**John Torpey** 00:06

Not too long ago, the United Kingdom took the momentous decision to leave the European Union, a move that became universally known as Brexit. How has that worked out? What have been the consequences for the UK and for Europe?

**John Torpey** 00:21

Welcome to International Horizons, a podcast of the Ralph Bunche Institute for International Studies that brings scholarly and diplomatic expertise to bear on our understanding of a wide range of international issues. My name is John Torpey, and I'm Director of the Ralph Bunche Institute at the Graduate Center of the City University of New York.

**John Torpey** 00:43

Today we discuss Brexit and its consequences with António Goucha Soares, who is professor at ISEG, the School of Economics and Management at the University of Lisbon, and Jean Monnet Chair of European Law. He earned his PhD in law at the European University Institute in Florence after graduating from the Lisbon Law School, and the College of Europe in Bruges, Belgium. He's also been a visiting professor at Brown University. He's the author of several books and scholarly articles on European law. And his most recent book is “Brexit a Saída do Reino Unido da União Europeia”. (My Portuguese is shaky, so that was the best I could do.)

**John Torpey** 01:37

He's also run the New York Marathon and written a book about the experience, and I had lunch with him the day afterwards and he didn't seem any the worse for wear so I've always been very impressed. Thank you for taking the time to be with us today on Antonio Goucha Soares.

**Antonio Goucha Soares** 01:53

Thank you, John, for having me. It's a pleasure.

**John Torpey** 01:56

Great to have you. So let's launch right in. I mean, perhaps we could begin by reminding our listeners how the British decision to leave the European Union came about. Could you recount some of that history for us?

**Antonio Goucha Soares** 02:10

Yes. Okay. So we must go back to 2010 when the Conservative Party returned to power. As you probably remember, there was a big kind of civil war going on in the Conservative [party] on the European issue. They had this legacy of Mrs. Thatcher that was kind of Euro-skeptical. And then, when Mrs. Thatcher was removed from power in the early 90s, she was succeeded by Mr. Major, who was a little bit more pro-European. Then with the Labour [party] in the United Kingdom for some 12 years, they were aligned very much to European integration, up to the moment that the Conservative [party] won the 2010 elections.

**Antonio Goucha Soares** 03:14

And by that time, the European Union was in the process of relaunching itself, because there was a new treaty, the famous Treaty of Lisbon, and there were very ambitious targets for the European Union to issue. So in the inside the party there was this group of people, the so-called backbenchers in the parliament, that they wanted the UK to have a special relation with the EU. And they wanted also to raise the issue whether or not they should be able to decide to exit from the European Union, because one of the innovations of the Treaty of Lisbon was that there was a clause that did allow the member state to get out of the European Union.

**Antonio Goucha Soares** 04:05

So they were pressing David Cameron to open a discussion on whether or not the UK should pull out of the European Union. So on his side, David Cameron knew he was a little bit trying to concile those that were in favor with the European Union and those that were against the European Union. And moreover, there was a new party that came out by the time that was the UKIP, the United Kingdom Independence Party, that was having quite good results in the European elections. And it was a way for conquering the electorate from the Conservative Party. So it was quite tricky for David Cameron to manage all the challenges that he had to face. So in 2013, he promised that, if in the next national election he would be able to get an absolute majority, he would call for a referendum on the Brexit, on the British relation with the European Union. So whether or not the United Kingdom should remain in the European Union or to exit from the European Union. And Brexit was the option of getting out, exiting from the European Union.

**John Torpey** 05:32

Right. So once this pretty significant decision was taken, there had to be extended --I mean, nobody had ever done this before, which was part of the what was earth shattering about the UK decision --so they had to enter into these extended negotiations to try to figure out what the new relationship would be between the UK and the European Union. So maybe you could tell us about how all that went and what the results were?

**Antonio Goucha Soares** 06:03

Well, so we should go back to 2016, when the referendum took place. And 2016 was, as you can remember, well, the very end of the so called Euro crisis. The Euro crisis was a big crisis that signed that decade of the European Union with Greece almost being expelled from the Euro area. And this marked very much the political process inside the European Union. And so everybody was very much impressed about the way that small countries were created by the European Union institutions, and by the European Union big member states, and the richest, Germany. So in the public opinion in the UK, they were quite impressed by the events of the Euro crisis.

