# The European Union and Britain's Exit Process: A Neo-Functionalist Enquiry

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**Abstract:** This paper examines Britain's exit (BREXIT) process and its impact on the European Union, using Neo-Functionalism as a theoretical anchor which reinforces the explanation of nationalistic activities within international organisations as having significant effect, and this typifies the BREXIT process. With a reliance on secondary data backed by textual analysis, four propositions were advanced and discussed in the paper, and this informs the observation that nationalism offers a platform for opposition to the existing European Union political structure, as the United Kingdom has been adamant concerning the continuous centralisation of decision making in Brussels and Frankfurt.

Keywords: Britain's Exit; Enquiry; European Union; Neo-Functionalism; Process

#### 1. Introduction

The recurrent spread of nationalism among members of the European Union affects the progress of the EU community especially in terms of political, social and economic integration. In recent years, there has been an occurrence of pronationalism phenomena among nation-states that belong to the European Union. The on-going economic difficulties experienced by the United Kingdom and European Union due to restrictions in political and economic integration like currency devaluation, exchange rates, trade, customs, tariffs and quotas are affecting the economy. These restrictions have led to decreased solidarity and

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support for international trade and cooperation between the UK and the EU (Perisic, 2010, p. 15).

The European Union has been unable to withstand migratory pressures because of the influx of refugees from the war-ravaged Middle East and migrants from North Africa. Majority of these refugees and migrants move from countries like Syria, Egypt, Libya, Yemen, Tunisia, Morocco, and Algeria to Western Europe rather than Eastern Europe. The 1985 Schengen Pact of the EU allowed this influx, which has become a burden to the financial capability of the European community as the Union has to cater for their needs in addition to being responsible to the population of members (Crafts, 2017, p. 32). This policy has become a challenge for Britain as she has a vibrant GDP and reduced unemployment ratio, as the open border policy would affect her economy and escalate unemployment.

The activities of terrorist groups, such as Islamic State of Iraq and the Levant (ISIL) and Islamic State of Iraq and Syria have been a major concern in Europe. The terrorist attacks in Brussels, London, Paris, Nice, Dortmund, Munich, Stockholm, Berlin, Barcelona and Manchester between 2015 and 2017 (Ames, 2017) are becoming regular headlines in international news. These terrorists attack "soft" targets and use unsuspicious methods as knife attacks, car or bus crashes, driving into crowds, random shooting at shopping malls or transport stations, release of gases and shooting during concerts or entertainment centres. Based on the free movement and European Union's open border policy, the BREXIT decision was the Brits major aim to protect their borders from these groups. Another major issue of the exit of the United Kingdom from the European Union is the residency and work status of EU citizens and workers in Britain and vice versa. The United Kingdom is a relevant labour importer from the European Union, and there is a contest on the working viability and citizenship status of the citizens at both ends of the negotiation.

There are arguments on the basic purpose of the European Union in yielding positive results for the benefit of all of her members and this has led to the following questions: Do the decisions of the European Union reflect the collective interests of all members? Does the European Union respect the sovereignty and prevent the imposition of decisions on her members? These questions may explain the reasons why nation-states decide to defy international agreements and pursue their own national interests under the auspices of nationalism. It is based on these

therefore, that this study seeks to examine some emerging trends of nationalism with a focus on the Britain's exit from the European Union.

#### 2. Literature Review

This section discusses the concept of Nationalism and presents a review on European Union as an institution.

# 2.1. The Concept of Nationalism

The concept of nationalism explains the behaviour of states as they interact with the international system. Simpson and Weiner (2012, p. 234) describe nationalism as "the devotion to one's nation or a policy of national independence". This definition portrays that nationalism is only evident by the existence of a nation. A nation is characterized by the aggregation of people who are closely knitted by common descent, history, language, religion and occupy a definite territory referred to as 'homeland'. Hayes (2012, p. 10) explains that the strong sense of common identity makes a nation, even if such entity has no common language, religion, race or ethnic marker. The sense of social cohesion, protection, survival, superiority, autonomy and self-determination is what builds nationalism. This explains why the United Kingdom is bound as a nation based on the identification and respect of the four independent states to the monarchy. This builds a feeling among nationals in displaying selfish attitude and an ideology of preferential treatment or superiority. Therefore, this causes unnecessary strife as not all nations possess the necessary resources to be dominant within regions.

Gat and Yakobson (2013, p. 13) posit that "nationalism is a product of political, economic, social and intellectual factors and a condition of mind, feeling or sentiment of a group with a common culture, norms and values". This implies that nationalism is more than just political, it includes psychological and emotional bond within a group. Nationalism has been classified as good and bad, constructive and destructive, material and spiritual, conscious and subconscious. Objectively, this creates an image on whether nationalism could be an inherent nature or imbibed attitude in people which could either make or mar the society. Bloom in Druckman (2010) avers that nations only exist by the psychological link between symbols that makes individuals think they are politically and socially distinctive and unique. This helps to explain the process of cultural influence and resistance

among states in the international system. This emphasises that nations create room for preferences and favouritism by her members; and little tolerance for other diverse cultures.

