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Dedication

We dedicate this humble work to our beloved people who meant and continue to mean so much to us especially my best friend Hafed.

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To Romaiassa's best friends Fatima, Theldja and Khawla and her sisters Kenza, Amira, Dounia, Alia, Abir and Chaima.

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List of Acronyms

Acronyms	Definitions
CAP	Common Agricultural Policy
EAEC	European Atomic Energy Community
ECSC	European Coal and Steel Community
EEC	European Economic Community
EFTA	European Free Trade Association
EDC	European Defense Community
FDI	Foreign Direct Investments
NATO	The North Atlantic Treaty Organization
WTO	The World Trade Organization

Abstract

Brexit is one of the most important issues in the history of both the European Union and Great Britain. When Britain decided to withdraw from Europe, it realized that this decision would affect both sides, especially since Britain is one of the biggest influences on the European Union. On the one hand, Britain is well aware that its exit from the union will cost it noticeable losses and regress in all areas, especially as it was relying on the union to make itself a stronger country, especially on the economic level. On the other hand, it sees itself losing many of its relations with great powers such as America and China, which the Union laws do not allow it to establish a partnership with. This factor and other factors made Britain choose another alternative. Moreover, the high level of complexity in this decision and its procedures, expectations and concerns caused two successive Prime Ministers to resign from their posts in London. This research aims to analyze and evaluate how the United Kingdom entered the Union, the origins of Article 50 of Brexit, and the impact of its withdrawal, especially on the economic level. Several different organizations have already published estimates of how Brexit will affect the UK economy in the long run by asking this type of question: “How big would the UK economy be in the future if it left the EU?”. This research found that when Britain was in the Union, its economy was more developed. In addition, it had contributed to the improvement of the European Union greatly. Also, the decision that Britain insisted on, which is to leave the Union, is a fateful and influential decision on Britain and the Union also negatively, as the data presented showed Britain's economy has declined significantly.

ملخص

يعد خروج بريطانيا من الاتحاد الأوروبي من أهم القضايا في تاريخ كل من الاتحاد الأوروبي وبريطانيا العظمى. عندما قررت بريطانيا الانسحاب من أوروبا، أدركت أن هذا القرار سيؤثر على كلا الجانبين خاصة وأن بريطانيا واحدة من أكبر المؤثرين على الاتحاد الأوروبي. من ناحية، بريطانيا تدرك جيدا أن خروجها من الاتحاد سيكلفها خسائر ملحوظة وتراجعا في جميع المجالات، خاصة أنها كانت تعتمد على الاتحاد في جعل نفسها دولة أقوى، خاصة على الصعيد الاقتصادي. من ناحية أخرى، ترى نفسها تفقد الكثير من علاقاتها مع قوى عظمى مثل أمريكا والصين، والتي لا تسمح لها قوانين الاتحاد بإقامة شراكة معها. هذا العامل وعوامل أخرى جعلت بريطانيا تختار بديلا آخر. علاوة على ذلك، فإن المستوى العالي من التعقيد في هذا القرار وإجراءاته وتوقعاته ومخاوفه جعل رئيسي وزراء متتاليين يستقيلان من منصبيهما في لندن. يهدف هذا البحث إلى تحليل وتقييم كيفية دخول المملكة المتحدة في الاتحاد، وأصول المادة 50 من خروج بريطانيا من الاتحاد الأوروبي، وتأثير انسحابها خاصة على المستوى الاقتصادي. وجد هذا البحث أنه عندما كانت بريطانيا في الاتحاد، كان اقتصادها أكثر تطوراً. بالإضافة إلى ذلك، فقد ساهم بشكل كبير في تحسين الاتحاد الأوروبي. كما أن القرار الذي أصرت عليه بريطانيا وهو الانسحاب من الاتحاد هو قرار مصيري ومؤثر على بريطانيا والاتحاد أيضا سلبا، حيث أظهرت البيانات المقدمة تراجع الاقتصاد البريطاني بشكل كبير.

