Brexit and the EU Enlargement

This month the UK government is likely to trigger the 50th article of the Lisbon Treaty and to start the process of Brexit – a final decision concluding the irreversible process, which came as an outcome of a referendum held in June 2016. For the last 8 months many substantial articles about the truly reasons of referendum vote were published in the renowned magazines – the majority of them point to a disenchantment with the recent and future EU Enlargement being one of them. The EU Enlargement has been a part of political debate during the Brexit campaign and the main idea of this article is to find out in which way this notion influenced the decision of the UK’s voters. I will also try to analyze (as much as it is possible from available resources) what changes to the Enlargement policy the British exit from the EU may bring in the future.

From denial to EEC accession

The UK, along with Denmark, Norway and Ireland on one the side and the EEC on the other, signed an accession treaty in 1972, and the following year they all except for Norway joined the EEC. Undoubtedly, the major actor among these acceding countries was the UK – rather skeptical about the European integration in 1950s, the British government founded a competing the European Free Trade Association (Stockholm Convention) in 1960, which included European neutral states (Switzerland, Sweden, Austria), skeptical about EEC Norway and Denmark and authoritarian Portugal. EFTR was an attempt to build a simplified European free trade area, which contrasted with EEC by the absence of common market policy (uniform external tariffs) and opposition to supranational institutions. Apparently, this Association did not satisfy the UK’s government expectations since just in one year’s time, in 1961, the Conservative government of Harold Macmillan applied for membership in ECC, and the governments of Norway and Denmark followed suit. As fate would have it, in 55 years it would be the same, but deeply divided Conservative Cabinet of ministers to face the outcome of Brexit vote.

Why did the UK change their mind concerning its EFTA prospects so abruptly? There is no strong evidence to claim that the British project was an economic failure. On the contrary, intra-trade among the member states had been increasing – for example, throughout 1960s intra-Nordic trade increased from 15 to 23% and EFTA member states trade became increasingly dependent on the UK`s market. But it is well-known that the main idea behind the UK`s policy shift was a creation of Common Agricultural Policy (CAP) within ECC – the decision taken upon signing of the Rome Treaties in 1957. Agricultural trade within ECC had already risen dramatically – the trend, which continued after the adoption of CAP by the Council of Ministers in 1962. As a result, the difference

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2 Hans Otto Froland Euroscepticism. The idea of Europe and Policies Towards European Integration among the Nordic Countries in “European Integration Between History and new Challenges” ed. by Ariane Landuyt, Mulino, 2015, p. 188
in GDP per capita between EU-6 and the UK had fallen from 28% in 1950 to 0% in 1968, and in 1973 was even 10% below EU-6 level\(^3\). This apparently means that EU-6 countries experienced much higher economic growth. The constant lagging behind EU-6 states economic performance and a fear for the domestic agricultural products to be further discriminated on the European market pushed the UK and, as a result, Denmark and Norway, to apply for the ECC membership, but it took the UK and Denmark a long way to be finally let in EEC in 1973. The reason for 10 years’ standstill was a famous French government opposition – the country led by Charles de Gaulle put a veto on the UK’s bid for accession twice – in 1963 and 1967, explaining it by a lack of British commitment to European integration. It is also quite interesting to point out that among acceding countries, the UK was the only state to hold a referendum on EEC membership post factum – unlike nowadays, in 1975 67% of voters chose to remain in the EEC.

The UK was not the EU founding member-state, and in its accession process it faced difficulties, which were unseen before EU’s eastward expansion in 2000s. The UK was once a candidate country as today’s Balkan states, but that status is the only similarity they share. The original members of the EU and the UK were close in terms of economic development, while GDP per capita in the Balkan states now is just 30-40% of the EU average. Moreover, the accession requirement in 1970s could hardly be compared to an adoption of 35 volumes of internal EU legislation (acquis communautaire), which is required from candidate countries nowadays.

One of the main conditions the UK put before the ECC was a creation of a regional development fund, which would invest in different projects fulfilled in economically lagging regions of a bigger community. The proposal was fervently supported by Italy, a member-state with the biggest regional discrepancies. Established in 1975, the European Regional Development Fund (ERDF) played a key role in European Cohesion policy, which the future the EEC and EU members largely benefited from – afterwards, the Cohesion policy has significantly contributed to the Irish economic miracle, economic convergence in Spain, Portugal and with a less success in Greece\(^4\). The Cohesion policy was readjusted in 1990s for the means of the Eastward Enlargement. The programs CARDS, IPA I and IPA II were developed and sponsored by the EU for achieving economic convergence in the Eastern Europe; since then an economic convergence in new member countries became the main factor the success of the EU enlargement has been judged by.

