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# **European Union and Brexit Nationalism: A Historical Review**

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#### **ABSTRACT**

Nationalism is an important aspect of state interaction in order to achieve their objectives in the international system. However, nationalist activities displayed by states as members of international organizations hinder the accomplishment of the objectives of such institutions. Britain's exit from the European Union triggered a new wave of nationalist activities across Europe as the existence of the EU community was called to question. This paper investigates the impact of Britain's exit on the survival of the European Union as well as the extent to which BREXIT affects cooperation within the community. Using secondary sources of data, the study relied on historical research design and utilised the technique of textual analysis of data. The findings reveal that as member states of the European Union display nationalism, a shift in focus may result and attaining the objectives of EU can become quite herculean. The study made recommendations to sustain and possibly improve relationship between the United Kingdom and European Union as well as enhance cooperation among EU member-states.

Keywords: Britain's Exit (BREXIT); European Union (EU); Historical; Nationalism; Review

#### 1.0 INTRODUCTION

The European Union (EU) is an international institution which is based on a communal philosophy which accepts integration of diverse ideas, values and culture. This organization has gradually developed into a single market by the standardization of certain laws, principles and regulations which apply to all its members. Several institutions have been established under the Union such as; European Council, European Parliament, Court of Justice, European Commission, European Central Bank, Committee of Regions and technical committees (European Union, 2014: 2). The European Union is a complex community based on the principle of shared competence and agreements. EU runs on the practice called "pooling of sovereignty" in which combined sovereignty is delegated by each member to the institutions in return for its representation within those institutions (Tupy and Sulik, 2012: 15). These institutions have the power to make laws and decisions and execute them. This is binding on all members of the European Union.

Despite the principle of competence, less sovereignty is transferred to the Union on defense and foreign policy with issues being dealt with based on unanimity and cooperation. The principle of respect for sovereignty and territorial integrity of states is emphasized by the European Union and this reflects in the relationship with its members. The behaviour of members in the EU differs as it informs their sole priority to achieve their national objectives through their foreign policies as they interact with other actors within the European Union. (Rourke 2008:3). Every state that participates considers international organizations as an avenue to portray their dominance on the global scene. In January 1973, membership status was granted to the United Kingdom to join European Economic Community (EEC) after two

unsuccessful bids were rejected by France's President Charles de Gaulle (Cremades & Novak, 2017:5). Some scholars based on conspiracy theory describe the partnership as an intentional move by the United Kingdom to boost her national image and enjoy the derived benefits of cooperation for their economy.

The economy of the European Union is enhanced by a common market and United Kingdom is a major trading partner within the community and coordinates trade outside the continent specifically with the United States, Canada, Asian countries and Africa (European Union 2017, 11-18). This trade produces revenue for the European Union and stabilizes the value of the Pound sterling while at the same time steadying the Euros (Irwin, 2015:20). The United Kingdom played a key role in the economic recovery of Greece and Italy and provides for the European Union's foreign aid actions. These actions have earned the United Kingdom high reputation within and outside the community in terms of currency valuation, security, migration and defence (Mclver, 2011:34).

Despite the benefits and preferential treatment given to the United Kingdom by the European Union, nationalism still plays out in her membership of the community. UK's membership of the European Union has always been contested since she took the bold step to join the European Economic Community in 1973. The country held her first referendum on 5 June 1975 on whether to stay or leave the EEC and they voted to remain (Cremades & Novak, 2017:5). Although, the United Kingdom has had strong pro-EEC political figures, part of the country especially England has been uninclined and unenthusiastic towards European political integration. Oakeshott (2016) explains that the perception of the UK citizens towards the EU has basically been negative and the integration is most times presented as a process of losing rather than sharing sovereignty. There has been a rejection of concepts as supra-national democracy, European multilevel governance and shared sovereignty by the Brits (Ries, 2017:3).

During political campaigns in 2013 and 2015, the status of the membership of the United Kingdom was called to question and the then British Prime Minister David Cameron made a pledge to conduct a simple remain or leave referendum concerning their EU membership (British Broadcasting Corporation, 18 December, 2015). In May 2015, the UK Independence Party had been campaigning openly for many years to ensure that the United Kingdom leaves the EU community. Some members of the Conservative Party as well as six members of the Cabinet joined the movement. The Labour Party, the Liberal Democrats and the Scottish National Party were officially supporting the motion to remain in the European Union (Renwick, 2017:5-6). In 2016, the referendum campaign led by Prime Minister David Cameron of the Conservative government declared intention to remain in the European Union based on certain negotiated conditions with the member states. Information and publications were provided by the government to the public on UK's status within the EU, substitutes to the EU-UK relationship and all consequences of their decision to withdraw (Dhingra and Sampson, 2017:4). The "Vote Leave" campaign on the other hand was spearheaded by Conservative Boris Johnson and sought for the British Exit from the economic union (Hunt and Wheeler, 2017).