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Introduction

Europe has always wanted to bring its countries together under one law based on peace, freedom and cooperation, especially in the economic field, because it has realized that conflicts and wars will lead to dispersion and then to a decline in its economic growth. Europe dreamed of forming a union that would include its powerful states, on top of which Great Britain. When Britain submitted its first application to join the Union, it found itself rejected by France, which is also among the most powerful states of the Union.

When Britain joined the Union officially, it also participated in the development of the Union's economy and it was considered as fundamental pillar in the EU. Moreover, Britain's accession to the union created competition among other states. After the UK EU membership referendum held on 23 June 2016, in which a majority voted to leave the European Union, the United Kingdom experienced political and economic upsets, with spill over effects across the rest of the European Union and the wider world. The economic effects of Brexit were a major area of debate during and after the referendum on UK membership of the European Union. There is a broad consensus among economists that Brexit will likely reduce the real per-capita income level in the UK.¹ Supporters for remaining in the EU, including the UK treasury, argue that being in the EU has a strong positive effect on trade (Redwood). Supporters for withdrawal from the EU have argued that the cessation of net contributions to the EU would allow for some cuts to taxes or increase in government spending.

Alistair Jones in his book entitled "*Britain and the European Union*" talks about the most important stages that Europe has gone through, even to take it between its states to form the so-called European Union; in addition to the most important treaties concluded by the six European countries, including the Treaty of Rome, which Europe considered the pillar of

building the European Union. He also spoke about Britain's reluctance to join the European Union and the reasons for this reluctance, in addition to the rejection Britain received from France regarding its request to enter the European Union.

In an article entitled "*The historical development of European integration*", the European Parliament claims that the Treaty of Rome had an important role in achieving integration between European countries. He also added that the Maastricht Treaty is among the pillars as well, as it focused on working to achieve a partnership between the countries of the Union and among foreign countries as well in addition to working to achieve security in the Union and with other countries.

Lászlo Andor et al. in their book entitled "*Brexit the Politics of a Bad Idea*", tackled many features that means much relation to Brexit, such as Lisbon Treaty, and the expected situations that the United Kingdom might be through. John Van Reenen in his book entitled "*Brexit2016 .Policy Analysis from the Centre of Economic Performance*", dealt with the scenarios that may economically happen after the Brexit. Based his hypothesis on official statistics and on the way how Britain would quit the European Union; he could approximately measure the economic impact of Brexit on the different aspects of economy, giving both assumptions weather they are optimistic or pessimistic.

In order to conduct this research that aims to examine the impact of Brexit on UK's economy, we will use a combination between the historical and the qualitative approaches. The historical approach will be used in order to explore the main historical events that led to the Brexit. The qualitative approach will also be used in order to provide a deep explanation about the impact that Great Britain will have after the Brexit.

The current dissertation is divided to three chapters. Chapter one explains the most important stages that Europe went through to become the so-called European Union, in addition to the events that Britain went through until it formally joined the European Union

after the conflicts that occurred to it with France. The research will also describe how Britain contributed to raising the level of trade in Europe.

Chapter two describes the most important reasons that made Britain decide to join the Union and it will also explain Britain's decision to leave the Union, which was described as a historic event. It will describe the most important reasons that made Britain decide to join the union, and explain Britain's decision to leave the union, which was described as a historical event. Then, she will explain the referendum that took place after Britain's decision to leave, which was held in June, and where its result was in favor of Britain to leave.

Chapter three sheds the light on the problems that Britain will face after the exit as it has become an independent country from the Union and the effects this decision will have on British trade and the problem of refugees and immigrants because it will affect its economy negatively.

CHAPTER ONE

The UK's Membership in the EU and its Effects

Introduction

The idea of forming a European Union did not emerge suddenly. It was a result of many steps that took a long time to be put into practice. After the events of the first and the Second World War and the conflict between Germany and France that was the hurt of the war and later Luxembourg, Belgium, and Netherlands. Thus, both Britain and Russia also had found themselves another members involved in the war. From that, Europe recognized that unifying Europe must not be through a form of force, however; by plans and organizations that can unify its countries under one Flag, System, Common Market and Currency. From here the idea of unity is a necessity appeared.

