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Brexit: 'Revolt' against the 'elites' or Trojan horse for more deregulation?

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Abstract:

This article explores the UK vote in 2016 to exit the European Union, colloquially known as 'Brexit'. Brexit has been portrayed as a British backlash against globalisation and a desire for a reassertion of sovereignty by the UK as a nation-state. In this context, a vote to leave the EU (European Union) has been regarded by its protagonists as a vote to 'take back control' to 'make our own laws' and 'let in [only] who we want'. We take a particular interest in the stance of key 'Brexiteers' in the UK towards regulation; for example of the labour market. The article commences by assessing the notion of Brexit as a means to secure further market liberalisation. This analysis is then followed by an account of migration as a key issue, the withdrawal process and likely future trajectory of Brexit. We argue that in contrast to the expectations of those who voted Leave in 2016, the UK as a mid-sized open economy will be a rule-taker and will either remain in the European regulatory orbit, or otherwise drift into the American one.

Introduction

On 23rd June 2016, the UK voted to leave the EU (European Union). The result, commonly known as 'Brexit', has been interpreted as a reaction against globalisation and 'metropolitan elites' (Pidd, 2016; Frieden, 2018); that is, as a response by certain localities to feeling 'left behind' (Rodríguez-Pose, 2018). Since then, there has been much speculation about why people voted to leave, with key reasons being concerns about the economy, a desire for Britain to regain sovereignty, and a response to immigration above all else (Golec de Zavala et al., 2017). Furthermore, the 2016 Referendum result highlighted deep divisions in the fabric of UK communities and regions — and indeed between the four constituent nations of the UK, with Scotland and Northern Ireland voting decisively to stay in the EU, whilst England and Wales voted to leave (Menon, 2018).[1]

Recent research has related voter decisions to demographics, focusing on the 'who' rather than the 'why' (Hearne et al., 2019). This literature has tended to frame the Brexit result by correlating it to socio-demographic characteristics such as education, age, ethnicity and income. As an example, a recent study found that those who were most likely to vote Leave were those with low incomes (i.e., less than GBP1,200 per month), among other reasons and those who felt that 'Britain has got a lot worse in the last ten years' (Swales, 2016:7). In this context, we critically examine the arguments that posit the Brexit vote as a rejection of the neoliberal orthodoxy that has generated such feelings of disenfranchisement (Hearne et al., 2019).

The article discusses the contradictions in the anti-neoliberal discourse after considering the position of the UK in the development of the Common Market and other policies within the EU. The first section questions the perception of some 'Leavers' (so-called left-wing Brexiters, or 'Lexit' proponents) in relation to the EU as an institution that 'imposed' neoliberalism — in particular, the type of neoliberalism that will prioritise the interests of global capital and that benefits the competitiveness of global markets in the name of increased freedom and flexibility. This discussion is followed by an analysis of the position of those whom we label 'Rexit' proponents, i.e., those right-wing Brexiteers who base their views in identity politics. However, as in with the Lexit argument, there is a contradiction between what these Brexiteers think they will be able to achieve through Brexit and what (any type of) Brexit will actually deliver, with the Conservative Party currently in government.

Brexit as a revolt against neoliberalism? The Lexit and Rexit arguments
Lexit and the discussion of neoliberalism and national economic sovereignty: the first contradiction

It has been argued that the Brexit vote represented a rejection of the associated ideas of globalisation and a neoliberal policy regime (Jessop, 2018). Fetzer (2018) found that neoliberal austerity policies were a significant contributing factor for the increasing support for Brexit. In addition to the overall austerity shock, reductions in the Council Tax Benefit, Disability Living Allowance reductions and the 2012 introduction of the 'Bedroom Tax'[2] drove up support for the United Kingdom Independence Party (UKIP) between 2010 and 2015 (Fetzer, 2018). Support for this political party has widely been associated with support for Brexit, a key UKIP policy — as its name indicates – and with Euroscepticism more generally.