On June 23, 2016, the United Kingdom (U.K.) decision to leave the European Union through a public referendum (BREXIT referendum) reached a climax on the possibility of nationalism to threaten the existence of European Union which is an international organization. The issues of insecurity, migratory pressures, unemployment and economic pressures raised concerns among UK citizens on the efficiency of the European Union in tackling these problems (British Broadcasting Corporation, 2016: June 23). The UK citizens in the referendum considered the stability and vision of their national government to manage these problems. It is significant to note that United Kingdom's action raised concerns for other members to reconsider their position within the European Union.

The rise of nationalistic activities among members of the EU poses a great challenge to the community and has called to question its political power and decision making ability. It is no longer news that elections in Europe have been based on debates of whether nation-states should leave the Union. The 15 March, 2017 Election of Mark Rutte over Wilder's in Netherlands and the 7 May, 2017 French Elections between President Emmanuel Macron and Marine Le Pen were based on the debates whether the Netherlands and France should leave the European Union respectively (BBC, 2017). The 24 September,

2017 Elections in Germany is also a major concern on the sustenance of the EU. These situations raise questions in the mind of citizens of other members of the Union.

### 2.1 Historical Development of the European Union

By the early first half of the twentieth century, Europe was considered to be a theatre of conflicts and wars. The European Union was birthed out of the idea for an integrated Europe in the repercussion of the World War II (Mclver, 2011: 11). Europe suffered devastation from two world wars from 1914-1945 and they sought to rebuild their destroyed cities. European leaders came to a realization that economic and political integration would maintain and secure peace among their countries. The British Prime Minister Winston Churchill proposed a "United States of Europe" in his famous speech at the Zurich University, Switzerland in 1946. He made this statement based on his desire to transform Europe to become an important power alongside the United States of America. This new idea in a reformed Europe would help to overcome antagonistic nationalism among states. Furthermore, it led to the formation of the Council of Europe in 1949 whose function was to reinforce democratic system and human rights across Europe (Erlanger, 2017:1). On 5<sup>th</sup> May, 1949, ten states signed the Statute of the Council of Europe namely: Belgium, Denmark, France, Ireland, Italy, Luxembourg, the Netherlands, Norway, Sweden and the United Kingdom. This was the first step towards continuous cooperation and European integration which led to the establishment of the European Union.

On the 9<sup>th</sup> of May 1950, the French Foreign Minister Robert Schuman in a speech proposed the idea of integrating the coal and steel industries of Western Europe (Gerstenberg, 2001: 298). Coal and steel were the major resources used during the periods of war for the production of technological equipment, transport and fuel. This proposal led to the establishment of the European Coal and Steel Community (ECSC) by the Treaty of Paris in 1951 with six members namely; Belgium, France, Italy, Luxembourg, the Netherlands and West Germany (Hartley, 2001: 225). The ECSC had four institutions which include: High Authority, Council, Parliamentary Assembly and Court of Justice. The ECSC through a coal and steel common market was to work towards expanding economies of its members, increase the rate of employment and elevate the living standard among member citizens (Gillingham, 2003:132). The formation of the ECSC was an experimental international organization based on supranational principles and served as the framework for today's European Union.

In 1967, the Treaties of Rome was signed by the same six countries and created two new institutions namely; the European Economic Community (EEC) and the European Atomic Energy Community (EAEC or EURATOM). The new institutions served as a big step towards further European integration. The EURATOM was established for the enhancement of research in the utilization of nuclear energy for relevant technological purposes. The creation of the EEC began the removal of trade barriers to form a European common market for the free movement of goods, services and workers between countries. A Customs Union was also established to eliminate duties on manufactured goods and regulate customs duties on imported goods (Börzel, and Risse 2007: 17). Members of the European Economic Community agreed to the demands of the French government to formulate a Common Agriculture Policy (CAP) for the central planning of the agricultural sector within the community. The Common Agriculture Policy included production quotas for EEC members and price control for goods and services. However, this resulted in the need for these institutions to have a central planning medium. The Merger Treaty of 1969 merged the ECSC, EURATOM with the EEC to form the European Community (European Commission, 2014: 15).

