

Brexit:
Economic Impact on Britain

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Abstract

Brexit has an economic effect on both the UK and the EU. This paper is concerned with the economic impact of Brexit. UK chose the Hard Brexit to end its formal political and economic relations with EU. There are several economic causes of Brexit such as: The national interest, the financial crisis, the economic status of UK, the rising economic influence of Russia and globalization. The economic impact of Brexit on Britain varies from the British Direct foreign investments, British economic competition to fisheries. In addition to the economic impact on Northern Ireland. The cost of the Brexit will be paid in the future of economic relations between the UK and the EU and between the UK and the rest of the world.

Introduction:

Brexit has an economic effect on both the UK and the EU. This paper is concerned with the economic impact of Brexit. From economic point of view, Brexit resulted from so called: economic patriotism, and this means that the economic issue was a cornerstone in the result of the British referendum. The method in this paper is Empirical. This paper focuses on the economic

impact of Brexit on the UK, with regard Northern Ireland. Thus, the structure of this paper will be as following: **First**; Historical framework. **Second**; economic causes of Brexit, **Third**; Brexit and economic impact on UK, **Fourth**; Brexit and UK's economic competition, **Fifth**; Brexit and economic impact on Northern Ireland. **Finally**; Conclusion.

First, Historical Framework:

The treaty of Rome forged the unique institution, The European Economic Community (EEC) in 1957. The aim of this regional organization was promoting economic integration to the main European states. The treaty was signed by Belgium, France, Italy, Luxembourg, the Netherlands and West Germany. (Gabel, 2022:1) It was only in 1973 that the UK decided to join the EU whose foundation has been laid down since 1950s. Debates on enlargement were triggered at that time. (Hoinaru, 2019:804) On the other hand, no one ignores that since the creation of the community of coal and steel, UK had always been skeptical to join the community and this was clear in the first referendum organized two years after its entry the European Community in 1973.

The last comprehensive EU treaty reform was done through 2007 Lisbon Treaty. Article 50 of the Lisbon Treaty famously says that any Member State 'may decide to withdraw from the Union in accordance with its own constitutional requirements'. (Weale, 2018:28) The EU has faced many challenges since then. The necessary efforts to reform European institutions and to advance

European integration were discouraged by the lack of trust, not of citizens but rather between countries themselves and between member states and the European institutions. UK was no exception. So, the UK was a member state with long-term opposition to the European integration process and the European project in general. Margaret Thatcher in an address in the Bruges in 1988, spoke against the EU's desire to "suppress nationhood and concentrate power at the center". (Hoinaru, 2019:804)

The aftermath of the UK referendum vote has been characterized by pervasive uncertainty across the political, diplomatic and economic spheres. (RAND, 2017:4)

Brexit affects the UK's ability to identify its foreign, security and defense requirements that would benefit from continued cooperation with the EU. (Hadfield, 2018:175) There are concerns regarding the future of bilateral initiatives and agreements, the existing ties, some of which have resulted in practical collaboration and some more intangible but no less significant, such as the UK's informal role as an interlocutor between US and the EU.

UK risks both a diminishment of its soft-power diplomatic status and an attenuation of its hard-power security and defense capabilities across continental Europe in the short and possibly long term.

Behind the decision of exiting the EU, scholars found some driving forces, those forces; political, economic or cultural, in behalf of defending national interest. The main assumption illustrates that the UK is financially and economically exploited

by the EU. Other analysts attribute the Brexit to the rise of populism or right wing populism. Populism explanation covers up some aspects linked to the socio-economic and cultural image. On other words, populism is a reaction to cultural backlash and growing Economic inequality. Although considering this political trend as a new to British political sphere, it is also considered as one of the drives of Euroscepticism established in Britain politics for decades. (Ababakr, 2019:7, 8)

What is hard Brexit?

Hard Brexit – also known as no deal – is an exit from the EU Single Market and EU Customs Union, and a refusal of the European Court of Justice’s ECJ authority. (Felbermayer, 2017:1) Which means that the total rupture with the EU rules and regulations, and the overseeing of the regulation of UK-EU relations are articulated by international laws and World Trade Organization. This brings questions about the future of integration project of EU, and fears from disintegration that might follow with the Domino Effect of hard Brexit. Hard Brexit can weaken the EU.

