BRITAIN: DIVORCED FROM THE EU AND DISUNITED AT HOME? THE 2016 BREXIT REFERENDUM AND ITS CONSEQUENCES

di ROLAND STURM

Abstract. — *The Brexit referendum brought the regional and social divisions of the UK in the open. It put unresolved constitutional questions on the agenda and had a deep impact on the British party system. The referendum campaign provided room for protest, fake news and scare mongering. In electoral terms, the referendum gave a voice to the left-behinds. It is open to question whether the high hopes the Brexiteers created for a newly "independent" Britain will find support in the development of the country's external relations, but also with regard to the unity of the UK.*

8

Britain organizes her exit from the European Union. The whole of Britain? What about the Celtic nations of Britain in Scotland, Wales, and Northern Ireland? At the end of January 2017 the British Supreme Court unanimously ruled that the devolved bodies have no real say in leaving the EU: constitutional power, the means to change the fabric of the United Kingdom, rests with the UK Parliament alone. For the devolution territories this was a severe setback. They expected a role in the negotiations on the future relationship between the EU and the UK.

The Supreme Court did what was to be expected. It defended the indivisibility of parliamentary sovereignty. The supremacy of the London parliament is at the core of Westminster politics, and it found expression in all influential interpretations of the British Constitution[1]. What constitutional lawyers may defend has, however, a political background which illustrates that a gap has developed between the views of the center and the periphery of the UK. Supreme Court judges, but also Theresa May, the Prime Minister, see the UK as a unitary state. The Celtic nations (Scotland, Wales, Northern Ireland) see the UK as a union state, a union made up of four partners not of three subjects to London and England.

In the campaign on Scotland's independence referendum in 2014, the all-British parties stressed over and over again how much they valued the union[2]. In the aftermath of the referendum Scotland was even guaranteed its parliament forever. It all looked like the acceptance by the central state that Scotland's executive had successfully improved its status from a regional to a national government. When it came to the legislation which paved the way for the Brexit referendum, the Scottish government's demand for a double majority in the UK and in Scotland in favour of Brexit as precondition for an end to Britain's membership in the EU was, however, ignored by the Westminster Parliament. This was the first sign that the old centralist thinking was back. Devolution to the Celtic nations has changed a lot in practical politics, but there is still the constitutional discourse, and for this discourse it is only parliamentary sovereignty that matters. Devolution is, however, here to stay, and its presence does de facto restrict parliamentary sovereignty. This tension is one aspect of the Brexit referendum which has to be dealt with here.

Another aspect is the juxtaposition of parliamentary and people's sovereignty which found its expression in the general acceptance of the Brexit referendum result, although it was legally non-binding. It was the Supreme Court in its January 2017 ruling that reminded the government that it was for Parliament and not for the government legitimized by the people in a referendum to trigger article 50 of the Treaty on the European Union. A third aspect to be dealt with here, are the consequences of the Brexit referendum for party politics in the UK. The Conservatives are now triumphant and have strong support in the polls. The Labour party is on a course of self-destruction. At the parliamentary election of 2015 the Liberal Democrats were reduced to a tiny group in Parliament (they still have a stronghold in the House of Lords). UKIP (the United Kingdom Independence Party), though represented by only one seat in Westminster, competes for the support of former Labour voters[3].

And finally some (in part speculative) remarks will have to be made on the future of the EU-UK relationship. This relationship has an internal and an external dimension. The

[1] See for example Albert Venn Dicey, *Introduction to the Study of the Law of the Constitution*, London 1885.
[2] Roland Sturm, *Das Schottland-Referendum. Hintergrundinformationen und Einordnung*, Wiesbaden 2015.
[3] Roland Sturm, «Brexit – das Vereinigte Königreich im Ausnahmezustand», in *Zeitschrift für Parlamentsfragen* 47(4), 2016, pp. 880ff.

internal dimension has a lot do with the special role of London in the British economy and society and the expectations of globalized elites in the country. The external dimension is all about the future trade relations of Britain worldwide and the decision whether the country will go for a hard or a soft Brexit. Theresa May's speech on January 17th at Lancaster House made clear that her priority was a hard Brexit: «Not partial membership of the European Union, associate membership of the European Union, or anything that leaves us half-in, half-out. We do not seek to adopt a model already enjoyed by other countries. We do not seek to hold on to bits of membership as we leave. No, the United Kingdom is leaving the European Union»[4]. Will that happen in this way, and what will be the timetable?