Fisher (2009) explains that there are mainly two types of nationalism which are ethnic and civic. Ethnic nationalism emphasizes that national identity is based on ancestry which cannot be acquired. Civic nationalism centres on national identity being acquired by citizenship and assimilation of national culture. For instance, the United Kingdom which comprises four different kingdoms namely: England, Wales, Scotland and Northern Ireland, has specific ancestry with unique cultural heritage for each. Scotland is composed of Scots, Angles, Normans, Norse which are the ethnic groups. Northern Ireland identifies with the United Kingdom by means of citizenship and ideological affinity with British institutions rather than ethnic group. The nation-state called Britain exists based on grafted political superstructure with self-governance of political units (Kumar, 2001, p. 45). This raises questions on what exactly is nationalism. Does nationalism also transcend the interest of a people instead of shared culture and heritage? The Scots, Welsh, English and Irish share a common affinity and regard themselves to have a national identity.

Lotte (2016, p. 31) cites David Hume's argument that the character of every nation depends on the socio-political and moral factor as well as elements of cultural habits, shared language, common religion and respect for the same government. This explains why the United Kingdom which has four independent states is led by a single monarchy headed by Queen Elizabeth II. Easman in Druckman (2010, p. 24) posits that "nationalism tends to glorify a people's history, accomplishments and aspirations, preach the obligation of loyalty to the community, its institutions, and symbols and warns against external threats". Such is evident as the United Kingdom maintains her policies on movement into the country despite the European Union's Schengen Agreement of 1985 on free movement. This raises issues with reference to states as they have many "nations" within them. Based on Easman's (2010) position, nationalism may increase a people's desire for superiority if it amplifies their history, achievements, symbols and institutions.

Nationalism supports philosophical arguments that the world is divided naturally into nations. This explains the determination of a population to have an exclusive government that exercises legitimate power that states have (Mayall & Jackson-Preece, 2011, p. 18). Some scholars aver that nationalism is closely knitted with

statism and authoritarianism. They argue that the nationalist ideology emerged as revolutionary movements against the anarchist stand that was predominant in the nineteenth century (Rourke, 2008, p. 103). A German political scholar named Hegel in Chimni (2004) argues that nationalism makes the state more superior to the individual and describes the idea as the highest form of consciousness. This act leads to the arbitrary and unjust rulings over people's lives, denial of civil rights and condemnation of individual freedom by the state (Socialist Liberian, 2017). An evidence of such act is seen in BREXIT as the United Kingdom's governmental power supersedes decisions of the Scottish and Northern Irish to remain in the European Union.

Breuilly (2013, p. 5) notes that nationalism arises as a source of conflict, basis of antagonism to the state system in existence, disapproval towards international or supranational institutions and a factor of state's show of authority in global matters. The British exit from the European Union typifies this assertion as the United Kingdom has consistently shown disapproval to several bureaucratic decisions made in Brussels concerning the EU community. With the occurrence of BREXIT, the United Kingdom has sought to increase her sphere of influence to other markets especially in Asia, Africa and with the United States.

Maurras in Palmer and Perkins (2010, p. 234) describes nationalism as "the exclusive pursuit of national policies, the absolute maintenance of national integrity and the steady increase of national power". Every nation-state within international organizations coordinates its affairs based on national interest (Barkin, 2006, p. 6). The national interests of state actors within the international system consist of the policies and programmes which are pursued by states. As states interact, their sole aim is to achieve the goals and objectives of their foreign policies while dealing with the international system. This continuous drive by state actors in the international system to accomplish their national interests gradually builds nationalism. The initial intention of European states to form an integrated community was to facilitate their rapid development. The European Union continues to suffer the crisis of a unified identity and its positions on several issues are based on the values and interests of her members.

# 2.2. The European Union (EU): A Review

The European Union is an economic and political partnership involving 28 independent states in Europe. The aim of the union is to bring different European

countries to forge closer economic and industrial cooperation. The idea of a united European community was based on the weaknesses of European countries after the continent witnessed two World Wars causing the fall of the European hegemony around the world (Fontaine, 2014, p. 4). European states sought to prevent the confrontation among themselves as the continent had already survived decades of wars. Thus Robert Schuman, French Foreign Minister in 1950 proposed the formation of the Union (Mclver, 2011, p. 13). Schuman's proposal allowed for the creation of an integrated coal and steel industry of Western Europe called the European Coal and Steel Community (ECSC) with the Treaty of Paris. The ECSC comprises of six members namely: Belgium, France, Italy, Luxembourg, the Netherlands and West Germany (European Union, 2014).