This chapter deals with the history of the European Union and its basis. It deals also with the main stages including the important treaties that Europe went through to become the European Union. In addition, it deals with how Great Britain decided to join the EU and under which circumstances? How did the UK benefited from its joining to the EEC and how it benefited the EU? And why France did not welcome the idea of Britain joining the Union?

1. Definition of the European Union

The European Union is an association of partnership that includes 27 member states which agreed to work as one unit. The unified countries aimed at strengthening three main policies security, economy and social. On November 1, 1993, the Maastricht treaty was the starting point that brought together these European states as it aimed to unit its countries starting from working under one currency (Gabel).

The European Union has won the Nobel peace prize for its efforts to promote peace and democracy in Europe, in the midst of the Union's biggest crisis since its creation in the

1950s. For over six decades, it contributed to the advancement of peace and reconciliation, democracy and human rights in Europe (Parker).

It believed that if their countries unit and focus on cooperation among themselves, especially in the economic field, then it would eliminate the conflicts that were taking place especially during the two world wars. In 1958, the European Economic Community was created; it was the starting point that created later what is known as the European Union. The Union was made by six countries: Belgium, Germany, France, Italy, Luxembourg and the Netherlands (European Commission).

For a country to join the EU, it needs to meet three criteria: political, with stable institutions underpinning democracy; economic, with a functioning market economy; and legal, with the acceptance of EU law and practice. Freedom of movement is one of the major principles of the EU's common market - and one of the more contentious, with fears over immigration feeding into a populist backlash. However, it is worth remembering that in the EU today over 500 million people enjoy the right to live, study or work in any of the EU's 28 member states. Around 14 million EU citizens live in a different country, according to statistics from 2014. The big question is: has the European Union been a success? Europe's ambitious postwar project is considered by some to have been a triumph, ensuring peace and steadying economies across the continent – yet it is decried by others as a bureaucratic nightmare. Written ahead of the confirmation that Brexit will go ahead on 31 January 2020, eight experts assess the achievements and failings of the EU (Parker).

The EU has mostly been a success. The European Economic Community, formed in 1957, aimed to foster economic cooperation between members. The main tool proposed for this purpose was a common market in which there would be free movement of goods, services, capital and people. Despite this economic focus, at that time European integration already entailed a political purpose: “to lay the foundations of an ever-closer union among the

peoples of Europe”. This aim for political integration between European states, but also between their peoples, was taken to a new level in the Treaty on European Union, signed in Maastricht in 1992 (Parker).

The EU has been a success in ensuring cooperation between its member states. Its institutions facilitate diplomatic negotiations in a rule-based and efficient manner. The high intensity of this exchange is unprecedented in international affairs. Nevertheless, the EU can make decisions and shape policies only if it has the required authority, and if member states agree. The EU has been less successful in fostering integration between European peoples. The first objective set out in the 1992 Maastricht Treaty was “to promote economic and social progress which is balanced and sustainable”, but European economic growth has been disappointing and unbalanced. The integration of new states and the adoption of the euro exacerbated political and economic problems, and led to social unrest (Parker).

The 2008 financial crisis led to a redefinition of the EU goals. Austerities, bailouts of banks, and direct economic interventions in member states have been implemented in the past decade, prioritizing economic performance over social justice. In this context of crisis, the EU values of equality and solidarity have also been challenged by the rise of the nationalist right and the growth of xenophobia all over Europe. This threat, of which Brexit is just one manifestation, is a real menace because it undermines some of the main principles of the common European project (Parker).

2. The History of the European Union

The idea of creating the European Union came after many series of events. After World War II and the conflict between France and Germany, Europe wanted to guarantee that its countries will leave in peace. In 1951, European countries focused on working in the economic, political and the social side (Gabel).