Analysts and some politicians sought to avoid a no-deal Brexit, which means that the UK would have exited the EU without a negotiated withdrawal agreement. Both sides, UK and EU have developed plans for no-deal Brexit.

No-deal Brexit could have caused considerable disruption, to both sides, which means negative effects on the economy, trade, security, Northern Ireland and other issues. In 2019, a

parliamentary motion forced the UK government to publish a secret document outlining its planning assumptions for no-deal Brexit. The document uncovered delays for travelers and transport services, a potential decrease in the availability of certain types of fresh food, price increases for food, fuel and electricity, disruption in the supply of medicines and medical supplies, and a potential rise in public disorder and community tensions. (Mix, 2020:6)

Government officials asserted that the document uncovered “reasonable worst case planning assumptions”. Some maintained that the fear from the no-deal Brexit were exaggerated and some ardent Brexit argued that a no-deal Brexit would be preferable to a soft Brexit, in which the UK would retain certain ties and obligations to the EU. (Kenny, 2021:87)

What is soft Brexit?

Soft Brexit – also known as Norway model – is an exit with some continued participation, which still very much unclear. (Felbermayer, 2017:1) Soft Brexit supposes that the UK remains regulatory aligned with the EU and in single market and customs unions.

The EU has put down a number of red lines. It has ruled out the possibility of participating in the EU single market, selecting certain rights and obligations but opting out from others, such as the free mobility of labour. The UK government has made clear that it accepts this condition.

Second, Economic Causes of Brexit:

The United Kingdom had formally withdrawn from the European Union on January 31, 2020. After the victory of the Leavers on 23 June 2016 referendum, (Middelaar, 2018:81) even after the UK's withdrawal, Brexit will be a central theme that will be debated in the upcoming years in both national and European elections.

On one hand, the EU as an international body can reduce the level of anarchy. But on the other hand, while states enter into the European Union with their sovereignty, their common interests may be merged into their sovereignty and applied by European institutions. Although there were some significant reasons to join EU, we can site some problems, in our case; it is economic.

In other words, states try to solve their common problems- including economic ones- through the convergence; the European convergence will take place in order to resolve problems of European countries more effectively. Convergence has two stages: (1) Political priorities are shaped in the domestic environment. (2) Bargaining and negotiations between states take place internationally. (Ababakr, 2019:4) No one can deny that economic issues need some sort of organization through international institution such as EU.

However, the Eurosceptic attitudes in many member states, not only in the UK, had emerged due to: (1) anti-establishment and anti-EU discourse. (2) The wave of 1 million refugees that have settled on EU territory. (3) Zero-sum games and double standers

that have been promoted by the EU institutions themselves. (4) The lack of transparency in EU decision making processes. All of these reasons have led to a fundamental distrust of the EU by the British citizens, debating the economic consequences of staying and leaving European Union. (Balfour, 2019:2)

In relations between UK and EU, we should notice that any change in the type of decision-making in certain areas and political contexts have unintended consequences for its members. Some scholars illustrated examples for such a case; decisions taken in the environmental sector may have unintended consequences on agriculture – and vice versa – also there is the creation of the single market and its unwanted effects on the employment rules of all member states.

There are several reasons for the UK's attempt to exit the European Union, primary observation lead to the crucial causes of Brexit and we can mention the following:

- (1) **National interest**: outside of EU, the interaction between states happens with a priority of protecting the national interests. States work together to achieve their own interests. The power of decision making in some areas of national interests such as common agriculture policy, fisheries, trade and monetary and financial policies, have considered point of view that this kind of decision-making unintended effects on UK. The role of British governments, like all governments, is to serve and protect

the national interests of the country and not the unity of the EU.(Blyth, 2021:221)

- (2) ***The 2008 financial crisis***: and its blowout into a Eurozone crisis, a crisis which produced sizeable frictions between states, besides its effects on the citizens of UK.
- (3) ***Economy***: The decision to leave the EU rested on another perception: Eurosceptic believe that the economic and financial power of UK is being exploited within the EU.
- (4) ***Rising Russian influence***: in the European energy market, in addition to the Russian investments in the Balkans as an alternative to the European project, this threatens the UK's interests.
- (5) ***Globalization***: Some scholars asserted that more and more voters were rejecting the rationale of globalization and its aspects, such as open markets and open borders, seeking a new balance between freedom and protection in the words of Donald Tusk, the president of European Council: "it is therefore crucial to restore the balance between the need for freedom and security, and between the need of openness and protection". (Middelaaar, 2018:86)

In short, saving UK's national interests is the core cause of the Brexit. Therefore, European leaders must solidify the implementations of the new balance between freedom and protection as a matter of survival.

