

Committee: European Union

Issue: The European Union after Brexit

Student Officer: Marios Tsoukis

Position: Deputy President

TOPIC INTRODUCTION

The European Union as it stands today is a political and economic union comprising of 28 member states. It is the largest economic bloc in the world spanning 4 million square kilometres and has 508 million inhabitants. Were the EU considered one single nation state, it would be the world's third most populous. These nations are considered amongst the most developed in the world. The EU is also in the forefront of civil rights movements with the union actively protecting minority and women's rights. The union also funds many research projects relating to science, medicine and other fields. Its 7 institutions are scattered around Europe which include The European Council, The Council of the European Union, The European Commission, The European Parliament, The Court of Justice of the European Union, The European Central Bank (often abbreviated to ECB) and the Court of Auditors. With a net contributor expected to leave by 2021, it is unclear whether the source of income will continue to arrive in Brussels under a deal between the UK and EU or whether the EU will have to either ask for higher contributions its members or reduce its expenses.

My name is Marios Tsoukis. I am attending Campion and, I am in my last year of school.

DEFINITION OF KEY TERMS

Political Union

A relationship with a political basis; specifically, a joining of two or more nations or other political entities under one government; an alliance between states, a federal union.

Article 50

Any Member State may decide to withdraw from the Union in accordance with its own constitutional requirements.

Referendum

a vote in which all the people in a country or an area are asked to give their opinion about or decide an important political or social question:

BACKGROUND INFORMATION

The union first emerged in post-war Europe. Having seen the deadly consequences of the second world war, European nations decided that co-operation and strong economic relationships would be the best means of ensuring the newfound peace would last. In 1952, Belgium, France, The Netherlands, Italy, Luxembourg and West Germany formed the European Coal and Steel Community. Coal and steel were both invaluable to industry and necessary for the production of military equipment. Initially the UK had refused to be part of the community, however, following the events in Suez in 1956, the British government believed it had interest in joining the community; the French, under the leadership of the De Gaulle, vetoed its membership. Following its 3rd application, the UK became a member in 1973, approved by a popular referendum in 1975, which resulted in 67% in favour. Whilst the referendum was not legally binding, the government felt obliged to obey it.



Despite the popular sentiment overwhelmingly stating that Britain wanted to be part of the EU, its membership has always been criticised domestically. Throughout the years the UK has been a net contributor to the EU budget. This meant that British taxpayers paid more than what they received. Many also saw the bureaucratic nature of the EEC and later the EU as too inefficient. The UK never regarded its relationship with the EU in the way other nations did and were increasingly less willing to further integrate. This can be observed by the refusal to enter the Schengen Agreement which grants visa-free, unrestricted and without border controls travel within the signatories and in the rejection of joining the Euro in favour of retaining the pound and its own monetary policy. The EU also imposed regulations on the UK in exchange for access to the single market. These regulations were often seen as unnecessary and, because they were voted in Brussels rather than Westminster, as a sign of loss of British Sovereignty. European laws were also of a higher degree, meaning that should a state have laws contradicting EU laws, the European laws were to

be followed. These sentiments gave rise to a new brand of populism and nationalism, one which advocated for Britain's exit from the union. It wasn't until the 'Winter of Discontent' in which massive strikes and economic instability rose that the EU lost popularity. In a poll conducted by Ipsos-MORI showed that 60% of the population not in favour of remaining in the union, with only 32% declaring a desire to stay in it. Prime Minister Thatcher was tasked with improving the relationship with the union and improving the terms of Britain's membership. She achieved notable rebates to Britain, resulting in a smaller net payment to the union. The British population's opinion on Europe and on membership in the union became lukewarm. A poll

led by Ipsos-MORI confirms this; in 1987, the British public were keener to remain in the EU than in most of the preceding decade, with 47% in favour of member against a mere 39% who were opposed.

In 1986, the Single European Act was signed. This marked the first significant revision of the Treaty of Rome, now 29 years old. European business and political leaders wished for more harmonisation between their economies as to achieve more trade and the synchronisation of rules and regulations. Thus, a single market was to be achieved by 1993. Tariffs and other trade barriers were gradually removed. Then British Prime Minister Margaret Thatcher was a supporter of this act, and the free market was seen by many in the UK to be beneficial for the economy and for growth. The act further encouraged European integration and provided a concrete plan to achieve it.