2.1. The European Coal and Steel Community (ECSC)

After the damage caused by both the First and Second World Wars, Europe assumed that if it united its countries, its power would appear. In 1951, six countries including France, Italy, Germany, Netherland, Belgium and Luxembourg started working together in order to control the production of steel and coal. The plan was lead Jean Monnet as a way to stop the war between France and Germany and to reconcile between them. The community was the first real successive integration that gave Europe the hope to carry on its plans (Jones 11).

Monnet made a smart plan aiming at strengthening the economy of both France and Germany and making them work together .The French Prime Minister Robert Shuman helped Monnet in his plan by giving it “the political weight” and they received the financial support from America. After the success of the ECSC another plan was proposed, it was called the European Defense Community (EDC); the plan aimed at strengthening the military force between the European countries and unifying their arms but the plan failed to be out into action (Jones 12).

2.2 From ECSC to EEC

The failure of the European Defense Community made Europe searching for new integrations in order to carry on its plans. The representatives of the six countries met in Italy “Rome” in order to discuss the future integration of Europe, the results of this meeting were two organizations of two communities; the European Atomic Energy Community (EAEC) and the European Economic Community (EEC). After the EDC, the main achievements of the treaty of Rome was the EEC; because it was able to create a common market for the European countries and it Improved and approximated the relationships between the European countries. On the Other hand, the EAEC main aim was to accelerate the growth of nuclear industries. In 1967, the three communities; (the ECSC, EEC and the EAEC) would form one community called the European Community (European Parliament 4-5-6).

2.3. The Maastricht Treaty 1992

The treaty was named also “The treaty on European Union”. It was the responsible for the creation of the European Union. After many debates the treaty was signed by on February 7, 1992 by twelve states (France, Italy, Belgium, Luxembourg, Denmark, Netherlands, Portugal, West Germany, Ireland, Greece, United Kingdom, Spain and Portugal). The treaty made the citizens enjoy many opportunities and it unified the European states under one economic system including the currency (Kenton).

The main aim of the Maastricht treaty was to force the integration between the European states especially at the economic and the political level, the treaty also aimed at creating “an International Organizations” and making an international exchanges and commercial transactions between the twelve states. Another goal of the treaty was to achieve a “shared sovereignty” between the states of the Union and each time the name changes, but always indicates cooperation and common sovereignty (Moltke 1).

3. How Did the UK Decide to Join the EU?

Britain’s position towards the European Union was clear from the beginning. It is a fact that the idea of forming the union was proposed by the British Prime Minister Winston Churchill but he had never intended to be a part from it. Dan Cross claims that Churchill’s famous quote “We are with Europe, but not of it” means that the UK was an “indirect” participating member but not a part of the Union.

In 1961, the British Prime Minister Harold Macmillan submitted the first request for joining the EEC. At that time, Britain experienced a slowdown in its economic growth; so it recognized that joining the EEC will serve its interests and may restore its position among the European countries and in the world. On 28 February 1962, Britain submitted another request in order to join the ECSC and the EURATOM and it had been welcomed by the states of the Union (Lekl2).

In 1955, The Massena conference was held under supervision of Paul-Henry Spaak in order to assess the extent of the development the ECSC. He was the first who suggested the idea of creating a common market; the meeting had a great impact because it gave the starting points for the Treaty of Rome (1957). At that time, Britain was invited to be a part from the conference and with its evaluation of the extent of success; it hinted that it might join the ECSC (Jones 13-14).

Britain made its first step as the foundation of the European Free Trade Association (EFTA) when it joined the EEC in 1960; main aim of the association was to develop the free trade. At that time, Europe was focusing on developing the agricultural sector, while Britain was focusing on trade, and for this reason, the proposed British idea did not receive much welcome and attention (Jones 13-14).

The French President de Gaulle did not welcome the idea of Britain's joining the Union because he thought that Britain's accession would mean an indirect interference by the United States of America in the affairs of the Union also as it is Britain's ally. He provided reasons for not welcoming this idea. Using the events of 1956 when Britain canceled the Suez Canal project by American order (Jones 13-14). Another event was its cancellation of the Blue Streak project by the US's order. However this was not the case of the other members of the EEC, the idea was very welcomed and accepted but at that time the UK did not join the Union yet (Jones 15).