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Third, Brexit and Economic Impact on UK:

In 1900, the UK was Europe's strongest economy. It was also the most regionally equal. Industry generated, almost everywhere, prosperity of a level never seen before. While other European nations had only a few heavily industrialized regions, the UK boasted at least two dozen world-leading towns and cities. In the '70s, '80s and '90s, good fortune and hard choices stopped the UK's relative economic decline. It joined the EEC and drove the creation of the Single Market. North Sea oil boosted both the economy and the treasury. Deep reforms accelerated the move away from an industrial economy with state controlled industries towards a services economy with privatized ones. (Hill, 2018:188)

Although Brexit is resulted from so called 'economic patriotism', (Schelkle, 2018:124) the impact of the 2016 referendum vote on the UK economy was: (1) Financial crisis. (2) Recession and sharp rise in unemployment. (3) Inflation and reducing real wages. (4) Slow growth in both trade and investments. These

reasons were resulted from uncertainty and expectations that Brexit will increase barriers to trade. (Portes, 2021:101)

According to the EU negotiation strategy, the first stage is given to the settlement of distributing the costs of the separation between parties the (divorce) in terms of: financial questions, providing clarity for EU citizens in Britain and British citizens living in Europe, and possible consequences of the re-emergence of a tough border between the Republic of Ireland and Northern Ireland. The second stage is negotiations on the future of the economic relationship between the UK and the remaining EU27 countries, insuring the largest possible gains from continued cooperation, in other word: economic efficiency. The two stage structure suggested by the EU makes an agreement difficult precisely because the appropriate side payments will depend on the agreement about future economic relations. (Felbermayer, 2017:1, 2)

British people has become more divided about Brexit, more pessimistic about the economic consequences, 80% feel it means the economy would be worse off, an increase from 56% in 2015. (Curtice, 2020:2) Brexit induced economic decline or the diminution of British power and influence overseas, and this could harm any agreements between UK and the EU.

Within the EU's Single Market, UK manufacturers could be assured that what was lawfully produced at home could be sold in any other member state, with no further checks at the border. UK firms in financial or creative industries, or professionals

providing legal advice, could move and establish themselves in other EU countries with a degree of freedom and flexibility unparalleled in any other trade agreement. Consumers also benefited from more product choice and easy access to services when in other EU countries. (Borchert, 2021:103)

Brexit has significant implications for the UK's trade agreements. On one hand, Brexit will promote an independent national trade policy to the UK, which means a new bilateral trade deals around the world, including the United States and EU itself. On the other hand, there is, as the Congressional Research Service illustrates it: "the unlikely prospect in which the UK remains a member of EU single market or customs union would provide more barrier-free access to the EU, but the UK would have to follow most EU rules without having a say in how those rules are made. Analysts predict the disruption resulting from Brexit likely will have at least a short-term negative economic impact on the UK, and many businesses in the UK have been taking steps to mitigate potential economic losses". (Mix, 2020:1) In short, Brexit weakens Brussels Doctrine.

How does Brexit weaken Brussels Doctrine?

Brexit weakens Brussels Doctrine in General, and on the two central elements of the European integration in particular. Since the time of founding of the Coal and Steel Community, the entire system has been based on: (1) postulate that economic interdependence creates grateful populations and (2) the idea that

the integration is a one-way street towards ever closer union. In this vision, there is no place for Member States to quit the club. Since Brexit has taken place, it is necessary to change the doctrine, even when the UK will take back control of '350 millions' a week. (Ryder, 2022:2)

Over the last two decades, the UK has become somewhat less integrated with the EU trade terms, with trade with the EU members now accounting for just under half of total UK trade. (Portes, 2020: 32)

According to RAND institution, Brexit will cause recession, and already has hurt the UK economy because of the combined effects of possible drops in trade, reduced direct foreign investment, the flight of capital and companies that had been attracted to Britain in part because of its access to the EU, and exchange rate fluctuation. (RAND, 2017:17)

With regard to trade, EU is the main UK's market in term of trade of manufactured products. In fact, 50% of its production is channeled to EU, so it is clear that the exit is a risky enterprise. (Ababakr, 2019:12)

The nature of the economic relationship between the UK and the EU is needed to be defined. UK-EU trade and economic relations would be governed by World Trade Organization (WTO) rules.