1. *The Result*

Before we start looking for answers to these and other questions, it is necessary to consider the referendum result of June 23rd, 2016. Table 1 summarizes the result and shows its regional dimensions.

TABLE 1 — *The Referendum Result.*

	Leave the EU Votes	Leave the EU in %	Remain in the EU Votes	Remain in the EU in %	Turnout in %
England	15,188,406	53.4	13,266,996	46.6	73.0
(**London**	1,513,232	40.1	2,263,519	59.9	69.7)
Scotland	1,018,322	38.0	1,661,191	62.0	67.2
Wales	854,572	52.5	772,347	47.5	71.7
Northern Ireland	399,442	44.2	440,437	55.8	62.9
Gibraltar	823	4.1	19,322	95.9	83.5

Source: BBC, http://www.bbc.com/news/uk. 24.06.2016.

London, Scotland, Northern Ireland and Gibraltar voted against a Brexit. Pro-Brexit majorities only existed in England (outside London) and in Wales. The vote in Scotland was overwhelmingly anti-Brexit and the turnout here was the second lowest of all regions identified in table 1, much lower than the turnout for the independence referendum, which was 84.6%. In Scotland, it seems, one took it for granted that the UK would stay in the EU. In contrast to Wales, where UKIP won seven seats at the 2016 Welsh parliamentary election, in Scotland UKIP never got near parliamentary representation. We find the highest turnout in Gibraltar for obvious reasons. Here only 823 citizens wanted to leave the EU, but it is doubtful whether they have a recipe for the survival of Gibraltar without the influx of workers from Spain. The result is in one way astonishing: with Wales and the rural or less economically successful English regions those regions voted for a Brexit which get most out of the structural and agricultural funds of the EU. And one can be sure that post-Brexit Britain will not be able to guarantee the same level of grants. Economic rationality was less important for many voters than the false truth presented by a number of campaigners and the fear of immigrants.

---

[4] See http://www.telegraph.co.uk/news/2017/01/17/theresa-mays-brexit-speech-full/ 01.02. 2017.

TABLE 2 — *Regional (and local) results in England*.

Region	Result	Votes	Electorate	Turnout	Valid votes
East	Leave	1,880,367	4,398,796	75.7%	3,328,983
Cambridge	Remain	42,682	80,108	72.3%	57,799
East Midlands	Leave	1,475,479	3,384,299	74.2%	2,508,515
Leicester	Remain	70,980	213,819	65.2%	138,972
Nottingham	Leave	61,343	195,394	61.9%	120,661
North East	Leave	778,103	1,934,341	69.3%	1,340,698
Hartlepool	Leave	32,071	70,341	65.6%	46,100
Newcastle upon Tyne	Remain	65,405	190,735	67.7%	129,003
North West	Leave	1,966,925	5,241,568	70.0%	3,665,945
Blackpool	Leave	45,146	102,354	65.5%	66,927
Liverpool	Remain	118,453	317,924	64.1%	203,554
Manchester	Remain	121,823	338,064	59.8%	201,814
South East	Leave	2,567,965	6,465 404	76.8%	4,959,683
Oxford	Remain	49,424	97,331	72.4%	70,337
Portsmouth	Leave	57,336	140,517	70.4%	98,720
South West	Leave	1,669,711	4,138,134	76.7%	3,172,730
Bristol	Remain	141,027	312,465	73.2%	228,445
Cornwall	Leave	182,665	419,755	77.1%	323,205
West Midlands	Leave	1,755,687	4,116,572	72.0%	2,962,862
Birmingham	Leave	227 251	707,293	63.9%	450,702
Yorkshire and The Humber	Leave	1,580,937	3,877,780	70.7%	2,739,235
Bradford	Leave	123,913	342,817	66.8%	228,488
Sheffield	Leave	136,018	396,406	67.4%	266,753

Source: http://www.electoralcommission.org.uk/find-information-by-subject/elections-and-referendums/upcoming-elections-and-referendums/eu-referendum/electorate-and-count-information (March 13th, 2017).

All English regions supported the Brexit. Support was strongest outside big cities with the exception of Birmingham. When the referendum result in Birmingham came in at election night, the Remainers new they had lost. Table 2 shows that the traditional university towns (Oxford, Cambridge) voted in favour of the UK's membership in the EU, and also a number of other cities, such as Liverpool with its strong ties to Ireland, Manchester, Leicester or Bristol. But the overall picture was clear: The Brexiteers successfully collected protest votes in all regions, even in the affluent South East.