Hostility towards the EU as a purported capitalist project has been endemic to sections of the political left in the UK since accession in 1973. It was a key factor in the first referendum on EEC membership in 1975 under the Wilson Labour government, and was traditionally typical of the Labour Party. While the Lexit argument may have started from this basis, nevertheless, both the UK and the EU have dramatically changed since 1973 from a neoliberalist point of view. An understanding of where the neoliberalist project started in Europe is essential to a critical analysis of the role of both the EU and the UK in the development of contemporary capitalism. It is also essential to compare the different social and economic models as well as employment and trade union legislation in different EU countries in order to understand the room for manoeuvre that the EU leaves in these areas, and what state members decide to implement individually. However, due to space limitations, this paper will not elaborate on these matters.

Under the Thatcher Government in the 1980s, the process of liberalisation in the UK entailed privatisation and market-oriented regulation; most notably in a succession of anti-union legislative changes (Toye, 1987). The results of these policies led to a significant shift from the interests of workers to that of capital, and an unprecedented rise of corporate power and decline in the bargaining power of workers (Chowdhury and Żuk, 2018).

At the European level, Thatcher was a keen proponent of (and played a major part in) the creation of a Single European Act (SEA) (the precursor to the Single Market) that sought to harmonise regulations across the EU pertaining to the free movement of goods, services, capital and labour. Thatcher agreed to the creation of the SEA, even though that meant accepting an EU-led institutionalisation of the process of harmonising regulations, and therefore a push towards integration of the European Economic Community (EEC) (Fontana and Parsons, 2015).

It was only after the Maastricht Treaty of 1992, which brought the Single Market, that 'Euroscepticism' in the Conservative Party began to grow (Barth and Bijsmans, 2018). This growth occurred because of the degree of integration that this Treaty incurred. The Maastricht Treaty was

also accompanied by the Social Chapter that sought to provide a platform of basic employment rights across EU member states, so as to allay fears from unions of a 'race to the bottom' (Barth and Bijsmans, 2018). The Eurosceptic group of Conservative MPs sought inspiration from Margaret Thatcher's 1988 Bruges speech, where she commented that 'we have not embarked on the business of throwing back the frontiers of the state at home, only to see a European super-state getting ready to exercise a new dominance from Brussels' (Margaret Thatcher Foundation, 2019)[3].

Hence, herein lies the central contradiction that drives the Brexit dynamic. At an economic level Brexit only 'makes sense' if one regards the European economic model as overly 'burdensome' and characterised by excessive regulation. According to this belief, once released from these regulatory shackles, the consequent free market utopia would enable the unbridled pursuit of individual wealth, and society as a whole would be better off. This is the world view that underpins the writings of economist Patrick Minford and others of a libertarian persuasion. Indeed, many in this camp claim that the short-term costs of Brexit are worth it for the longer -term gains that realignment of trade and production would offer the UK economy (for example, see Newman, 2018).

A critical examination of the words of lead Brexiteers suggests that the majority (the so-called 'Rexiters'), rather than repudiating neoliberalism per se, have sought to impose a more vociferous variety of it than that which EU membership to date has prevented in the UK. The distinct EU emphasis on 'social partnership' between capital and labour, and the promulgation of laws upholding consumer, worker and environmental rights, are anathema for such individuals (Riley-Smith, 2015; Clark, 2016). For 'Rexiters', the UK should embrace a more market-oriented regulatory framework, purportedly typified by the US model (the attractions of which are reinforced by claimed cultural similarities based on common membership of some incipient 'Anglosphere').

Put in such terms then, Brexit, rather than being a push for 'sovereignty' per se – at least in terms of its leading protagonists – really is about reasserting the principles of market fundamentalism, or 'completing the Thatcherite revolution' (Hutton, 2017). Andrea Leadsom, one-time Conservative Party leadership aspirant (and currently Business Secretary in Boris Johnson's Cabinet) voiced these sentiments in no uncertain terms in 2012 when she stated that:

I envisage there being absolutely no regulation whatsoever – no minimum wage, no maternity or paternity rights, no unfair dismissal rights, no pension rights—for the smallest companies that are trying to get off the ground, in order to give them a chance (Leasom, cited in Bienkov, 2016).