Brexit casts great uncertainty over the future UK-EU trade relationship. While UK trade with other countries like China has risen in recent years, the EU remains the UK's most

consequential trading partner. The UK-EU trade is highly integrated through supply chains and trade in services, as well as through foreign affiliate activity of EU and UK multinational companies. Within the EU, the largest goods and services trading partners for the UK are Germany, the Netherlands, France, Ireland and Spain.

Most experts predict at least some pain: several research organizations forecast drops in the UK's GDP ranging from 0.3 per cent to 5.5 per cent. (RAND, 2017:17) (Felbermayer, 2017:32) Besides, securing new trade deals with new partners such as China, America and Brazil would be a long lasting experience that will take years of negotiations, such as the one with Canada that took seven years.

According to many experts, Brexit will have an economic cost for both sides as trade in both goods and services between the UK and EU will no longer be nearly frictionless as it was in previous time. The amount of economic cost is uncertain, (Belke, 2017:4) (Feildhouse, 2021:51) including income inequality.

Income inequality in developed countries is at its highest level for the past half century, and data shows that income inequality in the UK is one of the highest among comparable major economies, second only to the United States. It's logically that countries with high levels of inequality have lower rates of growth, are more stressed and anxious, less happy and less healthy, and have lower feelings of solidarity or trust across

society. And hard data and careful research show that the greater are inequalities of outcomes, the harder it is to achieve equality of opportunity and the less social mobility there is. (Wincott, 2021)(Brewer, 2021:111)

The UK-EU trade policy was determined by the EU, as long as the UK was a member of the EU. The EU had exclusive competence for the trade policy for the EU member states. UK-EU trading agreements largely continue to apply during the transition period. Thus, the UK remains in the EU customs union, which makes trade in goods between the UK and other EU members tariff-free and binds the UK to the EU's common external tariff, which the UK and other EU member states apply to goods imported from outside the customs union. During the transition period, the UK also remains a part of the more than 40 preferential trade agreements that the EU has with about 70 countries. (Bailey, 2020:34)

Leaving the EU will not affect only trade, but also the legal status of the large number of EU citizens living in the UK. The largest number is about workers: 2,002,000, then the pensioners: 223,000, and the unemployed: 102,000. The number of UK citizens living in the EU countries is less: 1,217,000, of which 400,000 are pensioners, with remainder being workers and their dependent families, and students. Another economic impact of Brexit is that the UK will no longer contribute to the EU budget. (Belke, 2017:5)

During the transition period, the UK also remains a part of the EU single market, which means keeping free movement of goods, services, capital and people, “foreign and direct investments”. The single market is underpinned by common rules, regulations and standards aiming not only to reduce but also to eliminate nontariff barriers. (Mix, 2020:7)

Scenarios for UK-EU trade relationship will varies from renew the free trade agreement, leaving the customs union to commitments to WTO terms of trade.

British Direct Foreign Investments:

There are some reasons for the possible decline in direct foreign investment:

First: the UK alone will not be an attractive export platform for multinationals because it does not bear significant potential tariff and non-tariff costs when exporting to the rest of the EU.

Second: multinationals have complex procurement procedure and many coordination costs between headquarters and local branches, because the transfer of staff between firms would be more difficult with stricter immigration controls.

Third: uncertainty about the shape of future trade arrangements between the UK and the EU will tend to curb direct foreign investments.

Fourth: the strategic economic competition from China and other economic powers. (Dassu, 2019:3)

Facing these problems, UK may have two alternative extreme possibilities: **First**, the UK would accede to the European Economic Area EEA as a non-member state – like Norway – **Second**, the UK would have no trade relationship with the EU, which is difficult to be assumed. And in between these two extremes, there are a large number of possibilities for free trade arrangements.