Furthermore, The Schengen Agreement of 1985 was a significant step to ease the integration process in Europe. The Agreement allows for the abolition of passport controls across Europe. It created a medium for easy movement of European citizens, goods and services across the continent. The Single European Act (SEA) of February 1986 which was enforced by July 1987 amalgamated ECSC, EEC and EURATOM to form a set of European community institutions: European Commission, European Council and European Parliament (Avery, Faber and Schmidt, 2009:173). This provided a fresh procedure to enhance political and economic integration in terms of decision making. The European Parliament was granted more powers in the legislative process with its members selected through the consent of national

parliaments of EU members. The European Commission was notably successful in breaking down many internal trade barriers within the community. The SEA provided measures for adopting a Qualified Majority Voting (QMV) system within the European Council. It also allowed a certain level of coordination to agree to the harmonization of legislation for the community (Donnelly and Bigatto, 2008:82-99).

The collapse of the Berlin Wall, German unification, democratization of Eastern and Central Europe and the Soviet Union's disintegration marked a significant hallmark in the political structure of Europe (Gulati, Dialdin and Wang 2005 : 281-303). The expanded European Community sought to strengthen their political and economic relations by negotiating a new Treaty. The Maastricht European Council formulated a new treaty through several negotiations to establish an ambitious supranational organization. The 1992 Maastricht Treaty which was signed by the members of European Community established the European Union. On 1 November 1993, the Maastricht Treaty was adopted and formed a revised structure to replace the European Community (Craig, 2001: 125-135). Several treaties and agreements have reformed the Maastricht Treaty thereby creating a solidified framework for the European Union. Such treaties include: The 1997 Amsterdam Treaty, 2001 Treaty of Nice and the 2009 Lisbon Treaty (European Union, 2017).

# 2.2 The Structure of the European Union

The European Union has a unique structure which serves as the framework for its operation across member states. The European Union has seven main institutions which serve as the principal decision making bodies (European Union, 2018: 22-35). These institutions are listed in Article 4 of the Treaty of the European Union in 1992. They include: European Council, European Parliament, European Commission, Council of Ministers, Court of Justice of the European Union, Court of Auditors and the European Central Bank. The diagram in figure 1 below illustrates the European Union's institutional structure.

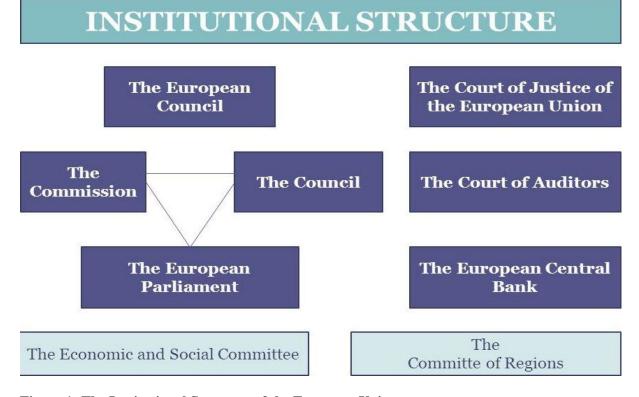


Figure 1: The Institutional Structure of the European Union *Source*: Black, R. (2016: 1) Institutional Structure and Decision-Making Process

