fico said he was very pleased that **the European leaders decided to hold an informal summit on the future of the European Union in September in Bratislava, focused mainly on the discussions regarding BREXIT and its aftermath**, but also on the way in which the spectre of nationalism has cast a gloom over European solidarity in recent years. The summit, the first one taking place outside of Brussels in 16 years, will bear the *informal* status because, even though Great Britain has not yet left the EU, its representative was not invited to the talks. *The serious blow that the result of the UK referendum has inflicted to the Union will undoubtedly dominate the Slovak term at the helm of the Council of the European Union. But it will also make for a rare opportunity to bring forward Bratislava as a major centre of interest for all those passionate about the great political developments from Europe and, as such, Slovakia will simply not be able to afford the luxury of a discrete presidency.*

On July 7<sup>th</sup> 2016, the Embassy of the Slovak Republic in Bucharest in cooperation with the Representation of the European Commission in Romania have organized a press conference dedicated to the launch of the Slovak Presidency. On this occasion, the Slovak Ambassador to Romania, H.E. Mr. Jan Gabor, has outlined his country's strong wish to revitalise the Union, with a focus on the *positive agenda* and on *finding sustainable solutions* for the numerous problematic dossiers which Bratislava has to manage. With regards to BREXIT, the Slovak diplomat has said that *everybody lost as a consequence of the vote's result in Britain. However, he reassured that his country will continue promoting the safeguarding of the EU's external borders, cooperation with third parties and legal migration.*

<sup>1</sup> *Priorities of the Slovak Presidency*, the full text is available at: <http://www.eu2016.sk/en/programme-and-priorities/priorities-of-the-slovak-presidency>.

<sup>2</sup> *Slovakia advocates returning EU power to capitals*, available at: <http://www.euractiv.com/section/global-europe/news/slovakia-advocates-returning-eu-power-to-capitals/>.

At the same event, the Romanian Minister of Foreign Affairs, H.E. Mr. Lazăr Comănescu, has expressed Romania's support for the priorities of the Slovak Presidency which aim at consolidating the global role of the Union, with a focus on stabilizing the neighbourhood, promoting prosperity and democracy and developing relations with partner countries. The continuation of the enlargement process and the smart advancing in negotiations over various economic agreements with major EU partners, bound to provide equal benefits for all European citizens, were also mentioned by the Romanian official.

Bogdan Mureşan

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# Economic Forum



The **Economic Forum** is the most important economic conference in Central and Eastern Europe, gathering presidents, heads of cabinets, ministers, EU Commissioners, representatives of the biggest corporations and analytical centres.

The **Foundation Institute for Eastern Studies** (Warsaw) has been organizing the Economic Forum for the past 25 years. One year after another, the Forum has become an important platform of exchange of views and experience among academic, political, economic and cultural elites, as well as the media from all European countries. The ever - increasing number of participants bears witness to the success of the Forum. After Poland's accession to the European Union, the annual meetings in Krynica gained a fresh impulse for development, being the only place where the 'old' East meets the West.

In recent years, the debates in Krynica have been attended by the President of the European Commission, the presidents of Poland, Ukraine, Lithuania, Croatia and Estonia, the prime ministers of Poland, Slovakia, the Czech Republic, Hungary, Republic of Moldova and Ukraine, the EU commissioners for health, regional development, financial programming and budget and also the representatives of governments from more than fifteen European countries, among others.

Debates of the Forum have been reported by more than 600 journalists, and speeches and opinions of participants have been quoted by the major global media and widely commented by groups of experts. The Forum in Krynica also gives the opportunity for key players to meet, and influence the economy in the region.

***"United or Divided? Europe in the Face of the Challenges of Tomorrow."***

This will be the motto of this year **26<sup>th</sup> Economic Forum in Krynica-Zdroj**, scheduled to take place from **the 6 to the 8 September 2016**. The agenda includes *more than 120 debates within the scope of 12 thematic blocks*, such as macroeconomics, international politics, new economy, state and reforms, energy, business and management, European Union and its neighbours, among others. Within the Economic Forum Program, the debate ***Cultural and Creative Industries - Growth Potential for the Economies of Eastern and Central European (ECE) Countries*** is organized in cooperation with the **European Institute of Romania**, partner of the Institute for Eastern Studies for the fifth year in a row.

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