So, to a great extent, the European Cohesion policy owed its development and a further success to an originally British idea. But ironically its further development added to a disenchantment with the EU and, subsequently, was reflected in the Brexit vote result.

| **Enlargement as a heavy weight** |

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The EU Enlargement had definitely influenced the UK voters’ choice to leave. It is seen from the results of surveys and extracts from key speeches of protagonists from both “Leave” and “Remain” camps of the campaign.

According to the survey commissioned by the Observer and conducted at the beginning of 2016, immigration became the most pressing issue affecting citizens’ vote – it was so for 49%, reaching 72% for those who wanted to vote to leave. A majority of the electorate (54%) agreed with a statement “The effects of immigration now outweigh any trade benefits the EU brings”. When asked to name five EU countries that had sent the most immigrants to the UK, except for Ireland the respondents named four Eastern European countries - Poland (78%), Romania (58%), Lithuania (27%) and Bulgaria (24%)\(^5\). Answering the last question, the respondents were right to name the three largest communities of immigrants, but according to the British Office for National Statistics (ONS), the number of the Italians or Portuguese residing in the UK is twice as much as that of Bulgarians\(^6\). Whatever reason is behind it, the results of the survey show that when it comes to inter-EU migration the British are much more aware of immigrants from the countries of Eastward EU enlargement (of 2004 and 2007). And it is not surprising since starting from “Big Bang enlargement” the EU has experienced the biggest wave of intra-EU migration – for example, around 2 million of Polish citizens have settled in Germany and the UK, while 2 million of Romanians transferred to Italy and Spain\(^7\).

Apart from a remarkable perception of immigration trend due to the last EU enlargements, there was apparently a negative political discourse with respect to the future perspective of enlargement. This narrative was present in the arguments of “Remain” camp as well – as then Home secretary, Theresa May put it in her Address on April, 25: “Do we really still think it is in our interests to support automatically and unconditionally the EU’s further expansion? The states now negotiating to join the EU include Albania, Serbia and Turkey— countries with poor populations and serious problems with organized crime, corruption, and sometimes even terrorism. We have to ask ourselves, is it really right that the EU should just continue to expand, conferring upon all new member states all the rights of membership? Do we really think now is the time to contemplate a land border between the EU and countries like Iran, Iraq and Syria? Having agreed the end of the European principle of “ever closer union”, it is time to question the principle of ever wider expansion.”\(^8\)” Vote Leave argued against both a further EU expansion and financial transfers the UK was to allocate within the framework of IPA (Instrument of Pre-Accession) program. Under IPAII – the EU program of financial assistance designed for official and potential candidates to the EU (Albania, Serbia, Montenegro, Kosovo, Macedonia, Bosnia

\(^5\) Britons and Europe: The Survey Results. Guardian. E-access: 
https://www.theguardian.com/politics/2016/mar/20/britons-on-europe-survey-results-opinium-poll-referendum


\(^7\) Matthijs Matthias, “Europe After Brexit”, Foreign Affairs, Jan/Feb2017, Vol. 96.

and Herzegovina and Turkey) for 2014-2020, the UK government was obliged to contribute £1.2bn (Vote Leave booklet used an incorrect figure of £1.8bn⁹).

When it comes to a future EU enlargement, the main arguments against it “Leave” campaigners and eurosceptics from all over the EU use are poor population of candidate countries, the problems of corruption and organized crime and a rising threat of terrorism – a claim, which gained more importance last years. Eurobarometer figures show a steep decline of support for a further EU integration since 2009 – the same year when the number of sceptics about enlargement surpassed that of enthusiasts. In this case, the British pessimism is shared throughout the Union. Every time the future enlargement is discussed, the example of Turkey is put at the front burner. It is explained by a much bigger population of the country (around 80 million compared to less than 20 million in all Western Balkan states), predominantly Muslim population (that is also a case for Albania and to some extent for Bosnia), notorious human rights record and politically unstable neighbors. Despite some allegations about a likelihood of Turkey’s accession to the EU, Turkey is anything but likely to do it in a foreseeable future¹⁰.

Now It seems strange, but until 2013 the UK was one of the strongest advocates of the enlargement within the EU. Moreover, the UK government has strongly supported Turkey’s accession in opposition to French and German stands – not far back as in October 2015 the then Prime minister David Cameron confirmed it in the House of Commons¹¹. In November, 2014, the British Foreign Secretary Philip Hammond and a German Minister of Foreign Affairs Frank-Walter Steinmeier launched an initiative of speeding up ratification by the European Council of the Stabilization and Association Agreement between Bosnia and Herzegovina and the EU.