- 1) The European Council (EC): The Single European Act established the European Council but its role became emphasised with the 1992 Maastricht Treaty. The European Council gives the necessary political drive for the development of the EU and defines the general political objectives and priorities. The EC has no power to legislate but serves as an informal forum for top-level political discussions which is crucial to the functioning of the European Union. The European Council comprises of all Heads of State and Government of EU member-states along with its own President, the President of the European Commission as well as the Head of the Common Foreign and Security Policy. The Council meets at least twice every six months at its headquarters in Brussels Belgium and has its current president as Donald Tusk.
- 2) The Council of Ministers or the Council of the European Union: This Council of Ministers coordinates broad economic and social policies within the Community. It defines the guidelines and framework for the Common Foreign and Security Policy (CFSP) and concludes international agreements. The Council of the European Union holds some limited executive powers and it is the principal decision making body of the Union. The Council comprises of 28 national members who represent governments of member-states and are accountable to their national political systems. The Council of Ministers shares legislative and budgetary power with the Parliament. The Presidency rotates every six months and they meet in accordance with the topic which is being discussed. There are three major decision-making processes and they include: Voting by simple majority, Voting by qualified majority and Voting by unanimity. The seat of the Council of Ministers is in Brussels and the current president is in Estonia.
- 3) European Commission: This is the central administrative unit of the European Union and is responsible for the execution of policies and budget in member states. Over 20,000 agents of the European Commission draft proposals for EU laws which are submitted to the Council of the EU and European Parliament for voting. The Commission carefully deals with the day-to-day running of the Union, implements and upholds EU laws and Treaties. European Commission represents the interests of the EU on a world-wide basis, as it negotiates international agreements based on the instructions of the Council of Ministers. The European Commission comprises twenty-eight commissioners who are selected by votes of the European Parliament. This medium is designed to create a body independent of national interests. The Commission's President is Jean-Claude Juncker since 2014 and its seat at Brussels with about 18,000 agents.
- 4) European Parliament: The Parliament serves as the legislative and budgetary authority of the Union and shares this authority with the Council of the European Union. No European law can exist without the preliminary consultation of the European Parliament. It exerts democratic control over EU institutions including the European Commission and approves the members of the Commission. The European parliament has the legal right to modify the amount and distribution of noncompulsory expenditure and proposes modifications to the compulsory expenditures in correspondence to the agreements of treaties. Therefore, the Parliament is responsible for the final budget of the EU. The European Parliament allows European Union citizens to participate directly in the political affairs of the Community. EU citizens elect the 751 members of the European Parliament every five years through franchise and the members sit in accordance with political allegiance. The members of the Parliament are called deputies and they represent over 500 million EU citizens. Their plenary sessions are held at Strasbourg but primarily meet in Brussels with its President Antonio Tajani.
- 5) Court of Justice of the European Union (CJEU): The CJEU is the chief judicial authority of the European Union. It oversees the uniform application and interpretation of European Union law, in cooperation with the national judiciary of the member states. The Court of Justice can only decide matters of EU law and it is not an appeal court against decisions of national courts. The Court of Justice of the EU also resolves legal disputes between national governments and EU institutions, and may take action against EU institutions on behalf of individuals, companies or organizations whose rights have been infringed. The Court also has the major responsibility in the Ruling of cases on

employment rights, the right to an effective judicial remedy, Trade, Professional Sport, and Services. The CJEU consists of three separate courts namely: the Court of Justice, the General Court and the Civil Service Tribunal. The Court of Justice comprises 28 Judges from each member state, 9 Advocate-Generals who are appointed for a renewable six-year term. Its headquarters is located at Luxembourg.

- 6) The Court of Auditors: This institution has the obligation to control all budgets of the European Union. The Court ensures that derived revenues and expenditures are acquired in a legal manner therefore it manages the financial affairs of the community. They supervise EU members, EU institutions and organizations which derive proceeds from funds of the EU. The Court of Auditors publishes an audit report every year in the Official Journal of the European Communities which serves as means to pressurize EU institutions and organs to ensure efficient fund management. The Court has no judicial power and reports any situation of fraud to the organs in charge of such issues i.e. European Office of Anti-Fraud Fight. The members of the Court of Auditors are appointed by the Council of the EU after consultation with the European Parliament based on the nominations of member states. The Court of Auditors has 28 members who comprise of one from each member state and its headquarters is at Luxembourg.
- 7) European Central Bank (ECB): The European Central Bank serves as the principal bank for the Eurozone which comprises all states which adopt the Euro as their national currency. The ECB is responsible for maintaining price stability and controlling the monetary policies of the Eurozone. The European Central Bank comprises of all national banks of EU members and serves as the centre of the European System of Central Banks. A board of national bank governors and a president govern the European Central Bank. The location of the European Central Bank is in Frankfurt and its current president is Mario Draghi (Centre for Information of the European Union 2017: 2).

The institutions of the European Union are assisted by two main bodies which serve advisory purposes. They include:

- 1. The European Economic and Social Committee (ESC) which has the specific purpose of representing the welfare of diverse economic and social classifications of EU citizens. It includes employers and employees, farmers, liberal professions who can be consulted on social issues, public health and the environment. The ESC gives their opinion based on its own initiative. It comprises of 353 members basically citizens of all 28 member countries.
- 2. The Committee of the Regions (CoR) whose main objective is to "represent the interests of the regional and local authorities of member states of the EU". The consultation of the Committee of Regions is compulsory on certain issues as regards education, culture and trans-European network. The committee also has 353 members as the ESC and membership depends on the demographic distribution of each member (European Union, 2017: 2).