The European Coal and Steel Community became a crucial step towards building the European Union. Furthermore, the six members of the ECSC in 1957 signed the Treaties of Rome which established two communities namely; the European Economic Community (EEC), and the European Atomic Energy Community (EURATOM). These members gradually removed trade barriers among themselves and moved towards creating a common market (Glenn & John, 2004, p. 1). This removal of trade barriers was targeted at promoting the continuity of economic growth across Western Europe. The Merger Treaty of 1967 amalgamated the EEC, ECSC and EURATOM into a set of institutions which include: the European Commission, European Council and European Parliament (Gillingham, 2003, p. 197).

Tupy (2016, p. 3) describes the European Union as the "culmination of a long process of economic and political integration among European states". This integration began as a free trade area and a customs union for Western European states. The EEC allowed the liberal movement of goods, capital, services and people to form the common market and customs union. The EEC members agreed to the Common Agricultural Policy (CAP) proposed by France which included price controls, production quotas and tariffs (Mankiw, 2015). The Single European Act of 1986 successfully broke down many internal barriers to trade and allowed for economic and cultural integration. The economic and cultural activities in the community were regulated by the institutions of the European Union (EU Commission, 2014).

The 1992 Maastricht Treaty's opening words "By this Treaty, the High Contracting Parties establish among themselves a European Union" established the European

Union (European Union, 1992, p. 1). The establishment of the European Union took the community's goals to include a broader vision than the traditional economic objectives. The treaty created a Common Foreign and Security Policy as well as a Police and Judicial Cooperation to protect EU citizens in areas of freedom, security and justice. The Maastricht Treaty gave power to the European Parliament and created an economic and monetary union which extends European integration in new aspects (European Union 1992, p. 13). The establishment of a single currency called the Euro served as a significant step in the formation of the economic community. This helped in actualizing the Union's objective of fostering economic, cultural and political integration across Europe.

The European Union is considerably a supranational body which has close resemblance to a federal structure, and is governed with a bureaucratic structure (Tupy, 2012, p. 3). The European Union is notably one of the international organizations with sustainable economic growth and political stability. The economic growth and stable political system in the European Union has made the community an influential actor in the global system as the Union has ensured peace, stability and prosperity in Europe. The European Union has grown to become an entity which governs several facets of the lives of over 500 million people across the 28 member states (European Union, 2014, p. 12). The European Union has raised the standard of living for EU citizens and is gradually building a single free market goods, capital, services and people (OECD, 2011, p. 15).

The European Union consists of 28 member states which are: Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden and United Kingdom (European Commission, 2017, p. 2). The Union has certain symbols which represent her and they include: the EU Constitution, European Union flag and the European Anthem (Ode of Joy) which symbolise European unity and solidarity. The European Union has seven fundamental institutions which include: European Council, European Commission, Council of Ministers, European Parliament, Court of Justice of the European Union, European Central Bank (ECB) and Court of Auditors (Best and Settembri, 2008, p. 183).

Archick (2017, p. 1) submits that the European Union is a "partnership in which the member states pool their sovereignty in certain policy areas" and harmonize

their laws on economic and political issues. It is important to note that the European Union is not a government or an association of states but a union of states that seek to satisfy their common interests and needs. The member states relinquish parts of their sovereignty to the institutions of the European Union with many decisions made at that level (Donnelly & Bigatto, 2008, p. 82). The European Union exists as a community in which the members are open to choice on certain policies made by the Union as regards their national interests. As an actor in the international system, the European Union has actively been involved in promoting multilateral liberalisation efforts. The European Union harnesses the economic, political, humanitarian and diplomatic capabilities of members and promotes European interests and values worldwide with respect to the interests of her members (European Commission, 2014). The next section discusses the theory that further illuminates our understanding on this theme.

#### 3.1 Theoretical Framework: Neo-Functionalism

The theoretical framework adopted for this paper is Neo-Functionalism. This is a theory that reveals a general explanation of nationalistic activities within international organizations as seen in the case of BREXIT. The formation of international organizations is based on political and economic integration of actors in the pursuit of certain goals. This political integration by Ernst Haas cited in Börzel (2005, p. 151) describes a process in which political actors of diverse national settings shift their loyalties, prospects and policies towards a new axis of administration which possesses or demands jurisdiction over the pre-existing national states. Neo-functionalists like Ernst Haas and Leon Lindberg affirm that integration is conceived in two ways, which is either a process or a goal. They express that integration can only exist with the removal of restrictions to allow for the free movement of goods, labour and capital. The European Union's existence is due to the removal of unnecessary restrictions among European states (Meunier & McNamara, 2007, p. 32).