**Antonio Goucha Soares** 07:10

So when they voted in 2016, this was a vote also on how economic governance of the Economic and Monetary Union, or the Euro area, was being managed. So in the referendum outcome, we had a very much divided country, in the sense that 16 million people voted to remain and 17 billion people vote to exit from the European Union. It was a very much divided country and this referendum was not binding by law. So it was a political decision to call for a referendum. But the referendum was not binding for the political power, mainly for the parliament. Because in the UK, we live with this idea that belongs to the political system of the parliamentary sovereignty.

**Antonio Goucha Soares** 08:16

So in theoretical terms, the decision taken in the referendum could be overcome by a vote in the British Parliament. So in the very first moment, the question was, how should the UK organize its political process in order to implement the decision taken by the referendum? On the other side, there was the European Union that felt the referendum as a big threat to the European Union political process of economic integration and political integration and European Union was mainly fearing that these could boost some kind of contagion to other member states.

**Antonio Goucha Soares** 09:05

So the European Union, in the in the period after the referendum went on with the strategy that the member states, the 27 remaining member states, they have to get [together] to unite in order to negotiate with the stronger bargaining power against the United Kingdom in the process. On its side, the UK was clearly divided. And there was this division also, between the political class and elite, and the people that voted to exiting. In the framework of the British Parliament, there was a majority of members of parliament that were against getting out of the European Union. So it took about one year to decide what would be the process to follow and finally, in 2017, the UK decided to move on with the decision taken by the popular vote, and to notify the Union in order to initiate the exiting procedure.

**Antonio Goucha Soares** 09:37

So in 2017, they initiated this exiting procedure and there was this discussion whether or not there should be a regulated exiting from the European Union or there should be a hard break from the European Union. And what were the problems with that? The problem was that the European Union wanted the UK to pay a very strong price in order to be able to have a soft Brexit, that is to say, a Brexit ruled by an agreement. So the European Union was asking the UK to pay a price, and this was a financial price, and a very heavy financial price, because they took into consideration its financial commitments towards the European Union in the medium term. The financial commitments also that UK assumed by taking part in a number of European Union agencies, not just the European Union institutions, but the agencies like this famous European medical agency that was headquartered in London, so it was for the United Kingdom to pay for the relocation of those agencies.

**Antonio Goucha Soares** 11:40

So in the beginning, the European Union wanted the UK to pay something like 100 billion Euros, but at the end of the negotiations, this was kind of half a sum amount of money that the UK had to pay. So in 2017-2018, the UK went on in these withdrawing negotiations with the European Union. And finally, by the end of 2018, they reached the famous withdrawal agreement; the UK and the EU signed these withdrawal agreements to allow the UK to have a soft Brexit, that is to say, a regulated withdrawal from the European Union.

**Antonio Goucha Soares** 12:34

And these regulations for withdrawal was made in order to allow this financial agreement between the UK and the EU, this financial settlement, and mostly to ensure the so-called citizens' rights. The UK used to host a very large number of EU workers, so to make sure that the rights of those persons that used to benefit from the free movement of citizens were safeguarded for the future. And, in the other sense, there was a lot of retired British citizens that used to live in south Spain, in south in Greece or in south Portugal and this treaty was also about to safeguard the right of those peoples to keep living outside the UK, once the UK would leave the European Union. So this was mainly a withdrawal agreement.

**John Torpey** 13:41

Right. So I mean, you make the point that there was a considerable concern on the side of the European Union about the possibility that this would set off a kind of contagion. How serious a concern is that at this point?

**Antonio Goucha Soares** 13:58

Well, this was the initial fear, because the European Union was based very much in these dynamics of integration. And so once you have Member States withdrawing from it, the European Union's first initial reaction was that, because this was decided on the basis of this populist wave, these populist movements that were in the national politics of every member state, they could also embrace this trend to withdrawing from the European Union. So this could be the beginning of some kind of these dismantelment of European Union.

**Antonio Goucha Soares** 14:43

Fortunately, while the Brexit was a single member state issue. We do not see even in those more populist movements that [occupy] an important position in some member states like in Italy. In Italy, as you know, we have these very strong populist movements like the Salvini movement, the famous Northern League. Well, Salvini in the meantime tended to be a little bit more Europeanized. So in the countries which are more problematic, like Italy, which is a traditional problem for the European Union since the beginning of the Euro, well, even the populist right-wing do not ask for the country to exit from the European Union. And the same applies to the far right in France. Madame Le Pen, well, she understood in the last presidential elections that took place after the Brexit referendum, that it was not a good topic to present to the French voters, to promise to call for a referendum to discuss the relationship between France and the European Union. So fortunately, I do not think that there was any kind of contagion of the Brexit to other European member states.