The European Union has specialized bodies that supports the activities of the EU institutions. Such specialized institutions include the following: European Investment Bank, European Ombudsman, European Data Protection Supervisor, Publications Office, European School of Administration and the European External Action Service.

## 2.3 The Objectives of the European Union

The objectives of the European Union are clearly stated in Article B of the 1992 Maastricht Treaty of European Union (European Union, 1992: 5), which are:

- 1. Promoting balanced and sustainable economic and social progress by strengthening economic and social cohesion through the creation of an area without internal borders.
- 2. Establishing an economic and monetary union including a single currency in accordance to the requirements of the EU Treaty.
- 3. Implementation of a common foreign and security policy which forms a common defence policy to ascertain the identity of the EU on the international scene.
- 4. Introduction of a citizenship of the Union to protect the rights and interests of the nationals.
- 5. Development of close cooperation on justice and home affairs.

Furthermore, the objectives of the European Union spell out the activities of the community which are the EU policies. These EU policies are characterized into three major areas which are described as the pillars. The Community pillar of the EU deals with issues concerning economic, social and environmental policies affecting the Union. The Common Foreign and Security Policy (CFSP) is the second pillar and it concerns the foreign policy, security, military and defence issues of the community. The third pillar is the Justice and Home Affairs (JHA) which is concerned with fight against criminal activities in the EU. These pillars are the framework for EU institutions as the EU Parliament, EU Commission, European Council, European Court of Justice and the European Central Bank (European Union, 2014).

European Union's activities as stated in the 1992 Maastricht Treaty of the European Union (European Union, 1992: 4) include:

- 1. Elimination of customs duties and quantitative restrictions on the import and export goods and services among members.
- 2. Creating an internal single market that allows free movement of persons, goods, services and capital.
- 3. Formulating a common policy in the scope of agriculture, fisheries and transport.
- 4. Strengthening competition among industries within the internal market.
- 5. Promoting research and technological development
- 6. Common policy in the social sphere which comprises a European Social Fund.
- 7. Contributing to education and quality training and thereby enhancing the cultures of all members.
- 8. Protection of the health of EU citizens, environment and measures in the spheres of energy, civil protection and tourism.
- 9. Establishing and developing trans-European continental networks which allows for economic and social cohesion.
- 10. Association with non-EU countries and territories to increase trade and be involved in the joint promotion of economic and social development.

## 3.1 Brief Information on the United Kingdom

The United Kingdom consists of England, Wales, Scotland (collectively forming Great Britain) and Northern Ireland. UK's geographical description comprises of cliffs along coastlines, highlands and lowlands and hundreds of islands of the northern and eastern coast of Scotland (National Geographic, 2018: 1). The geography of the United Kingdom is estimated to be about 248,528 km². London serves as the capital of the United Kingdom. Since 2016, the total population of the United Kingdom is estimated to be over 65 million people. The official language used in the United Kingdom is English. She operates a parliamentary constitutional monarchy. The monarch is Queen Elizabeth II and Head of the Parliament and Prime Minister is Theresa May. The United Kingdom uses the Pound sterling (GBP) as her official currency. The United Kingdom at 2016 has an annual Gross Domestic Product of 2.367 trillion Euros about 2 trillion Pounds (European Union, 2018: 1). The most important parts of the UK's economy are: wholesale and retail trade, transport, accommodation, food services, public administration, defence, education, human health, social work services and industry (European Union, 2018: 2). The main export partners of the UK are the United States of America, Germany and Switzerland while Germany, China and the USA are her main imports partners.