The dogmas of nationalism and sovereignty were prevalent in the nineteenth century but caused a major crisis in Europe with the World War I and II. In Haas words "...the established nation-state is in full retreat in Europe" and the emergence of supra-nationalism which suggests that nation-states transfer certain decision-making power and loyalty to a newly created community structure (Castano, 2004, p. 41). David Mitrany in his prominent *Working Peace System* prescribes the blue-print for integration among nation-states which involves

binding common interests in terms of welfare cooperation (Mitrany, 1966, p. 28). The major aim of the ECSC is to ensure welfare cooperation among its six founding members. Mitrany explains the concept of "form follows function" based on his analysis of biological systems; therefore international institutions would take its form if several functions were transferred to them. Also, he expresses that integration is circular and could have spill-over effects across the system (cited in Alter and Steinberg, 2007).

# 3.2 Application of the Neo-Functionalist Theory

The theory of neo-functionalism came out of the concept of system theory by David Easton; the structural-functional analysis by Gabriel Almond and the behaviouralism of American political system (Dosenrode, 2010, p. 15). Leon Lindberg (cited in Risse, 2004, p. 15) specifically outlines that "political socialization, interest articulation, interest aggregation, political communication and decision output" are the major categories relevant to the existence of a European community. One of the founding principles of neo-functionalism is the concept of pluralism which advocates competition, conflict and autonomy among various groups competing for power in the society. BREXIT is associated with the theory of neo-functionalism as the UK has been in consistent struggle for power through competition and autonomy within the EU community. The Pound on the currency market consistently struggles for value against the EU's Euro; also the UK's passport and visa is independent of the EU Schengen Protocols (Huggler, 2015).

Neo-functionalists argue that the theory is "teleological" and "phenomenological" which entails that the outcome of the process explains the process (Haas, 2001, p. 22). The purpose of the European Union is to create a supra-national political union of Europe which is clearly Euro-centric. EU policies focus on advancing this purpose such as: the adoption of a common foreign and security policy, common customs union, common currency, common agricultural, scientific and research policies. Neo-functionalists explain that the precise picture of the future society will emerge after the completion of the integration process which is the "end situation" (Xu & Shen, 2014, p. 218). The theory allows for the uncertainty in international politics as such is seen in the unpredictability of whether the Britain's Exit from the European Union will determine the future of political integration in Europe.

Neo-functionalism expresses that there is a connection between economic cooperation and political integration which can be achieved with the process of "automatic-politicization". Haas (1964) cited in Börzel (2005, p. 147) states that "power is merely a convenient term for describing violence-laden means used for the realization of welfare aims". This explains why the Downing Street political bureaucrats of the UK have been sceptical towards policies made in Brussels as they seek to prioritize their national interests above any EU laws or policies. The United Kingdom's welfare in terms of economic strength with currency, economic output and employment rate are major determinants of her national policies. The maximization of UK's national interest is seen in her stringent migration and security policies which underscores the neo-functionalist idea of power (Niemann, 2008, p. 586).

Neo-functionalists aver that smaller and homogenous groups are more important for integration especially the elites. During the BREXIT Referendum, few elites were more involved in the voting process as compared to the large number of registered voters. The concerned population who were active participants within the EU community such as farmers, business owners and traders did not participate in the voting to determine their own future of economic integration (Pickard, 2017). Neo-functionalism stresses the fact that integration can be achieved by ensuring the shift of loyalties by elites, groups and political parties to international organizations. This is critical as political parties; political elites and their leaders choose to either advance or block policies of integration. In the United Kingdom, the Conservative party, Labour Party, Liberal and Social Democrats, United Kingdom Independent Party (UKIP) and the Scottish National Party are the major influencers of public policies (Watt, 2012). They have diverse positions concerning the United Kingdom's relationship with the European Union.

Neo-functionalism emphasises that integration is only successful if the community institutions increase their authority and legitimacy (Moravcsik, 2005, p. 354). This is achievable if nation-states shift their processes of decision-making to the institutions of the community. The process of sharing decision-making capacity will in turn affect the structure of government in every state involved in this community integration. Evidently, the national government in UK prefers to take her national position within the EU protocols which are made in Brussels compared to the British political stance (Malamud, 2010, p. 648). The increase in the decision-making capacity of states can only be done by elites of such states. In 2013, Prime Minister Cameron tried his best to renegotiate the UK's position in the 54

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EU especially in terms of migration and non-Eurozone policies (PM David Cameron on BBC News, 2015, 11 November). However, his efforts were futile as the three major parties in the UK by 2015 placed emphasis on the need to conduct an EU-membership referendum.