**John Torpey** 16:20

So now that the whole negotiation process is resolved, I mean, what's the relationship between these two entities? As you say, it was kind of a soft Brexit for --because it would have been very hard, I think, in many ways to make it a hard one because of the interconnections between these two entities. As you say, EMA was located in London. I mean, you could move a bureaucracy, I suppose, from one city to another, but it's just an indication of how interconnected these entities had become. So tell us more about what's the nature of the relationship on the ground, so to speak, now?

**Antonio Goucha Soares** 17:03

Well, this is also very interesting, because we had this withdrawal agreement that was negotiated and concluded by 2018 --and this was to prepare the formal and legal conditions for the UK to exit --but then there was some problems because this agreement was not passed, was not approved by the British Parliament. And this was due mainly by domestic reasons. So this was a political process that led to the replacing of Mrs. May, which was the Prime Minister that negotiated this withdrawal agreement, by Mr. Boris Johnson, which is the current Prime Minister. It was with Boris Johnson that the Parliament gets to approve, after a further national legislative election in the UK, this withdrawal agreement. And with that, the UK was able to finally leave the European Union.

**Antonio Goucha Soares** 18:14

After that --because the European Union is a very complex and attached to a very complicated rules-making process --the European Union wanted to discuss the future relationship with the UK. So it took about the year 2020 to start discussing this future relationship between the UK and the European Union. Well, as you remember, last year, in 2020, we faced this pandemic since the beginning of the year. So, anybody was not anymore interested in discussing the post-Brexit relationship. However, there was this commitment to find out an agreement in order to set a rule of the practical and legal aspects of the post-Brexit relationship.

**Antonio Goucha Soares** 19:18

So in 2020, the UK and the EU reached an agreement by the Christmas Eve, which created the so-called Trade and Cooperation Agreement. And it is the Trade and Cooperation Agreement that frames all the relationships between the European Union and the UK after the UK exits from the European Union. Well, this Trade and Cooperation Agreement is very --for the European Union is at the same time the most comprehensive agreement that the European Union have signed so far with any third state, but at the same point, it was an agreement that was negotiated with a former partner, with a name to keep a good level of trade and economic relationships.

**Antonio Goucha Soares** 20:14

So to ensure that there was no trade barriers, no tariffs and no quotas, but at the same time to show to the UK that things did change in a very significant way. So there's a paradox. So they will want that there will be no tariffs and no quantitative restrictions on trade, but on the other way, it allows for the creation of a number of red tape and administrative controls, checks on the borders, and so on, that makes all the trade flux to become more expensive and to take more time. So this was this Trade and Cooperation Agreement that was finally reached by the end of 2020 and that created this new framework.

**Antonio Goucha Soares** 21:23

One of the issues that was also at --well, there were several issues at the center of this debate. One of the issues was the famous level playing field, which is one of these ways by which the European Union wants to export its rules abroad whenever they negotiate with third countries, and this was a very complex issue, because this was basically about labor law and environmental rules. And the European Union wanted the UK to remain bound by its sound regulatory rules on social affairs and on climate change and environmental issues.

**Antonio Goucha Soares** 22:14

And they reached, quite reasonable understanding on that, so that is to say, the UK cannot go back on the rules that the UK used to apply until the end of last year. So it was a reasonable compromise. And there was for the UK a very sensitive issue, which was the financial services. As you know, the UK was a, and it still is a service economy and London was the main financial hub of Europe, so the UK wanted to keep on trading in financial services with the EU without any constraints. And on the other side, they EU wanted it to take advantage of the fact that the UK was about to leave the European Union and services were left out of the deal. So they created a number of constraints, legal constraints for the UK. And well, it is at this level that the UK could probably face more hurdles in its relationship with the European Union in the coming years.

**John Torpey** 23:36

So there were a lot of concerns as the kind of effective date of the British exit, the Brexit, was approaching. There were a lot of concerns about bottlenecks and supplies and there were major concerns about food, medicines, things that people in the UK relied on, but got from abroad. And that made news, understandably. So I wonder if you could tell us how that has worked out. I mean, news cycles are brief in our day now, so I assume this is something that's not really happening anymore. But, maybe it's just cycled off from our attention because it was a hot issue at first, but resolved itself. What what has happened in that regard?