In a similar vein, Dr Liam Fox, Secretary of State for International Trade until July 2019 when Boris Johnson became Prime Minister, stated in the Financial Times in 2012 that:

To restore Britain's competitiveness we must begin by deregulating the labour market. *Political objections must be overridden* (our emphasis). It is too difficult to hire and fire and too expensive to take on new employees. (Fox, 2012)

These debates took on increasing stridency after the Cameron Government (unexpectedly) returned with a majority in 2015. David Cameron, having promised a referendum on EU membership was now obliged to deliver on his promise. Indeed, Boris Johnson was reported in *The Telegraph* at the time as stating:

We have got to hang very tough. I looked at the headlines this morning about the possibility of Britain dropping its insistence on changes to employment law and I thought that was very disappointing.

I think one of the reasons we have got low growth in Europe is not just travails of the Eurozone but also because *we've got too much regulation*, too much stuff coming from Brussels, too many laws that are promulgated by Brussels that make it hard for business.

So I think we need to weigh in on all that stuff, *all that social chapter stuff*, and I have got every confidence that the Prime Minister will do that. (Riley-Smith, 2015; emphasis added)

It is against this backdrop, then, that the impact of the EU on the current body of UK employment regulations needs to be reconsidered. Developments in UK labour law over the period of EU membership (1973–present) have been affected by different EU directives, but the Conservative Party had different reactions to this aspect of the European Integration. In some cases it required judgments of the European Court of Justice in the UK to end disputes over some of these Directives (Morgan et. al 2000, cited in Waring et al., 2006). In particular, the initial opt-out of the UK in relation to the Social Chapter (under the Maastricht Treaty) with the Conservative Government, indicated a clear position in relation to European integration in this area. However, once Tony Blair became Prime Minister in 1997, the UK immediately announced its intention to opt in, demonstrating a very different perspective.

In this sense, the UK industrial relations system could be seen to have shifted from one of voluntaristic collective bargaining with little direct state involvement other than setting minimum wages and conditions in residual sectors, to an individualist set-up underpinned by a platform of statutory employment rights. The more recent period of Conservative–Liberal Democrat (2010 - 2015) and now Conservative government (2015 – present) had to date seen a limited roll-back of protective

legislation, notably around statutory service thresholds for unfair dismissal law and trade union rights which were not covered under EU provisions (Heyes, 2016).

In this context, the then Prime Minister, David Cameron included in his manifesto of 2010, an objective to repatriate EU employment law (BBC 2016). In the lead-up to negotiations over the UK's continued membership of the EU, it was expected that Cameron would demand repatriation of powers relating to the Working Time Directive and Temporary Agency Workers Directive. However, these were not pursued as they would have necessitated major treaty revisions (Heyes, 2016). Still, as Heyes notes, and as evidenced in the quotes above, the fact that these provisions would even be flagged as items for negotiation pointed to the continued 'genuine desire of many Conservative politicians to end EU influence over UK employment legislation' (Heyes, 2016).

In considering these demands as proof that the UK could reduce the scope of EU employment laws as a 'concession' from Brussels in order to encourage UK voters to want to stay in the EU, it was rather unclear which demographic would be enthused by having a platform of employment rights removed from it. What was notable from the subsequent referendum campaign, was the almost complete absence of arguments from Brexiteers to promote further market-oriented regulation.

Rather, the 'Leave' campaign focussed on arguing that freedom of movement of labour and consequent migration of workers from Central and Eastern European member states in particular were depriving UK workers of jobs and were lowering wages in the economy. A vote for Leave was a vote to 'take back control' of the UK border and reduce immigration. That the vote for Leave was significant in the traditional Labour-voting areas of the old industrial Midlands and North of England and Welsh valleys suggests that arguments around migration and low-paid workers had more traction with voters than any nascent concerns over employment rights (Salh et al., 2017). Hence, it is to this issue of migration and 'identity politics' that we now turn.