Northern Ireland is a special case, not only because it has a border to another EU country, the Republic of Ireland, but also because of the long-term division of politics and society into two camps, the nationalists (catholics) and the unionists (protestants). Only the strongest unionist party, the Democratic Unionist Party, was pro-Brexit. Northern Ireland is even to a greater degree than the rest of Britain dependent on EU money. The DUP saw its pro-Brexit stance as expression of Britishness. When we look at the referendum result in total, we can see that only a small majority, 51.9%, of British voters had cast their ballot in favour of leaving the EU. In the British tradition of its first-past-the-post voting system for general elections, small majorities are sufficient. From hindsight, however, doubts were raised, and there was a short debate, whether it would not have been more appropriate to have had some kind of quorum for such an important decision. There was, for example, a quorum with regard to the percentage of the electorate required for the 1979 devolution referenda in Scotland and Wales.

2. *The Campaign*

David Cameron became leader of Conservative Party in 2005. His party was already deeply divided on the issue of EU membership. The last pro-European prime minister of the Conservative party had been Edward Heath (1970-1974). Meanwhile in the Conservative party there were almost no supporters of an ever closer European Union left. The Economist remarked in 2016 that the mood in the Conservative party was «that Britain should be in the EU's outermost orbit; beyond the euro zone and the (notionally) borderless Schengen zone, exempt from as many rules and costs as is practical and under no circumstances subject to further integration»[5]. Euroskeptics and the more radical group, which wanted to leave the EU, fought for the party's soul. David Cameron tried to settle this conflict once and for all. In the end he more or less united his party but divided the country. Though voters were much less interested in European issues than the members of the Conservative party were, David Cameron, made EU membership a prominent topic of British politics.

In January 2013 in a speech at Bloomberg in London David Cameron stressed his willingness to hold a referendum on EU membership. He said: «It is time for the British people to have their say. It is time to settle this European question in British politics. I say to the British people: this will be your decision»[6]. After the Conservatives won the 2015 general election Cameron kept his promise. His idea that the British people would vote on the membership of a reformed EU never caught public imagination. Though the Prime Minister had secured a number of concessions from the other member states in favour of Britain at the European summit of February 18th/19th 2016, these concessions did not play a role in the referendum campaign. The campaign turned nasty. It became a kind of civil war[7], not only in the Conservative party. The negative highlight of the campaign was the killing of Jo Cox, a pro-EU Labour politician. However, this sad event neither had an influence on the style of the campaign nor on the referendum result.

Post truth society showed its ugly face. Jean Seaton observed: «The Mainstream media led by the long-term viciously anti-EU Mail, Sun and Express produced the slogans, voice and (as it turns out, largely false) prospectus on which the campaign was run»[8]. The Remainers dwelt on 'project fear' and warned that leaving the EU would have dire consequences for the British people and, above all, the British economy. A "Project fear" strategy had already helped the government in the Scottish independence referendum. But his time the opponents of 'project fear' questioned not only the evidence, but also campaigned against "so-called experts". Whereas the Remainers addressed the cost-benefit side of leaving the EU, the Brexiteers often relied on xenophobia, nationalism, and false promises, such as fixing the problems of the NHS by the money saved when EU contributions end. No doubt, the Brexiteers mobilized emotions much better than the Remainers. Their arguments on immigration and the loss of control over our own destiny dominated public discourse (see Table 3). Thecampaign somehow boiled down to the simple choice between the economy and immigration as empirical research has shown.

---

[5] «Unity in disunity», in *The Economist* , 05.03.2016, p. 27.
[6] https://www.gov.uk/government/speeches/eu-speech-at-bloomberg.
[7] Tim Shipman, *All out War. The Full Story of How Brexit Sank Britain's Political Class*, London 2016.
[8] Jean Seaton, «Brexit and the Media», in *The Political Quarterly* 87(3), 2016, p. 334.

TABLE 3 ─ *Main arguments for Remain and Leave voters.*

Main referendum arguments	Leave voters	Remain voters
Immigration control	X	
No trust in Government	X	
Cost of EU membership	X	
Security implications	X	
Lack of knowledge and trust	X	
Lack of information		X
Economic risk of Brexit		X
Economic stability in the EU		X
Economic benefits from the EU		X

Source: Sara B. Hobolt, «The Brexit vote: a divided nation, a divided continent», in *Journal of European Public Policy* 23(9), 2016, p. 1263.