One of the key tenets of neo-functionalism as identified by Schmitter is Spill-over. The Spill-over typifies situations in which members of any integration arrangement attempt to resolve their dissatisfaction with variation/alteration in collective goals by resorting to collaborate in another related sector or objective (Pollack, 2009, p. 133). This collaboration expands the scope of mutual commitment and intensifies the dedication to the original sector based on variety of motives thereby increasing mutual obligation among members. The United Kingdom since 2012 has openly expressed their dissatisfaction with certain EU policies by calling for EU membership referendum. PM Cameron initially rejected the calls for a UK-EU referendum and urged the people to show "tactical and strategic patience" while he promised to provide the citizens with a reformed and renegotiated membership package (PM David Cameron on BBC News, 2012, 1 July). The key issues for UK's negotiations with the EU by Cameron in 2012 include: protection of the EU single market for countries not in the Eurozone; reduction of the red-tapes caused by the EU structure in Brussels; exemption of the UK from "ever-closer union" and the restriction of EU immigration. The non-accomplishment of these objectives explains the negative motivation of UK citizens to desire BREXIT (Irwin, 2015, p. 7).

The Spill-over effect as described by neo-functionalist emphasises that members of integrating communities would continually express their dissatisfaction if they are unable to relatively achieve their motives in accomplishing collective goals. The manner in which the United Kingdom engaged the referendum to exit the EU has become topical and instructive during subsequent elections across Europe. The French presidential election in May 2017 between President Emmanuel Macron and Marine le Pen who had ideological differences debated on whether France should remain in the EU. Marine le Pen promised a referendum for France's membership in the EU to the French citizens within the first six months if she was elected. In the Netherlands, the Presidential elections between Mark Rutte and Geert Wilders in March 2017 had the same arguments concerning membership of the EU. Wilders also promised a referendum to determine the position of Dutch in

their membership of the community. Austria followed suit as her general elections were devoted to arguments on belonging to the European community or not. Germany was no exception as her elections focused on her membership of the European Union.

One of the propositions guiding this research is that there are no easy solutions to handling the consequences of the Britain's exit from the European Union. One of the tenets of neo-functionalism is the spill-over effect which provides a basis for the justification of this assertion as it stipulates that if members of integrating communities openly express their dissatisfaction for the non-accomplishment of collective goals; it causes a dysfunctional relationship as such members resort to collaborations in another sector which poses difficulties to already established integrative relationship. This is evident in UK's dissatisfaction with the achievements of national and collective objectives of integration has made the European Union to be focused on negotiations with the United Kingdom rather than paying more attention to the problems facing the community. The BREXIT negotiation talks are on-going till 2019, and the back-and-forth arguments have several phases in order to attain a suitable compromise between both parties (Peers, 2016, p. 34). The Council of Ministers and the European Parliament are committed to drafting resolutions that would provide stiffer conditions to allow for any other member to leave the European Union. The Committee of Regions are resolute in adopting relevant means to aid Northern Ireland which expresses the desire to remain with the Union rather than proffering solutions to the migration, citizenship and employment crisis in the community. The European Central Bank and Eurozone are preoccupied with ensuring that the United Kingdom pays the monetary requirement to leave the EU rather than stabilizing the value of the Euro which has been affected by the Greek and Italian economic crisis (Roberts, 2017).

This paper argues on the extent to which Britain's exit from the European Union affects the survival of the European Union. Neo-functionalism provides a framework for the justification of this with the adoption of the "teleological" and "phenomenological" approach which emphasizes that "the outcome of the process explains the process" (Haas, 2001, p. 22). The aftermath of the BREXIT process will explain future directions of the European Union. If the BREXIT process has heavy cost implications on both parties which they have no capacity to sustain, then the survival of the European Union is threatened. In this study, neo-functionalism helps us to discover the weaknesses of the European integration process as it fails to be inclusive of all aspects of national interests of EU members.

# 4. Discussion

# 4.1. Britain's Nationalism and European Union: An Exposition

It is significant to understand that nation-states have been the basic building blocks for international relations. The European continent comprises states whose national identities evolved separately and in continuous competition with one another (Beller & Leerssen, 2007, p. 12). This competition is historically described to be the reason for colonialism through the expansion of European empires across the globe and the World War periods. As France, Belgium and West Germany spearheaded the establishment of the European Union, the United Kingdom reacted by establishing the Commonwealth of Nations. The United Kingdom did this to create a community that would bring the same economic prosperity as the European Union (Sampson 2017, p. 164). This was one of the major reasons why France's Charles de Gaulle refused to assent the UK's membership bid to the EU.

Withdrawal from agreements or pacts or treaties by states is based on the definition of the interests of concerned states. The continuous pursuit of state interests by governments is linked closely to nationalism. Bloom in Barrington (2004) sees nationalism as a psychological identification that makes individuals think that they are politically unique, and this underscores UK's exit from the European Union. In 1973, the United Kingdom joined the European Union but refused to accede to several EU treaties and agreements as she maintained her dominant monetary value, political and economic system (Avery, Faber & Schmidt, 2009, p. 15). The United Kingdom has been sceptical about the decision-making procedure and pattern of the EU made in Brussels since her decision to join the community.