Anti-migrant sentiment: blaming the 'other'

The 'winning'[4] of the 2014 European Parliament elections by the UKIP in the UK demonstrated how politically engaged potential Leavers and anti-EU voters could be. This created an exceptional circumstance, since UKIP MEPs (Members of the European Parliament) were working in an institution that they advocate to leave. Having MEPs that campaign to leave the EU is very significant in itself, but the UK was not the only country that has voted for political parties that are critical to some extent of the European Union as the recent elections of May 2019 demonstrate. The *Europe of Nations and Freedom* (EFN) in particular, a European Parliament group created in 2015 represents ideas linked to Euroscepticism and Anti-migration discourses achieved 58 MEPs (see Table 1 for trends). In June of 2019, EFN was renamed as *Identity and Democracy* and includes political parties from almost a third

of the EU countries, while the new Brexit Party created by Nigel Farage is part of the Non-Inscrits group.

Table 1 about here

A year before the British general elections took place in 2015, the outcome of the EU elections and the success of UKIP increased the discussions around migration and the EU on British political parties. The then Prime Minister, David Cameron decided to include a proposal for a referendum on the future of the UK in the EU in his manifesto for the 2015 elections. He also attempted to discuss issues around EU migration with the German Chancellor, Angela Merkel before launching the referendum.

The serving President of the European Council, Donald Tusk, revealed how Cameron explained to him that the idea of including a commitment to an in-out referendum in his party's manifesto was linked to his expectations to need again a coalition after the elections (Boffey, 2019). The expectation of another coalition with the Liberal Democrats, for the 2015-2020 Parliament, would have resulted in the Conservative's coalition partners rejecting any such referendum (Boffey, 2019). However the unexpected outright majority for the Conservative Party eliminated the need to work with the Liberal Democrats altogether.

In relation to the second matter, Angela Merkel denied the possibility of changing freedom of movement of labour (Mason and Oltermann, 2014). The EU Single Market is characterised by four so-called 'fundamental freedoms'- — freedom of movement of goods, services, capital and labour. It was this last stricture that was so objectionable to UKIP supporters and latterly to the Conservative Party, reacting against perceived high levels of EU migration to the UK. When the UK 'opened its doors' to migrants from Central and Eastern European EU states in 2004, there was a threefold increase in the number of EU migrants per year to the UK relative to expectations that in themselves were based on a misinterpretation of estimates provided in the report undertaken by Professor Christian Dustmann for the then Blair Labour Government in 2003 (Lowther, 2013). It is important to understand that to change this right to freedom of labour mobility would have required a change to the Single Market, a move which would have required the agreement of all EU countries, not just the German Chancellor. The Essex Continuous Monitoring Surveys (ECMS) show how migration was already affecting UK attitudes towards the EU (Clarke et al., 2017). The different types of migration —of EU citizen-migrants and of refugees — became mixed together (Gietel-Basten, 2016) adding more confusion. Brexiteers claimed that migration from the EU had placed undue pressure on public service provision in areas

such as health care and education (Clarke and Whittaker, 2016). Leave campaigners also blamed migrants for low wages earned by workers with low qualifications (Dustmann and Frattini, 2014; Nickell and Salaheen, 2015). Cameron moved from using the term 'tourist benefits' (*The Telegraph*, 2013) to discussions on migration a couple of years with Theresa May and Boris Johnson asking in 2015 to develop a tougher line on EU freedom of movement (*The Guardian*, 2015).