The Brexiteer camp was made up of two camps. Their competition explains to some extent the sometimes strange claims about the futures EU. 'Vote Leave. Take control' was the official campaign of the Brexiteers. It was led by the Lord Chancellor Michael Gove and Gisela Stuart an MP of the Labour Party. It was supported by the one MP of UKIP, Douglas Carswell, and the leading Brexiteers of the Conservative Party, such as Boris Johnson, the former mayor of London. Both official campaigns, "Vote Leave" for the Brexiteers and "Britain Stronger in Europe" for the Remainers got financial support not only from private donors, but also £600,000 from the taxpayer. The rival organization on the Leave side, was "Leave EU". This group was dominated by UKIP and joined forces with the broader all party "Grassroots Out Movement". The campaign had no decisive moment. The debates held did not swing votes. Pollsters underestimated the strength of the Leave movement. YouGov's final poll had given Remain a 52-48 lead. The result was different, as we know – and it changed the outlook of British politics.

3. *Devolution nations and Gibraltar*

Gibraltar needs the Spanish hinterland to survive. A hard Brexit causes all sorts of economic problems. The Spanish government took the Brexit referendum result as an opportunity to revive its old idea that Gibraltar should be given the status of a condominium jointly governed by Britain and Spain. This is not what the Gibraltar government wants, although this model would allow Gibraltar to stay in the EU. The Gibraltar question has played no role whatsoever in the recent British debates on post-Brexit scenarios.

The opposite is true for Scotland. Already before referendum day, the Scottish government, made up of members of the Scottish National Party, stressed that if Scotland was dragged out of the EU against the will of the Scottish people, this would be the justification for a second independence referendum. The position of the Scottish government is complicated. It first had to learn that the Scotland Act, Clause 29, which confirms that Scottish legislation has to remain in the limits of EU law, does not imply that Scotland needs to stay in the EU. In addition the Supreme Court ruled that the Sewel convention, which makes the consent of the Scottish parliament to UK legislation affecting Scotland necessary, is not applicable to legislation on the Brexit. The Scottish government and parliament are in a difficult position. A political move forward by means of an independence referendum faces two hurdles. One is legal. A law passed by the majority of the Westminster parliament would be needed to allow a second independence referendum. Theresa May thinks, however, that with the 2014 referendum in Scotland this issue is settled, and it is highly unlikely that a majority against her government could be found in the House of Commons supporting the SNP-government's agenda. There is, of course, the alternative that the Scottish parliament

votes for a second independence referendum. This would be illegal, but could have a political impact. The SNP has, however, to be careful not to lose the support of the Scottish voters. Opinion polls show that today fewer Scottish voters would be willing to support independence than in 2014. A second independence referendum is risky as long as oil prices are down, and it is unclear where the UK is going internationally. A window of opportunity for a second independence referendum may open, if the negative economic effects of Brexit, the Scottish government expects, become visible. An independent Scotland would, by the way, have great difficulties when it wanted to become an EU-member state. Spain would certainly use her veto power with Catalonia in mind.

When the House of Commons voted on February 1st, 2017, with 498 votes to 114 to start with the Article 50 procedure of the Treaty on the European Union, only one of the 59 Scottish MPs supported Brexit. Although Theresa May has promised to involve all devolution governments in the Brexit negotiations with the EU, it is highly unlikely that the Scottish government will give up its demand for a special role of Scotland vis-á-vis the EU. It has expressed its expectations in December 2016 in the paper *Scotland's Place in Europe* which it presented to the Joint Ministerial Committee on EU Negotiations (JMC(EN)) chaired by the Secretary of State for Exiting the EU. The JMC(EN) members include ministers from each of the devolved administrations. The Scottish government's paper set out three priorities: «1. influencing the overall UK position so that the UK remains in the European Single Market, through the European Economic Area (EEA) Agreement and also in the EU Customs Union; 2. exploring differentiated options for how Scotland could remain a member of the European Single Market and retain aspects of EU membership, even if the rest of the UK leaves; and 3. safeguarding and significantly expanding the powers of the Scottish Parliament»[9].