## 3.2 The Development of the United Kingdom's Relations with the European Union

The United Kingdom has played crucial roles in Europe's integration as well as the establishment of the European Union. The British Prime Minister Winston Churchill in 1946 at the Zurich University proposed a united Europe in his speech thus:

I wish to speak to you today about the tragedy of Europe...Yet all the while there is a remedy which, if it were generally and spontaneously adopted by the great majority of people in many lands, would as if by a miracle transform the whole scene, and would in a few years make all Europe, or the greater part of it, as free and as happy as Switzerland is today. What is this sovereign remedy? It is to recreate the European Family, or as much of it as we can, and to provide it with a structure under which it can dwell in peace, in safety and in freedom. We must build a kind of United States of Europe. In this way only will hundreds of millions of toilers be able to regain the simple joys and

hopes which make life worth living. The structure of the United States of Europe, if well and truly built, will be such as to make the material strength of a single state less important. Small nations will count as much as large ones and gain their honour by their contribution to the common cause. The first step in the recreation of the European Family must be a partnership between France and Germany. (Winston Churchill, 1946: 2)

However, the speech incited calls for partnership among European states to prevent another major war in Europe. On the 5<sup>th</sup> of May 1949, the Treaty of London established the Council of Europe. The Statute of the Council of Europe which served as the guidelines for its operation was signed by ten states. Its membership was eligible to all states in Europe which sought for the integration of Europe and the promotion of democratic principles (Centre for Information of the European Union, 2017).

On 17 March 1948, the Western European Union (WEU) was established with the Treaty on Economic, Social and Cultural Collaboration and Collective Self-Defence (Brussels Treaty). The WEU is a partially dormant European defence and security organization and its members are: Belgium, France, Luxembourg, the Netherlands and the United Kingdom (Börzel and Riise, 2002:15). It was conceived as a reaction to the Soviet Union's expansion and imposition across Central Europe. The common defence plan was concerned with integrating air defences and establishing a joint command organization. These five states resolved to work together to help overcome the USA's reluctance to take part in the proposed security and defence arrangements across Europe after the World War II. The Western European Union aimed at restoring confidence among European states by coordinating the regulations for arms control. The WEU allowed consultation between the founding members of the European Community and the United Kingdom (Smith, 2015: 12).

On 3 May 1960, the United Kingdom along with seven European states established the European Free Trade Association (EFTA) as an alternative to the ECSC (Associated Press, 2016). The EFTA Convention was signed in Stockholm by United Kingdom, Austria, Denmark, Sweden, Switzerland, Norway and Portugal and they were described as "the Outer Seven". United Kingdom was denied the membership status to join the European Economic Community in 1961, 1963 and 1967 due to the French veto on UK's application. French President De Gaulle laid difficult conditions for the British entry to the EEC as he held suspicions that the United Kingdom may create an Atlantic Community rather than a European Community due to UK's partnership with the USA (Thomastine, 1973: cited by Lyons in Guardian, 2016). Throughout the 1960s, there were numerous tensions in Europe as France sought to limit supranational powers and consistently refused to grant membership status to the United Kingdom even after the Merger Treaty of 1967. The EFTA became a cmpetitition to the Common Market of the ECSC and served as a nationalistic frontier for the United Kingdom (Cockerell, 2005: 11).

In 1973, the EFTA and the EEC engaged in series of negotiations and agreements to allow for the unification of many areas of economic policies between both organizations. Due to the change of presidency in France, several breakthroughs in the negotiations were achieved as the United Kingdom (including Gibraltar) along with Denmark and Ireland were allowed to become members of the European Communities in 1973. By 1995, all except four members of the EFTA had transferred their membership from the EFTA to the European Union (Crowson, 2007: 90). Today, there are only four members of the EFTA as the United Kingdom was able to fulfil her desire to obtain membership status to the EEC. The official Foreign and Commonwealth Office document lists the capacities which the UK would participate in the European Communities. These areas include: customs duties, free movement of labour, services and capital, transport, agriculture, and social security for migrant workers (Seldon, 2010).

However, United Kingdom has played a definitive role in the European Union since she became a member. The I985 Schengen Agreement which creates an open border without passport controls has refused to be adopted by the United Kingdom (Oliver, 2015: 16). The Copenhagen Criteria of June 1993 was spearheaded by the United Kingdom to serve as the guideline for further expansion of the European Union. The United Kingdom has continuously refused to adopt the Euro as her official currency and join the Euro Zone. The United Kingdom maintains the Pound Sterling and regulates the value of her currency in collaboration with the World Bank (Perisic, 2010: 8).