Understanding the discussion over *sovereignty* in the UK

A discussion on public funds available for the National Health Service (NHS) if the UK left the EU was publicly linked to the pro-Brexit campaign. In the lead-up to the referendum, the claim by the Vote Leave Campaign, that the UK sent GBP 350 million a week to the EU, money that would otherwise be available to be spent on the NHS (National Health Service), was believed by nearly half of those surveyed in a Kings College London survey (Stone, 2018). This amount of GBP 350 million referred to part of the EU budget. It is used to develop the EU institutions, as well as to develop several EU policies such as the Common Agricultural Policy. This policy directly benefits British farmers. Therefore if the UK left the EU, British farmers would lose these funds and the prices of British produced food would likely increase. The effect would clearly be felt by those with lower incomes more than by the upper classes. To sum up, the idea that there would automatically be GBP 350 million more a week for the NHS if Britain left the EU would be possible only if the UK was willing to avoid replacing at British level all the work done by the EU on behalf of the UK and in favour of the UK. Therefore, this claim was not realistic. Farage admitted the day after the referendum that he could not guarantee those funds to the NHS (Stone, 2016).

At the same time, it was suggested that if the UK left the EU, a trade agreement with US would be developed. The visit in June 2019 from US President Donald Trump to the UK saw discussions around a potential UK-US trade agreement. These discussions reignited fears that the publicly funded National Health Service (NHS) would be 'on the table' for trade negotiations and potential marketisation (Neville, 2019). The GBP 350 million a week claim, and the wish to support the NHS that it mobilised, appears to have reflected a strong public sentiment that, ideologically speaking, was inconsistent with support for UK-US trade negotiations, given the threat of a US demand to negotiate the future of the free provision of healthcare in the UK. The same supporters of the NHS, by voting leave and creating the option of negotiating agreements with relatively more economically powerful countries such as the US, actually made the NHS more vulnerable to external negative influences. Thus the creation of a misleading contest between support for the EU and the NHS amongst an electorate whose fears of NHS marketisation would more likely be realised it Britain left the EU, indicates a mismatch in the discussion around economic sovereignty, public services and the real chances of protecting the public sector.

Discussion around sovereignty includes discussions of the real trade power that a mid-size economy such as the UK can have when developing agreements with countries such as the US, China or India. In today's globalised world, economic 'sovereignty' for the individual nation-state can only ever be partial, as all trade agreements involve a trade-off of sovereignty (even more so for smaller and mid-sized open economies). The mottos relating to 'take back control' as well as 'we want our control back' were significant in the discussion over perceptions of British sovereignty and how to in theory achieve them (Taylor, 2017:73). Overall, these different mottos were used with the same purpose.

The then Prime Minister, Theresa May, enacted the two year Article 50 [5] withdrawal process on March 29th 2017. The initial stance of the UK Government was to argue for selective access to a Single Market for goods, but to exclude freedom of movement of labour. The logic here was that workers who had voted Leave as a protest against the erosion of wages and working conditions could expect that the consequent restriction on labour supply from the EU would increase their relative bargaining power. However, it is difficult to see how this expectation would be realised in practice, given the greater strength of EU regulatory support for employment rights and the greater strength of trade unions in other EU countries compared with the UK. Also, as increases in the British minimum wage are based on decisions taken at national level, without any EU involvement, workers' hopes of higher wages outside the EU seem ill-founded. In any case, EU negotiators made it very clear that this approach of seeking to negotiate only parts of the single market was unacceptable.

The withdrawal agreement that was eventually concluded with the EU (but *not* ratified by the UK's Parliament at the time of writing) contained three key elements: first, to safeguard the rights of EU citizens in the UK (and vice-versa); second, to ensure that UK financial commitments to the EU budget for the period 2014-2020 were upheld (the so-called 'divorce bill'); and third, to ensure that there would be no return to a 'hard border' in Northern Ireland (so as to uphold the 1994 peace agreement and maintain a unified market across Northern and southern Ireland). The last provision was referred to as a 'backstop'. In order to achieve this, the proposal in the withdrawal agreement was to keep the whole of the UK in the EU Customs Union for a 'temporary' period until a point was reached where other (technological) solutions to the problem of a hard border in Northern Ireland become viable (Roberts and Boffey, 2017). For the EU, this so-called 'backstop' is vital, as the EU regards its role as a promoter of peace in Northern Ireland and the lack of a hard border as integral to peace. But it is also vital because the Republic of Ireland (a member of the EU) is against a hard border with the UK. Until the existing deal is ratified, or an alternative deal is agreed by the European Union and the UK and then ratified by Parliament, circular debates regarding the backstop will continue indefinitely.