Because of the impact on UK trade and economy depends to a large degree on: a) the shape of the future UK-EU relationship, b) the UK's ability to conclude other new trade deals, Economic impact can be summarized in the following:

- 1- Costs: Brexit will raise the costs of UK trade with the EU through higher tariffs and nontariff barriers. Costs may be greater in the short term, until commercial disruptions are smoothed out. Costs may be mitigated to some degree if the two sides reach a free trade agreement, and it will take years to achieve. (Felbermayer, 2017:32)
- 2- UK and Countries outside the EU: UK has to make new trade deals with countries outside the EU, and that may give a boost to the economic growth, but may not be by enough to offset the loss of the UK's membership in the EU single market.
- 3- UK as a third country: Brexit makes the UK a third country from the EU perspective. The EU will have to

- make determinations on whether measures of the UK comply with the corresponding EU regulatory framework.
- 4- New Economic agreements needed: UK trade with the EU could face new licensing requirements, testing requirements, customs controls and marketing authorizations.
 - 5- UK and Business: many businesses in the UK have been preparing for Brexit through such measures as stockpiling inventories, adjusting contract terms, restructuring operations and shifting assets abroad. Small companies may not be as equipped as their larger competitors to deal with transition. No-deal Brexit has its effects on UK business. It's worth to be said that "EU investments in the UK are already declined", promoting slow productivity growth leading to lower wages and living standards. (Sampson, 2021:106)

Some sectors of the UK economy will be affected by Brexit, such as: Autos, Chemicals, Financial services, Business services and Data flows. The economy was likely to shrink over the fourth quarter of 2020 and the first quarter of 2021. The share of trade with individual partners is small compared to EU. Integration with the EU can't be replaced by any ambitious trade policy directed towards Australia, Canada, Japan or USA.

After all, the economic relationship between UK and the EU has two implications: 1) the EU should have the stronger bargaining position in the negotiations on the future economic arrangements

between the two sides. 2) The UK might have difficulties negotiating favorable trade arrangements with other large countries, such as US, China or Japan. Uncertainty will tend to increase the economic cost of Brexit on UK. (Belke, 2017:22)

Fourth, Brexit and UK's Economic Competition:

On 1 January 2020, the UK's Competition and Markets Authority CMA became responsible for all competition cases that affect UK markets, both domestic and international. Competition law is designed to prevent monopoly types that harm consumers, and it works by: (1) prohibiting cartels. (2) Making it illegal for dominant firms. (3) Preventing mergers that would reduce competition in the market. (4) Investigating markets where competition is not working well. For many years, the CMA had much stronger powers than its European counterparts, such as the power to break up firms as part of its market investigation. After Brexit, the UK is now free to make changes to its own competition laws, which could create additional costs for firms wishing to trade in the UK and the EU. A divergence in the merger rules could discourage or delay acquisitions that bring investment to the UK. (Lyons, 2021:15)

On 24 December 2020, the UK and the EU reached an 'agreement in principle' on the text of a Trade and Cooperation Agreement, including an FTA that will provide for duty-free and quota-free trade of all goods. At the same

time frictions will arise in number of areas, not only because of the need for 'rules of origin' or meeting EU requirements on food safety and product standards. The scope for trading services is severely curtailed compared to the Single Market; for instance, audio-visual services are excluded from the terms of the draft agreement, UK airlines will no longer be able to serve two airports within the EU, and passporting rights for trading financial services will cease to exist. (Borchert, 2021:103)

In November 2018, The Bank of England, analysis predicted a decline of 8% for the UK economy in a no-deal Brexit. In September 2019, the same institution estimated that the UK economy will shrink by 5.5% in a no-deal Brexit. The changed assessment reflects an essential ongoing preparation for a possible of no-deal Brexit. (Mix, 2020:12)

In most of the studies, the UK gross domestic product GDP loss from hard Brexit would range from 1.2% to 4.5% whereas GDP loss from a soft Brexit would be roughly half of the negative impact of the hard Brexit. The negative impact reaches the science investments and medical trade. (Thomas, 2019:4)

After Brexit, Hard Brexit indeed, the UK is acting in number of fronts, such as: (Mix, 2020:13, 14)

1- Negotiating its own WTO schedule of commitments on goods, services and agriculture.

- 2- Working to replicate existing EU deals with non-EU countries.
- 3- Negotiating sector-specific regulatory agreements.
- 4- Taking steps to pursue a range of new deals outside of the EU.