The Welsh Labour government had campaigned against Brexit, but in contrast to Scotland did not find majority support in their nation. The more abstract reason maybe that Welsh nationalism is considerably weaker than Scottish nationalism[10], and that Welsh cultural nationalism is different from Scottish political nationalism. Wales is also integrated in the British media landscape, whereas Scotland has much more of a national press. Still, in January 2017 the Welsh government also published a Brexit paper with the title *Securing Wales' Future*. It discussed the following six issues and made them topics for the JCM(EN): «1. The importance of continued participation in the Single Market; 2. a balanced approach to immigration linking migration to jobs and good, properly enforced employment practices; 3. on finance and investment, Wales should not lose funding as a result of the UK leaving the EU; 4. a fundamentally different constitutional relationship between the devolved governments and the UK Government; 5. maintaining social and environmental protections; and 6. proper consideration of transitional arrangements»[11].

The most complicated case for a post-Brexit Britain is Northern Ireland. Devolution in Northern Ireland is based on an international treaty, the 1998 Good Friday Agreement between Britain and the Republic of Ireland. This agreement refers to the Charter of Fundamental Rights of the European Union and the membership of Britain and the Irish Republic in the EU. Changes to the Good Friday Agreement need the consent of both Britain and the Republic of Ireland. In addition, Northern Ireland is the only part of the UK with a land border to an EU country. The future character of this border is an unsolved problem. Theresa May when she visited Belfast in July 2016 said: «Nobody wants to return to the

---

[9] HM Government, *The United Kingdom's exit from and new partnership with the European Union*, London 2017 (CM 9417), p. 19.
[10] In context: Roland Sturm, *Nationalismus in Schottland und Wales. Eine Analyse seiner Ursachen und Konsequenzen*, Bochum 1981.
[11] HM Government, *The United Kingdom's exit from and new partnership with the European Union*, London 2017 (CM 9417), p. 20.

borders of the past»[12]. In the past, this means in the days of the Northern Irish Civil War (euphemistically called "The Troubles"), the borders were hermetically sealed off by road blocks and other devices. Open borders helped both the Northern Irish economy and that of the Republic. The free movement of people is an obvious necessity, otherwise the border would split families, all-Irish organizations, and would jeopardize companies on both sides of the border. More than 14,000 people regularly commute across the border between Northern Ireland and Ireland for work.

So far, the solutions for Northern Ireland after Brexit offered by the British government are vague. In the case of the Republic of Ireland, new rules on trade can only be put in place in the course of EU-UK negotiations, because trade is a competency of the EU. Bilateral agreements of the UK with the Republic are not possible. This is different from rules on cross-border travel. Here the British government wants to uphold the Common Travel Area with Northern Ireland. This guarantees the free movement of people. But what will the British government do to make this compatible with restrictions for EU citizens? Once an EU citizen is in the Republic who should stop the person from entering the UK mainland? The idea that one could control migration once a person enters the UK mainland and erect a quasi-new border along the coastline of the Irish Sea found no support by the UK government[13]. And such a rule would be anathema to the Unionists in Northern Ireland. A closed border between the Republic and Northern Ireland would give nationalist extremists good arguments that Irish unity, which to some extent seemed to have developed positively under the umbrella of the EU, is again only a distant hope. It is feared that extremists take such a disappointing turn of events as an excuse for increased violence in Northern Ireland.

4. *A Constitutional State of Emergency*

The United Kingdom has no constitutional document. Since the Glorious Revolution of 1688/89 political power resides in parliament with the few exceptions (mostly in the fields of foreign policy) which remain royal prerogatives. These are today the responsibility of the Prime Minister[14]. Parliamentary sovereignty is absolute. Only Parliament can make referenda possible, and referenda are non-binding for Parliament. In the past, referenda had become an instrument of government to mobilize popular support for their legislative program, especially in the context of devolution. In 1975 there was a first referendum on membership in the then EC. The Labour government was divided on the issue, as much as the Conservative Party was in 2016[15]. EC membership found support among more than two-thirds of the voters. And there was also a parliamentary majority in favour of EC membership. In 2016 for the first time in the history of referenda in Britain the popular vote did not correspond with the preferences of the majority of MPs in Parliament. In Parliament the Remainers had a clear majority, whereas the popular vote was won by the Brexiteers.