Early negotiations, which centred on a Norway-style trade agreement, incorporating membership of the European Free Trade Association (EFTA) and the European Economic Area (EEA), rather than a more limited arrangement, led to a backlash from pro-Brexit MPs such as the group of pro-Brexit Conservative MPs that denote themselves as the 'European Research Group' (ERG), chaired by Jacob Rees-Mogg (Roberts, 2018). Theresa May tried on three occasions to get her withdrawal agreement through Parliament, without success, as these MPs voted with the Opposition to deny her a majority; at the time of writing, no agreement had been ratified by the British Parliament.

The Government's articulated stance led to the Cabinet resignations of prominent Leave referendum campaigners Boris Johnson and David Davis. As such, for ERG the Government's proposals risk the UK being kept in a customs union with the EU indefinitely, which would undermine the 'clean' (hard) Brexit they were seeking, whereby the UK would only enter into negotiating a free trade agreement with the EU, plus a number of ad-hoc additions. This would, in essence, be similar to the arrangements that Canada has with the EU, but with additional special measures. Equally, for the Northern Ireland Democratic Unionist Party (DUP; whose support the Conservative Government needs to command a majority in the House of Commons), the proposals added to their fears that Northern Ireland in effect would diverge away from the rest of the UK.

The subsequent failure to exit the EU on March 29th 2019 and granting of an extension of the Article 50 countdown period to October 31st 2019 by the EU unleashed turmoil in the governing Conservative Party. Hence, Theresa May resigned on June 7th 2019, to be replaced by a new leader who would be elected via a postal ballot of Party members and revealed on July 22nd 2019. May resigned under pressure by her own MPs after they threatened a leadership challenge, after a disastrous showing in EU Parliament elections on May 23rd 2019 that the UK was obliged to take part in as a result of the Article 50 extension period. These elections were notable for the subsequent polarisation of the UK vote, with both main parties gaining only a combined 21% of the vote. In contrast the 'Brexit Party' the latest political vehicle of Nigel Farage (former leader of the UK Independence Party, or UKIP) — gained the largest individual party vote share at 31%, whilst the 'Remainer' parties (Liberal Democrats, Greens, Welsh and Scottish nationalists etc.) gained a combined 40% of the vote (Jennings, 2019). In the end, Boris Johnson became the Prime Minister – elected by Conservative Party members to deliver Brexit, 'come what may' by October 31st 2019, to use Johnson's words. The resultant stand-off and standing down ('prorogation') of Parliament by Johnson (at the time of writing) means that there is a continuing high degree of uncertainty over when (if) the UK exits the EU.

Brexit: where do we go from here?

As such, going forward, at the time of writing (September 2019), the current parliamentary impasse over the ratification of a withdrawal agreement raises the somewhat problematic issue of trying to offer insights as to what the likely outcome of Brexit will be — assuming of course, that Brexit is carried out and that some circumstance preventing this, such as a 'Remain' vote in another referendum, does not come to pass. Such an outcome is not improbable at the time of writing, although it would not be without its difficulties. Referenda are usually binary, because those which give multiple choices are potentially subject to the Condorcet paradox. [6]

In all probability, therefore, another referendum could be faced with a difficult situation in which a majority of voters still wish to leave the EU, as per the 2016 referendum, but does not generate a clear majority in terms of what kind of Brexit they want. Whereas a second referendum with the same question may be seen, by some in the electorate, as an attempt to reverse the decision of the identical first referendum. As such, the prospect of 'no deal' at the time of publication also remains a possibility, given the professed stance of Prime Minister Johnson to effect departure from the EU by 31st October 2019.