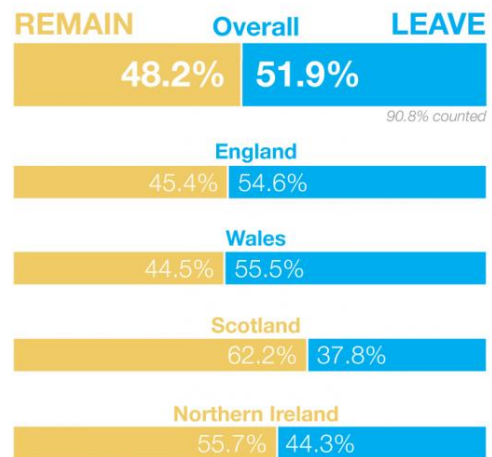
In 1992, further steps for integration were undertaken. In Maastricht, The Netherlands the Treaty on European Union was signed, usually referred to as the Maastricht treaty. This treaty laid the foundations for a European common currency, the Euro. It also provided a pillar based model for how the EU should operate in the future. This treaty radically expanded the powers, responsibilities and the remit of the European Union. Governments further surrendered more control to the EU in the Treaty of Amsterdam in 1997.

The EU had always pictured itself as encompassing the entire of the European continent. As such, expansion was inevitable. Slowly but steadily, more and more countries joined the EU. Until the fall of the Warsaw Pact and the change of regimes in Eastern Europe, there was no discussion of those nations entering the Union. That changed following the collapse of the Soviet Union. Following the membership of several European nations, including Britain, the EU expanded along the Mediterranean coast. With the end of the cold war, countries previously neutral such as Sweden contemplated the idea of joining the union. Many countries also feared of falling into Russia's sphere of influence and wanted to protect their still young and fragile democracies. This led to the expansion of the EU first in 2004. This was seen with much scepticism from the general public. Following the fall of the wall, the EU had been burdened with an additional 17 million East Germans whose living standards had been well under the EU average. The reluctance to allow 10 more countries was countered by the potential these countries' economies offered, by the fact that two of the countries, Cyprus and Malta, were already developed countries and by a general desire for further European integration.

As part of the 2010 Conservative manifesto, a referendum on EU membership was promised to be held in 2016. The issue of membership in the EU was widely discussed. Several debates were broadcast throughout media and social media. Both campaigns spent large sums of money on advertising. Regardless of the fact that most economists and political analysts warned that an exit from the EU would have a negative consequence on Britain, the population of the UK voted to exit from the European Union, triggering article 50 of the Lisbon treaty. There was a large discontent with the functioning



of the EU. Whilst, Greenland and Algeria have both left the union following independence from Denmark and France, respectively, this marked the first time a member had decided to cease its membership in the Union. Most polls emphasise that a clear majority of people under the age of 25 wished to remain inside the EU. This gives the government a peculiar mandate, with a large portion of the population wanting a 'hard Brexit', whereas another large sector of the population desires a 'soft Brexit'. The government of the UK has commenced negotiations with the EU on the terms for its exit in June of 2017. The UK is set to leave the EU by April of 2019.



COUNTRIES AND ORGANIZATIONS INVOLVED IN THE ISSUE

EU Countries

A potentially weaker EU would signify a great loss of power for these nations. Countries such as Belgium, the Netherlands, Germany, France and Ireland have particularly a lot to lose as they share the closest economic ties with the UK. Indeed, imports originating from France, Belgium, The Netherlands and Germany correspond to a third of all UK imports. The world's sixth most powerful military leaving the union also weakens the Union's ability to project its might and have an input on the international political scene. Furthermore, this act inspired political movements and parties across Europe such as "Le Front National" in France and the "Partij voor de Vrijheid" in the Netherlands to further try to destabilise the union and bring their respective countries out of the EU. Whilst the UK had committed to very small numbers of refugees, the weight of the world's biggest migrant and refugee crisis since the second world war now falls on less shoulders. Countries such as Poland and the Czech Republic have a large number of their nationals working and residing inside the UK. A 'hard Brexit' would signify that there is a very real possibility that these people would be sent back to their original country. In such a case, it is widely believed that the unemployment in the short term would lead to great difficulties for these countries and worsen the already existing euro crisis. The UK would also likely pay less fees to the EU. This would result in either higher indirect taxation on European citizens or a reduction in European funds. Either would have negative consequences.