**Antonio Goucha Soares** 24:34

Well, in general, there was the fear that this could lead to shortages on supplies, even because there was kind of, at the very end of the negotiation of last year, the French government closed the border on the Channel now and there was some shortage, so there was a general fear. Well, in these first six months, we do not face, fortunately, those shortages; things are more or less going on on a regular basis. There is this general trend on for a fall in exports on both sides: from the United Kingdom to Europe, and from Europe to the United Kingdom. There was a significant fall in exports, something like 30%. But this is considered to be due to the small and medium companies, they have to adapt to the new rules and this brings more administrative procedures, licenses, and the number of certifications for which they have to go through. So, this initial reduction could be explained by those higher requirements, when compared to what was the previous situation. And moreover, there is this pandemic, which also created less consumption in both sides; so if there's less consumption, there are, of course, less is imports from the other side. But things are turning out quite well for the time being, I would say.

**John Torpey** 26:34

Certainly good to hear. And, you know, there's one other problem that we should surely talk about that has been a major kind of concern and stumbling block in this whole process. And that is the status of Northern Ireland, which finds itself on the Emerald Isle, sort of between rock and a hard place, if you like. In other words, it's part of the UK, but it abuts an EU Member State, namely Ireland, and that has been a cause of a lot of confusion and difficulty about the status of Northern Ireland. Can you explain how that has been resolved and how it's working out?

**Antonio Goucha Soares** 27:22

Well, Northern Ireland is probably the biggest challenge to the implementation of this Trade and Cooperation Agreement. Very briefly, when the UK and the EU reached a deal for the UK to exit, the so-called withdrawal agreement, there were this commitment by Boris Johnson that for the so-called Good Friday Agreement, which was the peace agreement in Northern Ireland that was taken in the 90s between the British government, the Irish government, and the Northern Ireland representatives of both communities. In order for this Good Friday Agreement and peace in Northern Ireland to proceed, there should be no border then between Northern Ireland and the Irish Republic.

**Antonio Goucha Soares** 28:31

So there was this general commitment that the abolishment of the frontier between Northern Ireland, which is still part of the UK, and the Irish Republic should not be restored. And the European Union asked Northern Ireland, which is a nation part of the UK, to be part of the so called European Union common market. The common market is basically the economic life of the European Union; this area where goods can move from one place to the other: persons, services, everything without borders. So, the rules to be applied in Northern Ireland in economic trade would be the rules of the European Union. So some kind of border should be made on the Irish Sea, on trade between the UK and Northern Ireland, because, as there is no border between Northern Ireland and the Irish Republic, the goods that move from Scotland or from the UK or Wales to the island of Ireland can either stay in Northern Ireland or to the Irish Republic.

**Antonio Goucha Soares** 29:59

Well, this create the implementation of this protocol, which was part of the first agreement made by the UK and European Union in the year 2019. The implementation is now facing a very strong resistance by the so-called Unionists, that is to say, that part of the Northern Ireland society that is loyal to the United Kingdom. And Northern Ireland is a divided country; I would say that fifty-something [percent] of the population want to stay part of the UK and almost the other half of the population would favor to join the Irish Republic.

**Antonio Goucha Soares** 30:51

So the Unionists, which are the larger community but not so large as they would like to be, say that by staying in the so-called European Union Common Market, they are in practice being out of the UK in economic terms, because they cannot benefit from the normal trade relations with the UK, which is their own country. So they feel that this protocol, these Northern Ireland protocol, is creating a negative discrimination of Northern Ireland when compared to the other nations of the UK, say Wales or Scotland, or England. So they are raising a lot of concerns in the implementation of this protocol. On his side, Mr. Boris Johnson is very peculiar in the way that he deals with his previous commitments; he is saying that, "well, this is the case for the EU to reconsider the whole extent of the protocol and to go back into an ever more, well, reasonable implementation of this protocol".

**Antonio Goucha Soares** 32:11

The European Union on their part say that this was signed both by the British government and the European Union, so this is the law, and the law must be applied. Some kind of "Dura lex, sed lex": the law can be hard on the you have to keep on implementing the law. We are now living in a period of tensions; we had this G-7 meeting last weekend, where there was a meeting between Mr. Macron, the French President and Mr. Boris Johnson, the British Prime Minister or the UK Prime Minister, where they even discussed the case of sausages being exported from England to Northern Ireland, saying that this would not happen if there was sausages exported from Toulouse to Paris. And Macron answered that, "well Toulouse and Paris are part of the same country." So some reasonability must be found in the implementation of this protocol, if the UK wants to keep having a good relationship with the European Union. But at the same time, the European Union must be also tolerant in the way that they face the concerns of the Unionists in Northern Ireland.