As Kellas in Mayall and Jackson-Preece (2011) posits, nationalism is a source of opposition to the existing political structure and United Kingdom has been adamant concerning the increase in the centralization of decision making in Brussels and Frankfurt. United Kingdom has a formidable economy with consistent growth, but the determination of the European Central Bank (ECB) to keep Greece in the Eurozone in turn affects the British economic returns. Article 125 of the Lisbon Treaty clearly states that each EU member is responsible for its own debt; however the Eurozone has allowed badly managed economies of some members to take advantage of the ECB's lending propensity with low interest rates (Tilford, Springford & Odendahl, 2016). The inflow of returns into the European Central

Bank derives from the contributions of its members, and United Kingdom is the largest contributor to the Union after Germany.

Economists argue that free trade stimulates economic growth and no country will ever become "rich or buoyant in isolation" (Chen & Novy, 2008). Unfortunately, the intra-European trade liberalization has been growing slowly and unevenly, compared to global trade liberalization. The overregulation of intra-EU trade has undermined the economic benefits of the free trade agreement. The reduction of the costs of transportation, communication and financial transfers has made global trade increasingly beneficial and lucrative. This is evident as British exports to non-EU countries are growing rapidly compared to her exports to EU countries (Spence, 2015). Britain continually seeks to gain economic profits and beneficial returns as EU regulations were issues raised by Pro-BREXIT supporters.

The forceful redistribution of migrants by the EU due to the failure of Europe's immigration policy is described as an assault on the "rule of law" which is a major code of conduct for the Union (Barber, 2015). The pro-BREXIT supporters in the UK claimed that the redistribution of migrants by the EU serves as a major reason for the rise of unemployment rate from 4% to 12% in the UK (International Monetary Fund, 2016). This redistribution constrains the labour market and economy in the United Kingdom. The European Union has been unsuccessful in integrating foreigners especially from Africa and the Middle East. The labour-market restrictions which keep immigrants out of the work force deals particularly with Europeans who understand the concept of nationhood in terms of ethnicity and not based on citizenship status.

Tupy and Sulik (2012) submit that a pan-European ideology does not exist among European Union member-states. Majority of Europeans believe that the adage of being "European" is a geographical distinction and is not a political or cultural representation. In the EU, citizens refer to themselves based on their nationality as being British, French, German, Belgian or whatever country they are from. This is the reason why Borzel and Risse (2007, p. 181) argue that people's identity are established by culture, religion, history or language and not formed by abstract principles as liberty, equality and fraternity. Relatively, this has undermined the objectives of pro-EU supporters on the possibility of creating a United States of Europe.

Archick (2017, p. 5) affirms that nationalism in the contemporary international system is the major reason for Britain's exit from the European Union. He asserts 58

that nationalism has led to the increase of populist and Eurosceptic parties across Europe, especially in Austria, Denmark, Finland, France, Germany, Greece, Hungary, Italy, the Netherlands, Poland, Spain, Sweden and the United Kingdom. The Conservative Party of the United Kingdom maintains her populist nationalistic doctrine to uphold the British history and culture. The fears about the rate at which globalization and immigration would affect British sovereignty influenced the outcome of the referendum (Rohac, 2014). Former UK Prime Minister David Cameron sought to renegotiate UK's membership conditions in the EU, but the deal was unsatisfactory to the British ruling Conservative Party (Watt, 2014). In other words, the rise of nationalism influenced the outcome of BREXIT referendum.

# 4.2. Discussion on Propositions of the Paper

# **Proposition 1**

The proposition states that there is no significant effect between Britain's exit and the survival of the European Union. BREXIT makes the European Union lose an influential and liberalising member thereby causing a shift in the balance of power within the European Council (Crafts, 2017, p. 23). United Kingdom's withdrawal will undercut the EU business standards causing a new regulatory dynamic and putting pressure on the community to adopt more liberal policies. The BREXIT referendum shapes or informs member-states opinions and institutional interests during national elections within the community. During the Dutch elections in 2017, nationalist-populist Geert Wilders made the EU-membership referendum a key issue in his manifesto for the Party for Freedom with the support of VoorNederland, Forum voor Democratie, SP, the Libertarian Party and 50PLUS (Danske Bank, 2017, p. 1).