During the presidency of de Gaulle, the idea of accepting Britain as a new member of the Union was never welcomed until his term ended. With the advent of the new president Georges Pompidou the conflict ended and he accepted Britain to be a part of the Union after submitting three requests to join the Union. The first was in application was in 1961 and the second one was in 1967 and both were vetoed by the French president de Gaulle (Jones 15).

4. The Growth Effects of EU Membership for the UK

Some statistics have shown that Britain's entry into the European Union has benefited both parties, on the one hand we find a development and growth in British income, and on the other hand, the Union has benefited from Britain's presence since it created a competition between the states. The presence of Britain contributed to an increase in the production rate and some statistics made by Baier et al. (2008) and presented by Feyrer (2009) have confirmed that the European Union is credited with raising the level of British trade by 21 per cent. In addition, another analyses made by Straathof et al. (2008) also adds that the The European single market contributed in raising the commercial level and with satisfactory rates (qtd. in Crafts 6).

The European Union has affected Britain greatly. It is known that in Britain the Parliament's decision is final, and irreversible, but with its joining to the EEC in 1973 we find that sometimes the decisions became directed to the Union to be governed so that Parliament here is no longer the ruler. However, this does not mean that Britain's decisions have been put in the margin. UK is an important part of the EU but if it exceeded the general European law, it would be tried like any other country. One of the well-known examples was the "Factortame case" This means that in the European Union, decisions are made by the Union itself, and no state is allowed to take a decision on its own (Jones 82-83).

1. Common Policies of the European Union

The Treaty of Rome has ended with many important decisions, including the establishment of some policies aimed at achieving stability in the European market and developing the agricultural aspect in addition to the protection of products. These policies have affected Britain greatly, some of which have benefited it and some have affected its production significantly.

3.1. The Common Agricultural Policy

The idea of creating the policy was first in the Treaty of Rome (1957), the policy's main aim was to achieve a stability on the agricultural side and to strengthen the agricultural sector by establishing a partnership between the members of the union, as it aims to encourage the workforce and individual income. The policy started to appear in January 1962 by the six member states. The success of the policy is linked to the achievement of a unified agricultural market among the six countries (Jones 58- 59).

This policy is the oldest of all policies, as it was formed in order to preserve agricultural produce and work to increase it, in addition to working to control the prices of various agricultural products for consumers. Among the benefits provided by the CAP is that it has achieved European self-sufficiency and made the Union's imports much less than its exports (Indre and Pantzer) For Britain, the policy seems controversial because compared to what it contributes to Britain's Cape, what it gets is much less. "When Britain joined the EEC in 1973, the CAP took up around 90 per cent of the budget" (Jones 61).

3.2. The Common Fisheries Policy

The Union did not pay much attention to this policy because it did not contribute significantly to local production as it was expected by the Common Fisheries Policy (only 1%). The policy started in 1983. The policy focuses more on developing fishing, which is a very important source of food for Britain as well and to protect the fish from overfishing. It was expected that this policy would succeed and bring in a lot of money as the Common Agricultural Policy. On the contrary, it did not succeed in achieving the expected profits. This policy had great advantage in resolving disputes that existed between some countries over the problem of fishing in European waters such as Spain and its dispute with Britain and France (Jones 64-65).

This policy has been described as a "disastrous fishing policy", which means that it has been rejected and criticized by many European Union countries. Some states believe that this

policy lacks credibility. On the other hand, we find that this policy has been welcomed by foreign countries, as many countries adopt this policy because they see it as the most appropriate solution to reduce overfishing (Carpenter).

For Britain, this policy has caused great damage on the industrial level because it restricted the working times of its boats and also affected the fishing rate by 65%. In 2005, Britain witnessed a remarkable decline in some fish that it used as food, such as herring and cod, by 15 percent. It also recorded another decline of 13% for another type of fish. A difference appeared between the statistics provided by the Union and Britain about the amount of fishing stocks. On the one hand, the Union presented its statistics, which showed that fishing stocks of some types of fish are decreasing, and on the other hand, Britain sees that the stocks are increasing. From here, we find that Britain has called for the abolition of this policy (Jones 67).