## 3.3 Effect of Britain's Exit on the Survival of the European Union

The occurrence of BREXIT increases the scrutiny over the integration of the European Union and has called to question the survival of the community. Between 2016 and 2017, there have been two referendums on issues within the European Union which include the April 2016 Dutch referendum on the EU-Ukraine association treaty and the BREXIT referendum (Lyons, 2016: 2). However, the outcomes of both referendums have been negative. 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: 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 allowed for outplay of member-state and institutional interests during national elections within the community. Beginning with 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: 1).In June 2016, only 14 out of 150 members of the Dutch Parliament expressed their support for a referendum proposed by the Freedom Party and 77% of Dutch citizens willingly want to remain in the Eurozone (Danske Bank, 2017: 2). Subsequently, the Pew Research Centre conducted polls in 2016 to reveal that 61% of French citizens have an unfavourable perspective towards the European Union. 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: 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 and Lee, 2017: 1). The International Monetary Fund in 2012 revealed that the rate of unemployment in Greece is 25% and

The International Monetary Fund in 2012 revealed that the rate of unemployment in Greece is 25% and bank deposits in Greece had fallen by 13%. Gros (2015: 1) reveals that Greek banks still owe the European Central Bank which provided 40 billion Euros in Emergency Liquidity Assistance (ELA). Economic analysis proposes that if the Greek citizens decide to withdraw their money and the European Central Bank cuts their access to the ELA; banks in Greece will lose and become indispensable with money. These issues raised outcry from Greek citizens and economists to have a referendum so that Greece could adopt a new currency and relive her from 'excessive' responsibilities to the Eurozone. The National Bank of Greece emphasized that a GREXIT will cause 55% fall in per capita income, 22% increase in repression, 34% unemployment rate and an inflation rate of 30%. In July 2015, a referendum was held in Greece to determine if it should leave or remain in the Eurozone due to her rising gross public debt ratio of 180% which is larger than her 120% GDP (Moutzourodis, 2017: 2). The exit referendum was defeated with 61% to 39% and EU lenders refused to extend bailout for Greece. However, the occurrence of BREXIT has also revitalised a new call for the possibility of GREXIT.

#### 4.1 Impact of Britain's Nationalism on International Cooperation among EU Nation-States

BREXIT creates a new dimension of international cooperation among states within international organizations. EU members as the 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: 14). The victory for the Eurosceptic Leave division in the UK also causes a stir in relationship among EU members. The Netherlands and the United Kingdom share a common Atlantic prospect and commitment to free trade. The Dutch federation supported the entry of the United Kingdom into the EEC in 1973 to counterweight France and Germany (Van Kessel, 2014: 1). The relationship between the Netherlands and UK has been exemplified with the establishment of the Royal Shell Company. The Dutch has lost an important ally in the European Council due to BREXIT. 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: 1). The BREXIT referendum resulted in encouraging calls for an EU-membership referendum in the Netherlands.

The United Kingdom within the European Union is notably a strong and ambitious leader in policies concerned with climate and consistently pushes for carbon emission targets (Van Reenen, 2016: 2). The United Kingdom in the EU has taken steps by reducing energy prices, increased competition and has become the standard for the regulations in the EU energy market. The absence of the United Kingdom allows for 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 emission (Campos, Coricelli, Moretti, 2016: 4). Germany proposes the subsidization of renewables and long-term contracts even with Russia with their focus on ensuring the security of renewable energy. Germany's leadership pushes for the adoption of a centralised system to direct energy and gas to countries which require these resources. This also includes increase in Russian imports of gas through Nordstream 2 pipeline to provide supply for member-states suffering supply problems (Emerson, Busse, Di Salvo, Gros and Pelman, 2017: 7). Post-BREXIT reveals that EU-members in partnership with the UK are not willing to support Germany's propositions.

The Common Foreign and Security Policy of the EU is inter-governmental with the UK being a huge supporter of the process while Belgium, France and Germany are against its inter-governmental structure and push for the extension of majority voting (Ries, 2016: 6). BREXIT increases the role of the European External Action Service (EEAS) at the expense of national foreign ministries. The EEAS already lacks the full capacity for independent information gathering and reporting. The UK has utilized EU sanctions to change policies by cajoling other EU members to take actions on countries as Burma, Cuba and Zimbabwe. The UK has been influential in leading the charge on EU-Russian sanctions for its annexation of Crimea. The UK serves as the entry point for India into the EU and was crucial in the 2015 Iran nuclear deal but with BREXIT, many countries will reconsider their position on such negotiations (Bond, Besch, Gostynska-Jakubowska, Korteweg, Mortera-Martinez and Tilford, 2016: 5). UK is the host to the largest Somalia diaspora and a huge contributor to the 580 million euros and 5000 local troops which the EU provides to the mission in Somalia (European Parliament, 2017). The UK is notably a huge supporter for the enrolment of Turkey's membership in the EU but this will cause the slow accession of Turkey's membership due to the reconsideration of other EU members (Frantescu, 2015: 6).