In countries with a written constitution it would perhaps have been the task of a Constitutional Court to decide who has the last word, parliament or the people. In Britain, the pragmatic solution was to accept the popular verdict, because Parliament itself had made this possible. David Cameron on the morning after his referendum defeat explained: «We not only have a parliamentary democracy, but on questions about the arrangements for how we are governed, there are times when it is right to ask the people themselves and that is what we

---

[12] «Frontier Spirit», in *The Economist*, 30.07.2016, p. 22.
[13] George Parker, «UK Promises No Return to "Borders of the Past" in Ireland», in *Financial Times* 26.07.2016, p. 2.
[14] In greater detail Roland Sturm, *Das politische System Großbritanniens*, Second edition, Wiesbaden 2017, pp. 27ff.
[15] Robert Saunders, «A Tale of Two Referendums: 1975 and 2016», in *The Political Quarterly* 87(3), 2016, pp. 318-322.

have done. The British people have voted to leave the European Union and their will must be respected»[16]. The Theresa May government then tried to implement the popular vote without the involvement of Parliament. Its argument was that foreign policy decisions, such as leaving the EU, fall under the royal prerogatives, the powers not transferred to Parliament in the late 17th century. The Supreme Court reminded the government, however, that leaving the EU would change parliamentary legislation of 1972. The government cannot undo an act of Parliament[17]. So Parliament had to be involved. It is remarkable that against their convictions many MPs supported Brexit arguing that the people had spoken. This is in some way paradoxical, because in this case parliamentary sovereignty is used to allow MPs to ignore parliamentary sovereignty. This tactical and to some extent party political use of parliamentary sovereignty makes it for the Scottish government, for example, hard to accept that for constitutional reasons devolution nations are of secondary importance in Brexit negotiations.

Whereas with regard to the Brexit referendum limits to parliamentary sovereignty were accepted, the same is no longer true with regard to the EU. The government's White Paper on Brexit explains: «The sovereignty of Parliament is a fundamental principle of the UK constitution. Whilst Parliament has remained sovereign throughout our membership in the EU, it has not always felt like that»[18]. In the White Paper the need for taking control of law-making is outlined. The villain is the Court of Justice of the European Union in his role as final arbiter on EU law which has a direct effect on Britain.

5. *A new party system?*

The Brexit referendum has accelerated the speed of party political change in Britain. The British two-party system erodes. The two biggest parties, the Conservatives and Labour, attract much fewer voters than in the post-war decades. At general elections more parties compete in the constituencies (see Table 4). The rise of the Scottish National Party has wiped out support for Labour in Scotland, which implies that Labour has now only a slim chance to govern again in the decades to come.

TABLE 4. *The opening up of the party system*.

Year of general election	Conservatives plus Labour/ percentage of votes	Average number of candidates per constituency
1951	96.8	2.2
1979	80.9	4.1
2001	72.4	5.0
2005	67.6	5.5
2010	65.1	6.3
2015	67.3	6.1

S*ource*: Roland Sturm, *Das politische System Großbritanniens*, Second edition, Wiesbaden 2017, p. 164.

The Brexit vote further reduced the Labour Party's influence in British politics. Labour's only MP left in Scotland voted in Parliament against the legislation which allowed the government to trigger article 50 of the Treaty on the European Union, although the party leadership had strongly advised to support the government in this matter. In the referendum campaign Labour in Scotland did not play a decisive role. The conflict was between the

---

[16] «Brexit: David Cameron's Resignation Statement in Full», in *BBC online* 24.06.2016, http://www.bbc.com/news/uk-politics-eu-referendum-36619446.
[17] David Allen Green, «This is the sound of a working constitution», in *Financial Times*, 25.01.2017, p. 8.
[18] HM Government, *The United Kingdom's exit from and new partnership with the European Union*, London 2017 (CM 9417), p. 13.

Conservatives and the SNP. In Wales, another traditional powerhouse for Labour, former Labour voters defected to UKIP. The same is true for the North of England. UKIP already won the European elections of 2014 in Britain. It successfully attracts discontent among working class voters, the traditional supporters of the Labour party. The new Labour leadership under Jeremy Corbyn has split the party, and has been lukewarm in its support for the EU. Not only UKIP believes that former Labour voters can be won over. Even the Conservative party now tries to speak to the working people, and wants to convince them to support their cause. One common denominator of the Conservatives and UKIP are anti-immigration policies, which mobilize working class voters. A last stronghold of the Labour Party is London. The mayor Sadiq Khan (Labour) opposed Brexit much more vigorously than the party leader Corbyn. London voted against Brexit. The Brexit result has shown how asymmetric political support for the Conservatives and Labour has become. The electoral system seems to guarantee a long-term Tory rule.