3.3 Competition Policy and Trade Policy

The policy protects competing companies from distortion as it goes back to both Treaty of Rome and Treaty of Paris. Jones claims that the Policy has a relation with another policy “the Common Commercial Policy”; both policies focus on forming one unified trade between the companies by creating a single market. In addition, the policy is not limited to the countries of the Union only, but also includes foreign countries that are not within the Union (Jones 68). As for Britain, it encourages this policy because it believes that free competition will bring many benefits to the union, especially if the competition is “fair” (Jones 70).

3.4 The Common Foreign and Security Policy

This policy creates a unified foreign policy in addition to providing security between the union members. The policy has received wide welcome and attention. As for France, it thinks that this policy may make the union a superpower like the power of the United States of America. The policy has supporters as it has opponents ; the first side claims that since this

policy is unified, this makes the union a voice and a place in the world and the second part claims that that this policy leads the Union alone, meaning that it may rid the Union of its subordination with the states (James 1-2).

For Britain, it did not receive a welcome for this policy, but rather fears its development. Britain thinks that the development of this policy may make the European army so powerful that it might control Britain in its own right (Jones72). Whenever Britain feels that it will lose its power in the union and in the world, we find that it does not welcome such Policies.

4. Institutions of the European Union

The institutions of the European Union have greatly contributed to its development, but some countries have not welcomed such institutions. Britain was also supportive of these institutions because it was finding that they would serve the interests of the European Union, especially if it focused on the economic side, and at other times it thought that if these institutions developed, they would affect Britain's power.

4.1. The Commission

The European Union considers the Commission as the executive authority and the decision maker, which made the British press criticize this institute for fear of its control over Britain. The idea of establishing the commission goes back to the Treaty of Rome. The Commission's role lies in implementing and administering laws, as it is the one who sets decisions. This commission has received nothing but rejection in various terms from the British press because it considers it as an animal in control of everything, including Britain itself (Jones 29).

4.2. The European Ombudsman1995

The establishment of the European Ombudsman goes back to the Treaty of Rome. The institution served as a link between the people and the Union because it was responsible for

receiving various complaints and protecting the human rights. Among the rights of the Ombudsman is its ability to conduct its own investigations without submitting any request unlike the Court of Justice. For Great Britain, it welcomed the idea of establishing the Ombudsman from the beginning (Jones 50-51).

4.3. The Council of Ministers

This body has a high profile as the decision-maker in the European Union. The Council of Ministers consists of several councils that study different sectors such as agriculture and it shares its duties with another body called Committee of Permanent Representatives (COPEPER). With regard to the presidency of the Council of Ministers, every six months it is headed by a country of the Union, which means that the presidency of the Council is rotating. As for Britain, it took over the presidency of the Council for several times, first in 1998 and again in 2005 when it wanted to include Turkey in the European Union and also in 2017, and the council's rule is still rotating (Jones 35-36).

Conclusion

The idea of unifying European countries was not only aimed at ensuring peace and avoiding wars, but unification was also aimed at strengthening Europe's economy and making it a world dominant country, especially with the accession of Britain. The UK was initially hesitant about whether it should join the Union or not, and after its accession, we find that it has become a strong country, especially in the economic field, as the Union considered it a basic pillar.

Recently Britain suddenly decided to abandon the union. Perhaps the greatest uncertainty associated with leaving the EU is that no country has ever done it before, so no one can predict the exact result. Many questions will shape MPs' and the public's opinions about the merits of the Brexit deal and the political declaration on the future relationship, one of which is the impact they will have on the economy. It is therefore very important that

politicians and the public understand what is and is not known about how Brexit might affect the UK economy.

