



Why Brexit Remains Problematic as Ever

This article is related to General Studies-
Paper II (International Relations).

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IN A SERIES of developments last week, British Prime Minister Theresa May postponed a Parliament vote on her Brexit deal with the European Union, survived a vote of no-confidence from members of her own Conservative Party, and then hit a stumbling block when EU leaders refused to renegotiate the deal. What are the hurdles in the way of Britain's proposed exit?

Why exit, and when

In a referendum on June 23, 2016, British citizens voted narrowly in favour of leaving the EU (52% to 48%). The exit is due to happen on March 19, 2019. In November 2018, the UK and other EU countries struck a withdrawal agreement on how the exit will take place. Among various aspects, a transition period has been agreed to allow the UK and EU to make a trade deal and to give businesses the time to adjust. That means that if the withdrawal agreement gets the green light, there will be no huge changes between the March 29, 2019 exit and December 31, 2020, a BBC article explained.

The agreement covers issues such as how much the UK will have to pay the EU to break the partnership (about £39bn, the BBC reported), and what will happen to UK citizens living elsewhere in the EU as well as EU citizens living in the UK. One issue in the deal that has proved particularly controversial is the return, or avoiding the return, of a physical border between Northern Ireland and the Republic of Ireland when it becomes the frontier between the UK and the EU.

Ireland, Northern Ireland

Northern Ireland is part of the UK while the Republic of Ireland, which is not, will remain part of the EU after Brexit. Under EU arrangements, it is currently easy for people and goods to cross the border between the Republic of Ireland and Northern Ireland, and there are fears that it will not remain so after Britain leaves. Many also fear that barriers between the north and south could revive the tensions that prevailed during the 30-year conflict that ended in 1998. To address this, the withdrawal agreement includes a "backstop" plan to ensure the border remains as smooth as possible until a trade deal between the UK and the EU is struck. On the other hand, opponents believe that the backstop plan would leave the UK subject to EU regulation even after Brexit, news reports have stated.

It was amid such concerns that Prime Minister May, anticipating that the Bill on the withdrawal agreement would not pass Parliament, decided to postpone voting on it, which was meant to take place on December 11. This move ended up leading to more criticism, and May faced a vote by her party MPs over whether she should continue to lead her party. After she won 200-117, May travelled to Brussels to ask the EU for changes in the agreement before bringing the deal back to Parliament. This too backfired, with the EU ruling out renegotiation.

What next

The UK appears to be stuck with the deal already renegotiated. If May fails to get it past Parliament — she will get three weeks to do so — it is uncertain what happens next. The BBC article looked at a number of possible scenarios, including leaving the EU without a deal, another referendum (this would require new legislation and majority support in Parliament), and even a general election. A Reuters report Sunday quoted ministers as saying that the government is not preparing for a second referendum, and as sticking to the script that the deal could still pass through Parliament with a few changes.

While many senior "Leave" supporters reportedly believe no deal would be acceptable if preparations are made, critics disagree. According to an article in the British publication *The Week*, critics argue that leaving without a deal would have disastrous consequences for businesses, create chaos at the borders, drive up food prices and lead to a shortage of essential goods.



Brexit

What is it?

- It is mainly composed of two words, Britain and Exit, which means getting out of Britain from European Union-EU.
- The British public decided to go out of the European Union with the aim of maintaining Britain's identity, independence and culture.
- After the law of the European Union (withdrawal) Bill became the legislation, it has replaced the European Community Act of 2017.
- By March 29, 2019, the UK has to leave the European Union. British law will be valid only from March 29, 2019.
- Transition phase will start from March 29, 2019 and it will end on the last day of December 2020.
- A draft prepared for agreement to separate Britain from the European Union is being called a Brexit-Draft Deal.

Why the demand to exit?

1. Subscription Charges

- The EU receives billions of pounds every year from the UK as a membership fee, and in turn gives very little amount.
- This amount is about £ 13 billion, which is much higher than other countries.
- All EU countries give some amounts to the EU for membership, but for Britishers this amount is quite high and in return only 7 billion euros are recovered. So the UK has to suffer a lot.

2. Administrative constraints

- There arise many obstacles during any administrative work in the UK. Work is done by a lot of documentation and a lot of offices. There are several procedures that have to be completed.
- There are such restrictions which are interrupting the development of the UK and the European Union is pushing the UK behind, preventing it from proceeding.

3. Autonomy

- People say that the EU is depriving England of its rights and laws itself. Specifically laws related to fisheries
- The Fisheries Industry is quite developed around the UK and the rules and regulations about this industry are made by the EU.
- The Parliament of the EU determines how much the UK fishermen can catch fish and what the export rate will be.

4. Economy

- If Britain separates from the European Union, then it

can make itself a financial super power because London is already called the financial capital. The financial market there is one of the biggest markets in the world.

- While the UK is being prevented from doing so by the EU.

5. Immigrations

- This is a big issue because a large number of immigrants fled to Europe due to the civil war in Syria.
- The immigration policy is also decided by the EU, and not the UK, if it moves away from the EU, it will have the right to decide its own immigration policy.

Exit Process?

- The process of getting out of the EU is given in Article 50 of the Lisbon Treaty. This article has to be implemented. If the article-50 of the Lisbon Treaty related to exiting from European Union is once implemented it can only be withdrawn if all the members agree on it.
- On the conditions of the membership, it is necessary to get the consent of Parliament of 27 member countries which is a long process.
- Lisbon Treaty is one of the few major treaties to establish the EU. It was implemented in 2009.
- To get out of the EU, two-year notice period must be given and it will be considered starting from the day when the UK parliament will approve the decision to exit.
- After going out, if a country wants to join the EU again, it can be considered. Proposals like re-joining will be considered under article 49.

Influence on India

- There are 800 Indian companies in the UK. In which more than 1 lakh people work. 6 to 18 percent of Indian IT companies earn from the UK.
- In India, 8 percent of the total FDI comes from the UK. It will have an impact on India's business but will have to make separate trade agreements with the UK.
- One of the major reasons for the Indian companies' interest in Britain is that, through the UK, Indian companies have direct access to the 28 countries of Europe.
- India will have to make new agreements from the countries of Europe. This will increase the cost of companies. Also, the rules and regulations of every country must be obeyed.
- The Indian companies who have invested in the UK after the Brexit, will have a direct impact on their balance sheets.
- Some of the major Indian companies that have a stake in the UK are Tata Steel, Tata Motors, Tech Mahindra, Bharat Forge, Madrasan Sumi, Wockhardt, Cipla, Torrent Pharma, Ipca Lab and Cummins.

Expected Questions (Prelims Exams)

1. Consider the following statements regarding the Brexit decision of Britain-
 1. If the article-50 of the Lisbon Treaty related to exiting from European Union is once implemented it can only be withdrawn if all the members agree on it.
 2. All members of European Union are members of NATO.Which of the above statements is/are correct?
 - (a) Only 1
 - (b) Only 2
 - (c) Both 1 and 2
 - (d) Neither 1 nor 2

Expected Questions (Mains Exams)

Q.1:-'After the Second Worldwar, Brexit has been the most important political and economic decision. Explaining the possible positive and negative effects of this decision, elucidate the effects on India and also suggest your measures for it. (250 Words)

Note: Answer of Prelims Expected Question given on 15 Dec. is 1.(b)