The Brexit referendum has highlighted the significance of new dividing lines in British politics. Age and education separate Remainers and Brexiteers: Remainers are younger and better educated: «Going from A-level education to an undergraduate degree reduces the probability of voting Leave by about 10 percentage points, all other things being equal. Similarly, a 50 year old is 10 percentage points more likely to support Brexit compared to a 33 year old voter. Men are slightly more likely to vote Leave (2 percentage points), as are those with lower incomes and those who feel that their financial situation has deteriorated»[19]. Also of great significance is identity politics. Here the topic under dispute is immigration: «Individuals who thought Britain should have many fewer EU migrants were 32 percentage points more likely to vote for Brexit compared to those who wanted more migrants»[20].

All this taken together shows that party politics in Britain now operates in a society which is less concerned with 'class' and its consequences. There are new divisions between those who want a country open to globalization, prefer mobility and are fairly well off, and above all see perspectives for their lives, and those who fear the pressure of immigration on social services and education, suffer from economic modernization and, because of lack of education, have difficulties to compete. For them Labour, especially after the experience with Labour under Tony Blair, is no longer the first choice, nor are the Liberal Democrats. The latter lost much of their attractiveness as party of the opposition, when they formed a coalition government with the Conservatives in 2010. Disappointed voters abstained at the 2015 general election or voted UKIP. UKIP became in votes the third party at the 2015 general election. The elite discourse for a while ignored the significance of the so-called 'left behind'. The referendum was their opportunity to make their voice heard, and parties now know that they need to re-connect with this social group, if they hope to win elections. Roger Liddle called the referendum «"a cry of anger" that progressives dismiss as simple ignorance at their peril»[21]. Goodwin and Heath have summarized the findings of their analysis of voting behavior with the following remarks: «The public vote for Brexit was anchored predominantly, albeit not exclusively, in areas of the country that are filled with pensioners, low-skilled and less well-educated blue-collar workers and citizens who have been pushed to the margins not only by economic transformation of the country over recent decades but also by the values that have come to dominate a more socially liberal media and political class. In this respect the vote for Brexit was delivered by the "left-behind" – social groups that are united by a general sense of insecurity, pessimism and marginalization, who do not feel as though elit.es, whether in Brussels or Westminster, share their values, represent their interests

---

[19] Sara B. Hobolt, «The Brexit vote: a divided nation, a divided continent», in: *Journal of European Public Policy* 23(9), 2016, p. 1269.
[20] Ibid, p. 1270.
[21] Roger Liddle, «From Pain to a Plan», in: *The Political Quarterly* 87(3), 2016, p. 365.

and genuinely empathise with their intense angst about rapid social, economic and cultural change»[22].

A BBC study using data on the level of wards confirmed these findings, as other studies have done: «The combination of education, age and ethnicity accounts for the large majority of the variation in votes between different places`. Ethnicity was crucial in some places, with ethnic minority areas generally more likely to back Remain. However this varied, and in parts of London some Asian populations were more likely to support Leave»[23].

6. *Britain's External Relations*

Brexit is supposed to redefine Britain's role in the world. The British government invented the label "global Britain" to stress that the country will now be open to worldwide trade, though not open to global migration. Theresa May's government opted for a hard Brexit, above all because this is the only way to reduce immigration by government intervention. As the White Paper on Brexit argues: «The public must have confidence in our ability to control immigration. It is simply not possible to control immigration overall when there is unlimited free movement of people to the UK from the EU»[24]. This strategy needs new legislation on immigration. Two problems have to be solved: *a)* how to attract international talent when the borders are closed? And *b)* what can be the perspective for EU nationals already living in the UK? In both cases it is important for the climate of British politics that the hysteria connected with the Leave campaign, which portrayed immigration as a phenomenon that endangers British society, is controlled. The official Leave campaign was, for example, responsible for a poster that suggested, five million Turks will enter Britain by 2020. After the referendum vote EU nationals often experienced aggressive acts and language in interactions with their British counterparts. Theresa May has been surprisingly silent about these problems.