In any event, a sudden 'no deal' exit would trigger a significant economic shock and would greatly increase the risk of a recession. Key industries such as the automotive sector, heavily dependent on supply chain linkages into the rest of the EU, have seen falls in production due to ongoing Brexit uncertainty and new investment in plant and equipment has stalled. One car maker, Honda, has announced its intention to cease production in the UK after 2021, with the attendant loss of some 7,000 jobs (Davies et al., 2019). Others, such as BMW and Jaguar Land Rover (and also Airbus) are also reviewing operations with the threat of relocation from the UK ever-present, should they face any disruptions to their supply chains in the event of a hard Brexit.

As such, leaked impact assessments produced by The Treasury suggested that in the case of a 'soft' Brexit, in the long-run, annual GDP would be between 0.6% and 2.6% below what it would have been in a *status quo* scenario (House of Commons, 2018). In contrast, a 'no-deal' Brexit would lead to a reduction in annual GDP of between 5% and 10.3% (ibid.). These estimates are in the range of estimates also produced by academics.

The resignation of Theresa May, and her replacement with a hard Brexit-supporting PM in the guise of Boris Johnson has served to increase the prospect of a 'no deal' exit. However, Boris Johnson is at the time of writing in a difficult position. He has lost his majority through the resignation of several MPs (including his own brother) after deciding to request and achieve Royal consent to prorogue Parliament until 14th October (leaving only three days before an EU Summit in Brussels takes place, when a potential extension will be approved or not by other EU members). The bill avoiding a no-deal scenario achieved Royal consent on 9th September 2019. By 1st November, Johnson would have to

choose between implementing the mandate from Parliament asking the EU for an extension (probably until January 2020), or revoking Article 50, or face the consequences of having a no deal which goes against British law (since 14th October).

For Johnson, the passing of this legislation, and the defeat in the Commons on 9th September of a second Government attempt to force an October election, have severely narrowed the range of options open to him to try and force an early election. Given Johnson's proroguing of Parliament, the earliest point at which MPs may vote on an election (requiring a two-thirds majority under the UK's Fixed Term Parliament Act) is 14th October, making an election unlikely before December (when ostensibly EU assent to requesting an extension of Article 50 will have been attained).

Johnson could yet try to rescue Theresa May's failed withdrawal agreement under some token rewording, but as Brexit Party leader Nigel Farage is now claiming that Johnson risks 'selling the country down the river', he appears to be running out of wriggle room with Brexiteers. Hence, any perceived softening on his Brexit 'do or die by October 31st' stance would in all likelihood mean Tories competing with Brexit Party candidates in a subsequent election — and the prospect of splitting the Leave vote and thereby ushering in a Corbyn Labour Government.

Ultimately, however, the political situation in the UK remains febrile and thus the outcome of the Brexit process is extremely difficult to predict. Post-referendum, in addition to the impasse over the status of the Northern Ireland border, there is Scottish (and Welsh) government dissatisfaction over perceived lack of consultation by the UK Government: i.e., of the 'uncertainty surrounding … constitutional voice for the devolved institutions in Scotland and elsewhere' (McHarg and Mitchell, 2017). This uncertainty in turn adds further impetus to the argument of reunification on the island of Ireland, or of Scottish independence (which came close to success in 2014). Hence, should Brexit happen, the future of the UK in surviving as a political entity looks bleak. Such predictions are not new, with Tom Nairn having first penned *The Break-up of Britain* over 40 years ago (Nairn, 1977). However, Brexit, with the seemingly intractable constitutional issues generated in its wake, has given them renewed vigour and validity.

Depending on the type of Brexit the UK implements, the country will either remain within the European regulatory orbit, or otherwise drift into the American one. If the UK Government wishes to retain access to the EU Single Market for goods and services then it will also have to accept EU regulatory standards and retain freedom of movement of labour. If it chooses to remain in a customs union with the EU then it cannot conduct an independent trade policy. If it chooses to exit the EU Customs Union so as to pursue trade deals with other countries then the US is the most obvious country to pursue a trade agreement with, given that it is the UK's largest export market.

