

Europe looks on with dismay as Brexit disarray deepens



By Laura King /London

Friday, 13 September 2019 12:19 AM

Watching the growing disarray unfolding in Britain, the rest of Europe is worried.

With British Prime Minister Boris Johnson battling his own party and parliament over Brexit, smashing political norms as he goes, the prospect of Britain “crashing out” of the European Union on October 31 is still seen by many as a real possibility – even though British lawmakers have passed a bill meant to preclude that scenario.

Britain’s parliament – suspended early Tuesday by Johnson amid a raucous outcry from the opposition – is now in a five-week hiatus that ends just two weeks before the Brexit deadline.

The prime minister says he still wants to make a deal with the EU, but there’s been no sign of significant progress on the major points of contention, including how to deal with what will be a new EU-UK land border on the island of Ireland.

Economists generally agree that if Britain departs the 28-nation bloc with no withdrawal accord, the British economy will suffer a far greater shock than will its European counterparts.

But repercussions will be felt across Europe and beyond, with fears in several EU states that Brexit could help nudge a prospective economic slowdown towards full-blown recession.

The EU, which never wanted Britain to leave, is still likely

to grant an extension of the October 31 deadline, although Johnson swears he won't seek one, and the bloc is increasingly pessimistic that Britain can find a way out of its conundrum. The EU is also unsettled over continuing uncertainty about the fate of its 3.6mn nationals living in Britain, many of whom are discovering, to their dismay, that decades of working and paying taxes in the UK are no guarantee they will be allowed to stay.

And while Brussels is accustomed to worrying about anti-democratic tendencies in member states like Hungary and Poland, and about far-right inroads being made there and elsewhere, EU officials have been alarmed by the spectacle of emerging constitutional stresses and strains in Britain, one of the traditional pillars of the postwar order.

Here's a look at some of the major EU players and how they view the latest developments:

* IRELAND

Ireland might have the most to lose. It views Brexit – especially a no-deal departure – as a threat to both peace and prosperity.

For nearly two decades, the border with Northern Ireland has been open, and that invisibility is considered a crucial element in reversing decades of sectarian strife that killed thousands in the three decades leading up to 1998's Good Friday accord.

With the looming prospect of a "hard" frontier between EU member Ireland and Northern Ireland, which is part of the UK, there are worries that barriers and checkpoints would become a magnet for extremist attacks.

The EU has been adamant in its insistence that the border stay open; Johnson has demanded the scrapping of a withdrawal accord provision meant to ensure that.

The prime minister travelled to Dublin on Monday, where his Irish counterpart, Leo Varadkar, said he hasn't yet seen any concrete British proposals to address the border quandary – and added pointedly that a no-deal departure would only be the beginning of tortuous new negotiations over the Irish

frontier.

“There is no such thing as a clean break,” he told Johnson.

* GERMANY

As the continent’s economic powerhouse – but one seeing fiscal storm clouds on the horizon – Germany wants to help ease Britain’s path out of the EU, if it insists on going.

Chancellor Angela Merkel last month appeared to try to throw Johnson a lifeline when she suggested during a Berlin meeting with him that Britain try in the next 30 days to come up with some concrete new proposals for an accord that the EU previously said was not open to renegotiation.

But three weeks have already elapsed, with no new Johnson talking points disclosed.

Germany’s Foreign Minister Heiko Maas said this week that “we remain in principle ready to talk” about Brexit terms, but that that “ultimately requires clear decisions and proposals from London.”

Brexit is already depressing German economic projections.

The Federation of German Industries, the main umbrella group for industrial trade associations, says a no-deal departure by Britain would bring already weak growth forecasts for the year down to zero.

But business uncertainty brought on by a new delay would also dampen economic prospects, said the head of the German Institute for Economic Research, an independent research group. Meanwhile, powerful German companies are already preparing for the possibility of a no-deal break with plans to reduce their footprint in the UK.

BMW, the automaking giant, said it would curtail production at its plant in Oxford as the deadline approaches.

* FRANCE

French President Emmanuel Macron has shown some willingness to play the EU’s disciplinarian in dealings with Britain, while remaining supportive of an orderly departure if one must take place.

This week, Foreign Minister Jean-Yves Le Drian signalled impatience with Britain’s inability to either move towards a

definitive break with the EU, strike a deal with the bloc or call the whole thing off.

“The British must tell us what they want,” Le Drian said exasperatedly in a weekend radio interview, referring to the polarisation and deadlock that have prevailed since the 2016 Brexit referendum, which won narrow approval.

“For three years, the UK... has found no way forward.”

Any Brexit extension requires unanimous approval by EU members, and France is unlikely to use its veto power. But the country is preparing for no-deal contingencies, getting ready for a weeks-long “rehearsal” by customs authorities at airports, train terminus points and ports, especially Calais, the gateway to the tunnel under the English Channel.

France, like Germany, has been taken aback by Johnson’s take-no-prisoners style on Brexit, but has stressed that Britain, not France or the EU, would bear the economic brunt of a no-deal departure.

However, Macron has already seen his popularity dented by months of “yellow vest” populist protests, and can ill afford bad economic news.

* THE NETHERLANDS

Holland is a relatively small player among European economies, but Britain looms large in its financial relationships as a main trading partner and its biggest international investor.

The Dutch port of Rotterdam, Europe’s largest, now enjoys seamless intra-EU trade with Britain, but will be burdened by the need for customs checks and goods inspections if Brexit goes ahead as scheduled.

Still, the Dutch position on Brexit is hardening.

Holland is working to woo companies that are abandoning Britain to relocate operations within the EU.

Dutch Minister for Trade Sigrid Kaag told the financial newspaper *Het Financieele Dagblad* last week that there would need to be a “good reason” for granting a new Brexit delay.

The Netherlands, like Britain, once bestrode a far-flung empire.

As the Brexit crisis intensified earlier this year, Dutch

Prime Minister Mark Rutte offered some succinct advice about the global standing of former colonial powers.

Britain, he told the Guardian newspaper, “is going to become an economy of middling size in the Atlantic Ocean. It is neither the US nor the EU. It is too small to appear on the world stage on its own.”

Policymaking in the Netherlands tends to be influenced by a strong pragmatic streak, but Johnson’s seeming loss of control over the Brexit process has dumbfounded some influential Dutch politicians.

“We thought the Brits were rational pragmatists,” said Anne Mulder, a Dutch lawmaker who leads the country’s Brexit planning in parliament, told the Financial Times.

“Well, they aren’t.” – Tribune News Service