The period of the British foreign policy within the EU between 2013 and 2016 indeed represents an ambivalent trend - along with a rising public criticism of the EU internal policy, the UK government continued different diplomatic efforts within the EU, even with respect to a further EU Enlargement. Public criticism of the EU and renegotiation of its membership terms seemed to be a part of an internal political game – with the rise of anti-European UKIP party, the ruling Conservative party followed its suit and took a harder line. The turning point with respect to the enlargement was the EU Summit in December, 2013, when D. Cameron spoke against granting Albania a status of official candidate. As a response to a rise of public fears within the country of a new wave of uncontrolled migration starting from the beginning of 2014 (From 1 January, 2014 the UK was to lift the labor restrictions for nationals of Romania and Bulgaria), the British PM called for new control mechanisms of immigration for nationals from future EU member states¹².

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¹⁰ The accession procedure of Turkey has been stalled since 2005; negotiations concerning only one chapter of acque were closed. Turkey’s integration faces a serious opposition from Cyprus and Greece because of Turkey’s unwillingness to recognize undivided Republic of Cyprus.


However, next year at the following meeting of the EU Council of Ministers the UK supported granting Albania status of an official candidate – in general, up until the Brexit vote the UK government supported the EU Enlargement policy.

Post-Brexit Enlargement

The question of whether Brexit is going to change the EU’s strategy of enlargement or even how much Brexit has already changed it is becoming crucial for the political elites in the Western Balkans countries.

But before answering this question, it is necessary to mark the difference in the EU’s enlargement approach before World Economic crisis (until 2008) and after that. A mentioned crisis has led to a still continuing Eurozone crisis and has seriously shaken people’s belief in the EU’s future. As a result, the enlargement steam, which in the previous ten years resulted in the biggest ever EU expansion, has nearly come to an end. It became strikingly obvious in 2014 with the rise of geopolitical tensions between the EU and Russia.

In general, the year of 2014 was a beginning of strong internal political tensions in the Balkan region. The reasons behind it were chronic socio-economic problems in countries, aggravated by the absence of economic growth starting from 2009 (the economic convergence with the EU either stopped or even took a backward direction), rising unemployment (which in Macedonia and Bosnia and Herzegovina in a certain period reached 30%). The countries of region are still mired in corruption and all of them share a problem of poor functioning of state institutions. The local politicians are increasingly saying about an enlargement fatigue within their countries as citizens get more doubtful whether a long-anticipated accession to the EU will actually happen. As a result of all these problems, a public disenchantment with the local politicians was growing, which inevitably led to rising protests and political crises. The protests started in Bosnia in February of 2014 - though they lasted a few weeks, their scope was considerable. In a year, Macedonia followed suit, but a political crisis there was very profound and lasted from February of 2015 until the end of 2016. Macedonia was joined by Montenegro, where the protests against incumbent government started in autumn of 2015 and lasted until spring of 2016.

As a response to a rising delusion of Western Balkan countries Germany on behalf of the EU organized the Conference of Western Balkan States, which took place in August of 2014 in Berlin. The conference became an annual event – after Berlin, Vienna and Paris hosted it in 2015 and 2016 respectively. The main message of all these conferences is a reinstatement of a commitment to integrate all countries of the region in the EU, but looks like a consolation offered by the EU leaders in the heat of the EU crisis. No wonder that last Paris summit in July of 2016 concentrated on the consequences of Brexit on the prospects of Western Balkan countries. Both present at the Summit François Hollande and Angela Merkel sought to reassure the leaders of candidate states that “the EU’s enlargement strategy has not changed with the British decision”13.

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It doesn’t mean though the EU has not shown some tangible carrots for the last years. Despite the fact that Croatia from the start of enlargement process was considered as a fast-track country, its final accession to the EU on the 1 July of 2013 was heartening for the rest of the region. In July of 2014 the EU Council of Ministers decided to grant a status of official candidate to Albania, and even Bosnia and Herzegovina, which was stuck in the enlargement process for many years without any achievements, managed to formally apply for EU membership in January of 2016. At the same time, here, in a generally homogenous region, we observe different speed that the states are going forward with. These differences are becoming even more noticeable with every passing year. Apart from Croatia, such countries as Montenegro, Albania and Serbia could boast about some progress even in the last years of the EU crisis; while Bosnia and Herzegovina, Kosovo and Macedonia primarily for political reasons have been in limbo. This picture of different speed integration of the Western Balkan states was something that the EU authorities had not much welcomed before. It is apparent if we take into account the political tensions among them, which also means that once one of the region’s countries is in the EU, it could easily execute its new-acquired political heft with respect to its less lucky neighbors (e.g. block their further accession).

It seems now that in a current agenda the EU has much more pressing issues linked to its further survival, the future of the Union. The year of 2017 is full of immediate challenges taking into consideration the forthcoming elections in France, Germany, the Netherlands and the rise of anti-European candidates and parties in all these states. Now it is clear that the issue of enlargement from the top-priority policies list, where it was during the 2000s, was irreversibly put into a different basket. Brexit was just another link in the chain.