During the 23 April and 7 May 2017 French Presidential Elections, the European question became a subject for debate among the candidates which include; Jean-Luc Mélenchon, Benoit Hamon, Emmanuel Macron, François Fillon and Marine Le Pen (Belkin, 2017, p. 3). A triumph for Jean-Luc Mélenchon and Marine Le Pen would have caused another shock to the EU community as both candidates are eurosceptic and called for a FREXIT. Le Pen promised to withdraw France from the Eurozone and hold an EU-membership referendum within the first six months of her reign (Tiberi & Lee, 2017, p. 1). However, President Emmanuel Macron's

win in France significantly changed the course of Eurosceptism within the country and he sought to improve France's influence within the Union.

Predicated on the above, it is arguable that Britain's exit has no significant effect on the survival of the European Union. The insignificant impact of BREXIT on the European Union is founded on the outcomes of other EU-membership referendums and elections across Europe. In the Netherlands, France, Greece and Germany; the elections revealed that the Europeans desire to remain within the community (Algebris Investments, 2017, pp. 1-4). The survival of the European Union may not be hampered by the 2016 BREXIT referendum. This is because political leaders of various parties in member-states of the European Union have expressed their determination to ensure the continuity of the European Union and promote the united European project. Their commitment to accomplishing the ideals of the EU and prevent the provision of an EU-UK deal that might encourage other countries to exit the community are not in doubt. This is evidenced in their manifestoes and speeches during elections (Downing, 2017, p. 1).

# **Proposition 2**

The second proposition states that there is no major impact of Britain's nationalism on international cooperation among nation-states of the European Union. The victory for the Eurosceptic Leave division in the UK also causes a stir in relationship among EU members. EU members like Netherlands, Ireland and Cyprus which have strong trade, financial and investment ties as well as aligned policies with the UK will consider their decisions while cooperating on several issues with the EU bureaucracy (European Movement International, 2017, p. 14). Although, several EU members have taken a tough stance against the UK, the Dutch government may be inclined to provide a beautiful BREXIT deal based on their common national interest (Otjes, 2016, p. 1). The BREXIT referendum resulted in encouraging calls for an EU-membership referendum in the Netherlands.

The United Kingdom in the EU has taken steps by reducing energy prices, increased competition and upholds the standard for the regulations in the EU energy market. However, the absence of the United Kingdom allows Germany to push for objectives to divide EU targets on renewable energy among members rather than adopting an approach which is technologically neutral and minimise carbon emissions (Campos, Coricelli & Moretti, 2016, p. 4). Germany proposes the subsidising renewables and long-term contracts even with Russia with their focus

on ensuring the security of renewable energy. Germany's leadership subscribes to the adoption of a centralised system to direct energy and gas to countries which require these resources. This proposed deal also includes increase in Russian imports of gas through Nordstream 2 pipeline to provide supply for member-states with deficiencies (Emerson, Busse, Di Salvo, Gros & Pelman, 2017, p. 7). BREXIT has allowed the struggle for leadership within the EU community especially, between France and Germany.

This proposition can be rejected based on the foregoing analyses, while also noting that the display of nationalism by United Kingdom has made several EU members to become sceptical on certain EU policies. The UK pursued the adoption and implementation of some EU policies but with her absence, there may be reconsiderations on EU member positions in terms of trade with non-EU members like India, Middle East countries and Asia. The accession of Turkey into the EU community will be affected and several trade deals and foreign aid with the Caribbean and Africa may be jeopardised (Bond et al., 2016, pp. 6-7).

# **Proposition 3**

The third proposition of this study states that there are no herculean issues faced by the United Kingdom and European Union due to 2016 BREXIT referendum. The rejection of this proposition is predicated on the following: London's financial market is crucial as a financial centre for the EU and it is the largest in the world (KPMG Economics Insights, 2017: 3-5). The European Union will face the challenge of losing 9 billion euros in its annual budget due to UK's withdrawal from the community (European Parliament, 2017: 68). The value of the British Pound is currently facing depreciation compared to the Euro, and it is affecting investments and export rates. The flow of trade and growth in wages in the UK is moving very slow due to the exit from the single market, and it is arguable that the returns on transport as well as security and defence engagements will affect the European Union as the UK is its biggest provider in these sectors. It is also noteworthy that Scotland and Northern Ireland voted against leaving the European Union with 62% and 55.8% respectively (UK Electoral Commission, 2016). Both entities maintain a cordial relationship with the European Union. The border between the Northern Ireland and Republic of Ireland is unresolved and it is a key aspect of the BREXIT negotiations (Hunt and Wheeler 2017: 22). The outcome of BREXIT has also led to nationalist calls for an independent Scotland to remain in

the European Union as the decisions of the UK government are always imposed on its territories (Bridge, 2016, p. 21).