After 2019, when Britain has left the EU, a system of work permits will be used to control immigration. Its details are, so far, unclear. Whether such a system can guarantee the radical reduction of the number of immigrants promised by the Brexiteers is doubtful. And what this means for the 2020 general election has to be seen. The referendum experience shows that «the parts of the country with the most foreign-born residents voted most heavily to remain; it was those areas that had seen the fastest increase in foreigners that were among the keenest to leave. Britons guess 31% of the population is foreign-born, when the true figure is 13% - and when confronted with the disparity they tend to question the figures rather than their assumptions. Whether voters would acknowledge, let alone notice, a large fall in immigration is therefore open to question»[25].

How the British government's vision of Britain as a new independent global force in the world economy (caricatured as a "Singapore on steroids") will provide guidance for the future has to be seen. The necessary stocktaking of strengths and weaknesses of the British economy reminded the government that post-war Britain lost its industrial base and now relies on the service sectors (especially financial services). This insight has created new priorities in the eyes of the government. One is the need for an industrial strategy, which should recreate an industrial core made up of world leading companies. For Margaret Thatcher interventionism of this kind was the political enemy, but today's Conservatives believe in the benign role of the state, also because interventionism might create new jobs and might even help to solve the economy's productivity problem. Another government priority is to keep

---

[22] Matthew J. Goodwin and Oliver Heath, «The 2016 Referendum, Brexit and the Left Behind: An Aggregate-level Analysis of the Result», in *The Political Quarterly* 87(3), 2016, p.331.
[23] http://www.bbc.com/news/uk-politics-38762034 (07.02.2017)
[24] HM Government, *The United Kingdom's exit from and new partnership with the European Union*, London 2017 (CM 9417), p. 25.
[25] Bagehot, «Let the work permits flow», in *The Economist*, 21.01.2017, p. 26.

important foreign companies in the country. Already in October 2016 Theresa May promised Nissan, the producer of one third of all cars built in Britain, a bright future. If the company stays in Britain and invests in a new factory in Sunderland, the government is willing to guarantee that Nissan will be compensated for any losses it suffers from Brexit[26]. Such guarantees can, however not be given to all companies. Toyota was reported to consider job losses and relocations; the same is true for HSBC and UBS banks[27].

For Britain it is important to develop a new network of trade relationships once the competence for international trade will be regained from the EU in 2019. Before this date of divorce from the EU the British government has tried to make the necessary contacts which can result in new trade agreements with India, the United States or Russia, for example, even if this meant to test the limits of acceptable discourse with international partners. The invitation of Donald Trump to the UK caused widespread protests. Crucial for Britain is, however, the country's future relationship with the EU. Theresa May said in her speech at Lancaster House in January 2017 that she wanted a strong EU. She does not expect the EU to break apart. Although Britain will leave the customs union, the Prime Minister wants barrier-free access to the Single Market for key industries, such as cars and financial services. This is, however, hardly a choice shared by the EU. Why should the UK be given the right to cherry-pick sectors of industry? And what's more, cherry-picking collides with WTO rules as the Economist wrote: «The WTO accepts free-trade deals and customs unions, but only if they embrace "substantially all the trade". Were the EU to single out cars, say, for barrier-free trade with Britain, the EU would be obliged by the WTO's non-discrimination rules to offer the same deal to all WTO members, including China and India»[28].

7. *Perspectives*

The details of UK-EU economic relations will emerge only slowly over the course of the divorce negotiations which will certainly last more than two years. No one can predict what the world, say, in seven years or more will look like, in what shape the EU will be, and who governs where. The EU without Britain will be different from the EU-28. Germany that was always reluctant to be a kind of hegemon in the EU, because of size and economic power, is expected by some members of the EU to keep the EU together, to invest political capital and financial resources to make up for the loss of Britain to the EU. Germany is, however, not in a position to do this. The German electorate wants no unilateral German leadership in the EU, nor are any of the other EU member states comfortable with such a role for Germany. Can the Franco-German engine of European integration be restarted? Can the Euro countries Italy and Spain, or Poland and Sweden take more of a leading role? Is regional co-operation in the EU (the Viségrad nations, the Baltic nations, the South European nations etc.) a recipe for the success of the EU? Brexit forces the EU, more than it has done so far, to discuss not only the future of the EU, but also the type of governance the EU should have and the relationship between nation states and supranationalism in a new economic and political environment. Brexit is changing Britain and the EU. Whether we see a new beginning or the beginning of a (still avoidable) disaster remains to be seen.

---

[26] *Financial Times*, 29/30.10.2016, p. 6.
[27] *Financial Times*, 19.01.2017, p. 2.
[28] *The Economist*, 21.01.2017, p. 24.