United Kingdom

The UK stands to lose access to the world's largest single market. While it would be free to sign and create new trade agreements with new partners across the globe, it already loses major EU trade agreements, such as the one with Canada. On the other hand, its industries will not have to comply with EU regulations, should it choose to not have access to the EU market. However, this seems unlikely. The most probable option for the UK would be to follow the example of Norway. Norway shares a special agreement with the EU, granting it access to the single market while having to comply with its regulations but not being part of its jurisdiction. This type of agreement still gives the UK control over immigration but still requires to make payments to the EU. The UK will also likely see a fall in the payment it will make to the EU, meaning that it will have more fund to invest domestically.

Russian Federation

Russia has a great stake in the future of the EU. The EU imposed sanctions on Russia following its invasion and subsequent annexation of Crimea. With the EU at a weaker state, economically, politically as well as militarily, Russia would be free to pursue its own foreign policy aims with fewer obstacles. It would have a greater capacity to bring countries within its own sphere of influence and ensure that its national interests are being maintained. With the United States showing willingness to possibly weaken NATO, there would seem to be that Russia is now a more significant player in the region.

USA & Canada

Should the EU be weakened, there would be an opportunity for other countries to break away from the union and Russia's sphere of influence to expand. Canada also shares a trade agreement with the EU, and the USA and EU are currently negotiating the terms of TTIP. This means that these countries would lose a trade partner if the UK exits the single market.

TIMELINE OF EVENTS

Date	Description of Event
1949	UK, France, Belgium, The Netherlands and Luxembourg decide to create a Council of Europe.
1950	Robert Schuman, then French Foreign Minister, suggests the creation of the coal and steel community.
1951	First six countries sign the Treaty of Paris, thus establishing the European Steel and Coal community.
1957	Treaties of Rome establish the European Economic Community (EEC) and the European Atomic Energy Community (Euratom). First step towards common market.
1958	The first session of the European Parliamentary Assembly is held in Strasbourg, France with Robert Schuman as the President of the Assembly.
1961	UK applies, vetoed by France in 1963.
1973	UK and Ireland granted membership into the Union.
1981	Greece joins.
1984	Margaret Thatcher successfully negotiates UK rebate.
1986	Spain and Portugal join.
1987	Single European Act

1991	Maastricht treaty drafted, enters force in 1993.
1995	Schengen Pact signals the end of borders within Europe.
1999	Commission is found to be corrupt. Major scandal breaks, all commissioners resign in order to avoid getting sacked.
2002	Euro enters circulation
2004	First large enlargement
2007	Second large enlargement
2009	Treaty of Lisbon
2013	Croatia joins
2016	UK referendum results show 52% want to exit
2019	UK Set to exit from the EU

POSSIBLE SOLUTIONS

The EU does not have one single body. No one body has the power to draft and pass legislation and for most large decisions, consent of all EU countries are required, sometimes that means through referenda, depending on the member's state constitution.

This means that the EU member states cannot directly influence the Brexit negotiations. They are, however, in a position to veto the deal, should they completely disagree with the outcome. This is very rare as, in most cases, the EU member states compromise until all are happy and the decision is unanimous. When ratifying the trade deal with Canada, Wallonia, a small region of Belgium, voted against it, resulting in the postponement of the ratification of the trade deal until Wallonia agreed. In 2008, Ireland's constitution demanded that in order for the Lisbon treaty to be ratified by the government, a referendum was necessary. The Irish voters voted no and a second referendum was held next year after many assurances were made by the EU to Ireland which swayed the public's opinion to vote yes. These examples show the complicated nature of the EU, and how small setbacks can be, in fact, huge setbacks. It is up to the EU member states to discover and set a path that satisfies all.