#### **Proposition 4**

The fourth proposition implying that there are no easy solutions to the European Union concerning Britain's exit from the Union reveals that the BREXIT deal is a complicated negotiation between the EU and the UK. The BREXIT negotiation has several phases and every institution in the EU is relatively involved in reaching an agreement. The BREXIT process imposes huge burden on the machinery of government as new departments and government agencies have been formed to provide desirable resolutions. In the UK, Prime Minister Theresa May created a new department within the government to take responsibility for BREXIT. The Department was initially headed by David Davis, Boris Johnson as Foreign Secretary and Liam Fox as International Trade Secretary with all of them being Leave campaigners and former members of the government (Hunt and Wheeler, 2017, p. 2). Although Prime Minister May makes the final decisions concerning BREXIT, the three conservatives are expected to play major roles in the negotiations and to create new international agreements. However, the May's government has suffered a huge blow as Steve Baker, David Davis and Boris Johnson resigned on the 8<sup>th</sup> and 9<sup>th</sup> July, 2018 respectively (Aleem, 2018, p. 1). Michel Barnier serves as the Chief negotiator for the European Commission in the BREXIT process. The European Union and the UK have created a new department called Department for Exiting the European Union (DExEU), thus complementing the UK Permanent Representation to the EU (UKREP) headed by Sir Tim Barrow (European Commission, 2017, p. 1). These bodies will conduct negotiations on wide-ranging issues which will be difficult.

Another major concern with the occurrence of BREXIT is the rights of EU and UK citizens. It is estimated that 3.2 million EU citizens live in the UK and 1.2 million Brits live in the EU (European Movement International, 2017: 8). BREXIT causes UK citizens to lose their rights to use public services in EU-member countries and the European Small Claims Procedure to reclaim 2,000 Euros from citizens of other EU countries (Hunt & Wheeler, 2017, p. 6). Also, UK pension-eligible nationals at 400,000 are entitled to healthcare services in member-states through the UK state pensions will return to Britain and subscribe to the NHS services, thereby increasing the burden on the system (Sapir, Schoenmaker and Véron, 2017: 2). PM Theresa May in her 15-page proposal to the EU was concerned with

accomplishing the objectives of granting EU citizens settlement status to those who are working, living, studying and ensuring that they enjoy their full benefits.

The BREXIT withdrawal deal should also include the following issues: the disengagement of the UK from EU budgets and reduction of EU spending programmes currently on-going in the UK, preparation of UK's exit from EU institutions, relocation of EU agencies out of Britain, disentanglement of the UK from EU international treaties, winding down of UK military and police involvement in the Common Security and Defence Policy (CSDP) (European Movement International, 2017, p. 8). The complexities in resolving these issues would be cumbersome on both parties as each of them would seek to achieve their own objectives fully.

The European Commission will require the involvement of the parliament, courts, devolved administrations, local authorities and the public which includes UK citizens and Europeans. There is a void to fill in the European Union with the absence of the United Kingdom in terms of financial provision, transport, trade, security and defence (European Parliament, 2017, pp. 22-34).

# 5. Concluding Remarks

There is need to understand that nationalism plays a role in the progress of any international organization. The international system is a "playground" where states utilise tools of foreign policies to achieve their national interest. The United Kingdom has played a vital role in ensuring cooperation among member-states in the EU through her involvement in several sectors in the EU economy. According to the Chatham House Report (cited in the European Movement International, 2017), there are three major spheres of influence for the UK namely: the EU, its partnership with the USA and other productive bilateral and institutional relationships. The European Union serves as a platform for the UK to influence events that occur in the international system, and the precarious outcomes should be anticipated and neutralised.

The UK's decision to leave the community allows the struggle for power between France and Germany as both have different agenda for the EU. The European Union and United Kingdom must provide measures in order to reach agreements on several aspects ranging from access to EU single market, EU agencies and EU

programmes. This paper shares the views of Gordon & Moffat (2016) that the rights of EU and UK citizens/nationals respectively must be addressed to ensure that their needs and welfare are accommodated. The UK-EU BREXIT deal also aims to provide arrangements for cross-border security and migration for both parties. Based on the issues facing the United Kingdom and the EU with BREXIT, the UK has been able to contain the political uncertainty with the resignation of David Cameron after the referendum.

The negotiations between the EU and UK concerning BREXIT which lasts till 2019 and could only be extended till 2021 if no satisfactory resolution is reached, hinges on the acceptance of all EU members. The outcome of the BREXIT referendum in turn allowed for nationalist calls for exit from the EU community. However, election results in the Netherlands, France, Austria and Germany were negative for nationalists. There are still on-going calls for Greece to leave the Eurozone based on its financial debt in the single-currency union. Also, pro-EU supporters in the UK are calling for another EU-membership referendum but the UK government continues to negotiate its way towards providing a successful BREXIT deal. United Kingdom may be constrained to reconsider her decision by allowing another EU-membership referendum before 2019 or 2021 due to trade regulations and liberalisation policies.

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