#### 5.0 CONCLUDING REMARKS AND PROGNOSIS

The outcome of the BREXIT referendum became a shock to the community as it did not expect any member to make use of the Article 50 provision of the 2009 Lisbon Treaty. This initiated an unconventional talk and negotiation between both parties thereby creating the BREXIT Process. The BREXIT Process began on the 29<sup>th</sup> of March, 2017 after PM Theresa May triggered the negotiations implying that the United Kingdom is scheduled to leave the European Union on Friday, 29 March 2019 (European Council 2017: XT20001/17). This predetermined date of Britain's divorce can be extended by the unanimity of 28 EU members. The European Council has mandated the European Commission to negotiate with the United Kingdom on behalf of the community. According to Renwick (2017: 4), the BREXIT negotiation entails five possible results which include:

- i. A comprehensive deal which covers BREXIT terms and details of future UK-EU relationship.
- ii. A BREXIT deal only, with transitional arrangements to settle several issues while future UK-EU relationship is agreed.
- iii. A BREXIT deal only, with no transitional arrangements while future relationship is decided.
- iv. No deal, with United Kingdom's exit from the Union after two years via the provision of the Article 50 of the 2009 Lisbon Treaty.
- v. United Kingdom's decision to stay within the European Union after all

The British government desires the first outcome while the EU seeks the second within two years. The third and fourth options are not desired by both parties while the fifth option not yet a subject for negotiation.

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 has created a new department within the government to take responsibility for BREXIT. The Department is headed by David Davis, a veteran Conservative and Leave Campaigner. Other appointed members include; Boris Johnson as Foreign Secretary and Liam Fox as International Trade Secretary as both were Leave campaigners and former members of the government (Hunt and Wheeler, 2017: 2). Although Prime Minister May would make the final decisions concerning BREXIT, the three conservatives would play major roles in the negotiations and seek to create new international agreements. Michel Barnier is the Chief negotiator of the European Commission. 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: 1). These bodies will conduct negotiations on wide-ranging issues which will be difficult.

PM Theresa May released a 15-page proposal to present possible solutions and give assurance for the 3.2 million EU citizens living in the UK and 1.2 million Brits living in the EU (BBC, 2017: 29 March). The proposal seeks to accomplish the following objectives:

- i. EU citizens who are granted settlement status will be able to live, work, study and claim benefits as they are currently enjoying.
- ii. Cut-off date for eligibility will be selected between 29 March 2017 and 29 March 2019.
- iii. Members of families of EU citizenship will be able to return and apply for settlement status.
- iv. Nationals of EU members who are residents in the UK for less than 5 years can continue to work and live in the UK.
- v. EU nationals who are residents in the UK for five years can apply for settlement status (European Council, 2017: 29 March; May's Letter to Tusk XT20001/1).

  Nationalism as displayed by Britain's exit from the European Union serves as setback to the progress
  - of the community. The European Union provides a suitable market for the United Kingdom to advance her economic relations in terms of trade and investments. The United Kingdom is one of the European financial strongholds and contributes tremendously to the EU budget and in turn the UK gains much from the common market. Thus, the withdrawal of the United Kingdom from the European Union has huge financial and economic implications on both the EU and the UK. Decisions made by supra-national organizations like the EU affect the values, norms, principles and interests of member-states. BREXIT questions cooperation among members within the European Union as every state adopts any means to achieve their own national interests irrespective of regional agreements. This is justified as the Netherlands continues to maintain credible relations with the UK irrespective of the EU's decision to make the BREXIT process difficult for the United Kingdom. The absence of the United Kingdom from the European Union causes a shift in the balance of power among the European economic powers as France, Germany, Belgium and the Netherlands. The economy of the United Kingdom is still sustained as it yields reasonable economic output despite the inflation rate and the depreciation of the GB Pounds caused by BREXIT. The EU institutions continue to coordinate and execute their policies as well as carry-out their functioning despite the British exit as subsequent calls for exits have had negative outcomes. The European Union and the United Kingdom are experiencing difficulties in trying to articulate a favorable BREXIT deal for both sides.

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