In both cases, the UK would end up heavily influenced by the regulations, norms and processes, of either the EU or the US. Such an outcome goes against the idea of taking back control. Indeed – somewhat ironically, given our earlier conjecture that for some voters Brexit is a rejection of neoliberalism — should the UK drift into the American orbit as a result of a hard Brexit and embrace a 'trade deal' with the US it is likely that it will be exposed to further neoliberal market-oriented measures. Realignment towards American regulatory standards would occur with pressure from the US to loosen environmental and food standards, and, as noted earlier with regards to the NHS, open up its public services to US corporate interests.

In neither of these cases, will the expectations of those who voted to leave the EU be upheld, and it will be important to evaluate the impact of these disappointments on British society, whether Remainers, Leavers or indifferent, in the post-Brexit landscape. Salh et al. (2017) suggest that businesses could equally lobby government to relax any stringent migration conditions and this may yet occur should Brexit proceed. In terms of the labour regulatory framework, the need to secure Brexit through a hostile Parliament limits any Conservative Government manoeuvre to entertain further dilution of employment regulation for the foreseeable future.

However, to conclude, if it may reasonably be asserted that Brexit is an attempt to impose more market-led regulation on the UK under the attempt to restore what it is perceived by some as 'sovereignty', then the labour market implications would suggest that the scope for further departures from EU strictures in this regard would occur in the event of a hard Brexit, resulting in realignment with US labour regulation conventions. It remains to be seen how these conflicting dynamics play out.

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Table 1 EU wide vote shares before and after 2019 European Parliament elections

2014 results	2019 results	Name of the group
52	38	Left (GUE/NGL)
186	153	Socialists and Democrats (S and D)
52	69	Greens (EFA)
68	105	Liberals (ALDE)
21	8	Independent MEPs (NI)
217	179	Centre Right (EPP)
76	63	Conservatives (ECR)
41	54	Populists (EFD)
37	58	Right-Wing nationalists (ENF)
	24	New or unaffiliated MEPs

GUE/NGL: Confederal Group of the European United Left/Nordic Green Left

EFA: European Free Alliance

ALDE: Alliance of Liberals and Democrats for Europe

NI: Non-Inscrits

EPP: European People's Party

ECR: European Conservatives and Reformists

EFD: Europe of Freedom and Democracy

ENF: Europe of Nations and Freedom

MEP: Member of the European Parliament

Source: BBC, 2019.

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[1] In this context, it is worth noting that the part of the UK (or more precisely, an Overseas Crown Dependency) with the highest percentage of voters opting to remain in the EU was Gibraltar, an area geographically away from Britain and with a land border with another EU country in the form of Spain.

[2] The colloquial term for a measure introduced in the Welfare Reform Act 2012, which reduced the amount of housing benefit to which claimants are entitled if they are renting a property deemed to have more than the prescribed minimum number of bedrooms.

[3] Nevertheless the same source (ibid.) is at pains to point out that the speech in itself was not intended to be anti-EU *per se*, but rather anti leftist/liberal EU and that Thatcher would not have entertained leaving the EU.

[4] 'Winning' in the sense of being the party with the largest individual share of the vote.

[5] Article 50 is the provision in the EU (2009) Lisbon Treaty that denotes the legal process for a member state to exit the European Union.

[6] The Condorcet paradox demonstrates that social choices can violate transitivity. Imagine a world in which voters have 3 choices: A, B and C. One third of voters prefer A to B and B to C (A>B>C). One third of voters prefer B>C>A, and the final third of voters prefer C>A>B. Whatever choice is eventually made (A, B or C), two-thirds of voters can be made happier by choosing a different outcome. For example, if A is chosen, both the second and third group of voters (i.e. 66.7%) would prefer C. The same is true for all others. Even worse,

Arrow's Impossibility Theorem demonstrates that, under sensible conditions it is impossible to solve this dilemma without some individual being able in effect to 'dictate' the social ranking – in other words a form of dictatorship.