A study have been made to estimate the cost of Brexit illustrate that the exit cost can be derived from so called impact assessment studies on the free trade agreements of: EU-Canada, EU-India, EU-Japan, EU- Mexico, EU-South Korea. The expected benefits from these free trade agreements involve different degrees of trade liberalization and different levels of development. In all these cases, The EU would enjoy a disproportionately small share of the total benefit, not just because it is economically larger than its counterparts but also for fundamental reasons such as greater market power of its enterprises. Exiting these free trade agreements would impose the majority of the costs on the exiting country.

Brexit would in fact lead to a considerable decline of goods and services trade between the UK and the EU27 countries. Under a hard (soft) Brexit, UK exports to Germany drop by 50% (become 24%), with comparable trade effects for other EU27 countries. German exports to the UK fall by 33% (become 9%). Overall, services exports are the most pronounced. UK wholesale trade and road vehicles suffer the strongest drop in exports to Germany

in values from a hard Brexit, while the financial services sector dominates in percentage terms. German wholesale trade to the UK involves the largest trade effects in percentage changes, but road vehicles exports lose the highest amounts followed by machinery and pharmaceuticals. When looking at value added effects from Brexit, we find that three-quarters of German economic losses stem from manufacturing industries. (Felbermayer, 2017:32)

The consideration of fiscal costs compared to income losses from Brexit leaves the UK slightly better but EU27 member states worse off. Even if the UK was able to reduce its net contribution to the EU budget to zero, which is unlikely, given that the UK will want to participate in future EU policy initiatives, Brexit would still give rise to high economic costs for the UK. For the EU27, we find a high degree of heterogeneity when combining income and fiscal costs. This is an important finding for the Brexit negotiations. The full economic effects of Brexit will take a decade or more to materialize. (Sampson, 2021:105)

Fisheries:

Fisheries became a “poster child” of Brexit, a measure of sovereignty and “tacking back control” of British seas. Many in the industry have claimed they got a bad deal when the UK joined the EU and the Common Fisheries Policy (CFP) came into force. Under a system called Relative Stability, quotas for

shared fish stocks were divided between countries according to patterns of fishing in the 1970s, meaning approximately half of the fish caught in the UK waters were taken by EU vessels. The UK argued for a zonal attachment system for allocating quota shares, based on where adult fish live, which would increase the allocation to British fishermen for certain species. However, the EU didn't want to budge from the status quo and the UK had to balance its goals against the fact over half of the fish caught by British boats are exported to the EU, and that rapid and frictionless trade is essential for the survival of many British fishing businesses. However, the trade agreement carries an assumption that the increase in the UK catch share value will not go beyond 25% after 2026. (Stewart, 2021:26)

Thus, UK productivity performance lags behind that of many of its peers, including Germany, France, the Netherlands, the Scandinavian countries and the USA. (Riely, 2021:109) The UK is the Europe's most regionally unequal major economy.

Fifth, Brexit and Economic Impact on Northern Ireland:

The position of Northern Ireland will be different to UK because its trade remains aligned with EU rules. This implies the need for customs formalities and checks for goods flowing from UK to Northern Ireland, as well as for EU tariffs levied on products at risk of moving into the Republic of Ireland. These barriers will negatively affect firms engaged in UK-Northern Ireland trade,

notwithstanding a recent agreement between the UK and the EU on the details of how the Protocol will be implemented.

Many in Northern Ireland and Ireland were eager to maintain an open border to ensure frictionless trade, safeguard the north-south economy and protect the community relations. It is crucial to Northern-Ireland's economic development and prosperity to insure peace in northern-Ireland. Establishing customs checkpoints would pose logistical difficulties, and many people in the border communities worried that any hardening of the border could affect daily travel across the border to work, shop, or visit family and friends.

Some experts argue that access to the EU single market was one reason for Northern Ireland's success in attracting foreign investment since the end of the troubles; on the other hand, they express concerns that Brexit could deter future investment. Post-Brexit, Northern Ireland stands to lose EU regional funding and agriculture aid. (Mix, 2020:20)

Conclusion:

The economic impact of the Brexit on the UK varies from direct foreign investments and the level of the UK economic competition to fisheries. All scholars assert that Brexit has an obvious bad economic effect on the UK. Although the referendum called for economic – and political – sovereignty, the cost of the Brexit will be paid in the future of economic relations between the UK and the EU and between the UK and the rest of the world.

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