**John Torpey** 33:48

Very interesting. I mean, it's a reminder that the devil is always in the details.

**Antonio Goucha Soares** 33:54

Exactly, exactly.

**John Torpey** 33:58

But maybe one last question about how this is working out for sort of ordinary everyday Brits. I mean, I know, and you probably know, somebody, an academic, who is extremely unhappy about what's happened and feels himself cut off from these intellectual partners on the continent and that sort of thing. But I don't think it was the case really, before Brexit, that that many people really went back and forth. I don't know the numbers that well, but I think this was not a huge kind of number of people who actually took advantage of this kind of mobility. I mean, they might have gone on the Chunnel to France for a weekend or something like that, but they didn't really move in large numbers.

**John Torpey** 34:58

So maybe you could talk about how has this actually affected ordinary Brits. Are people happy or are they unhappy with how it's worked out? Because, you know, there are lots of comments that have been made about how the referendum took place and the circumstances and that had it taken place at a slightly different time, the outcome would have been different and all these questions of re-running the referendum and all that. So how do you think things have worked out from the point of view of ordinary Britons?

**Antonio Goucha Soares** 35:33

Well, from the point of ordinary Britons, the problem is that most of them, for instance, you have a very large British community living both in the south of Spain or in south of Portugal. The fact is that they were used to come to Algarve, which is south Portugal or to south Spain. Some of them, they bought some real estate in the area, but they are not really registered as British citizens living in Portugal or in Spain. So they do not have formally this ID that recognizes the period of time they are living there. So certainly, they face in a situation where they do not benefit anymore from the so-called free movement of citizens because they are not part anymore from the European Union.

**Antonio Goucha Soares** 36:32

So once they are not registered, for most of them the current situation is to be in the same way as the American or the US citizens would be if they decided to move to south Spain or to south Portugal. So they cannot benefit for the most favorable rules that allow EU citizens to live everywhere they want. Apart from that, they are still very well received in the places where they decide to settle after their working life. Well, they may face some troubles in going to hospitals, and national health services, but basically these do not change a lot. There will be some more controls whenever they take a plane, either to go back to UK or to come to Portugal or to south Spain, but really, they are not prevented from keeping moving and living abroad whenever they want; it's just the question we're facing more paperwork, and bureaucracy and sometimes together with bureaucracy to pay a couple of a thousand more of euros in order to get what they want.

**Antonio Goucha Soares** 38:04

And there are also some problems with pets. Whenever you take pets from one place to another, you have to comply with the sanitary rules, veterinary checks and so on. Well, but this is this is not because of pets that people are giving up of living abroad. So I would say that, at the end, well, people will accommodate to the new constraints that were created because of Brexit.

**Antonio Goucha Soares** 38:37

Because at the very beginning, the Brexit idea was presented to the British voters as a way to refrain the amounts of immigrants coming to the UK. So migration was on the basis of Brexit; the UK used to be the most open country of the European Union to foreign workers. And this was then after the Eastern enlargement. Well, the Eastern enlargement --those people coming from the former Soviet Bloc --they wanted to move to places where they could find better jobs and better paid jobs, so the UK opened the doors to those citizens. And this was a national reaction made by those that were left behind at the time where there were a lot of challenges due to globalization and so on.

**Antonio Goucha Soares** 39:40

So those who are not well-off, those who were left behind, they were more sensitive to the Brexit appeal than those who used to take advantage of the rules of free movement that were allowed in the European Union. So there is a social division also in the reactions, cultural and social divisions in their reaction. But you are not prevented to move and to live wherever you want.

**John Torpey** 40:15

Right. Fascinating and very informative. Thank you very much. I want to thank Antonio Goucha Soares for his for his insights about the UK and Europe in the aftermath of Brexit. Remember to subscribe and rate International Horizons on SoundCloud, Spotify and Apple podcasts. I want to thank Hristo Voynov for his technical assistance and to acknowledge Duncan Mackay for sharing his song "International Horizons" as the theme music for the show. This is John Torpey, saying thanks for joining us, and we look forward to having you with us for the next episode of International Horizons.

**Antonio Goucha Soares** 40:55

Thank you, John. It was a pleasure to be in your show. Thank you very much.

**John Torpey** 40:59

Terrific. Thank you very much. Thanks for taking the time.

**Antonio Goucha Soares** 41:03

Thank you, John. My pleasure.