Chapter Two

The Withdrawal of Britain from the European Union

Introduction

Britain has always been one of the most important and influencing members in the European Union. Recently, a great controversy has arisen about the problem of immigration between the UK and states of the EU. On one hand, Great Britain believes that it can stand on its own and that it does not need immigrants, on the other hand, the EU holds that Britain should allow free immigration because it needs labor. It holds that the decision will harm the Britain's economy. The disagreements lead Britain to prepare for a historic decision, which is called the "Brexit".

This chapter aims at spotting the light at the supposed situation of Great Britain after the withdrawal with the European Union especially at the economic level. In addition, it aims at analyzing to what extent the UK and the EU's economy will be affected after Brexit, and then offering more explanation about the UK's relation with its neighbors.

1. Definition of "Brexit"

The term Brexit composed of two terms "British and exit"; the term is related to June 23, 2016 when Britain voted with the majority for its leaving from the EU. The decision was not expected, and therefore caused a sensation, especially in the global market. Boris Johnson strongly supported this idea, and called for a speedy implementation of this decision the rate of the third vote that he held in 12 December 2019 was high in favor of leaving the union "364 seats out of 650 seats" (Kenton).

Brexit is a compound word of "Britain" and "exit". It was derived by analogy from Grexit, referring to a hypothetical withdrawal of Greece from the Eurozone (and possibly also

the EU). The term *Brexit* may have first been used in reference to a possible UK withdrawal from the EU by Peter Wilding in an Erective blog post on 15 May 2012 (Tempest).

2. The Reasons Behind UK Leaving EU

History showed that Britain has always maintained a distance from the rest of Europe, even after joining a union to reunite the old continent. The accession came late after the initial rejection. When the European Union was founded in 1957 as an economic bloc, Britain at the time refrained from reserving a place within it, and changed its position only in 1973. After 16 years, and despite the delay of the resolution, it was soon marred by a crisis of confidence that led to the first Brexit referendum, only two years after the European title, but then the supporters of the vote stood at 67% of the vote (David 173).

The results of the old referendum did not extinguish the desire to secede from the European Union. But it remained for decades after the present in the conscience of Britain, as evidenced by the refusal of London to join the euro area and the adoption of the single European currency, and clinging to the national currency, In the Schengen agreement or the open border area between Europe (David 173).

Currently, the Brexit 2 referendum on the British, led by challenges the EU has undergone since the global financial crisis that generated the Eurozone crisis, the refugee crisis and European confusion in dealing with it, the view is that they are a little more or less than half the people. The European Centre for Reform went to the London-based think tank to emphasize that the refugee crisis had worsened as the Union had shown itself to be out of control, especially as it remained an "unfinished" project because of the permanent expansion of its membership (Andor 8).

Brexit supporters are playing the cultural chord threatened with the disappearance of British identity and privacy. If the EU remains "locked" in reference to immigration, every year Britain receives nearly one million new arrivals, according to British media who calls for

the "independence" of Britain from Europe. However, it seems that the economic concerns of the advocates of survival, this time was unable to restore the sword of separation to the sheath again (Andor 8).

Britain used to lead the world, was not comfortable in a union with the highest word for Germany. This was evident when Germany forced the EU countries to accept the Syrians and pushed the EU to sign an agreement with Turkey. It was national sentiment that drove the British to secede. It is clear that the older people who have witnessed the era of the Empire's fall are the majority of those who voted for the exit. Nevertheless, Britain's economy will be greatly damaged without any doubt, especially in terms of trade with the EU countries. However, it seems that the British are willing to pay the price in return for not obeying orders from Germany (Andor 8).

2.1. Callings for 2016's Referendum

Thursday 2016 is considered a historic day, the day in which the referendum was held on whether the United Kingdom will remain in the union or will it leave it. Some politicians point out that holding the referendum indicates that there is a group that wants Britain to remain in the union, but the result was clear. As the group calling for exit won by 51.9, the decision to return the referendum has always been clear, because the percentage was not sufficient for a decision to be taken (Taylor).

Prime Minister David Cameron rejected calls for a referendum on the UK's EU membership in 2012, but suggested the possibility of a future referendum to gauge public support. According to the BBC "The prime minister acknowledged the need to ensure the UK's position within the European Union had 'the full-hearted support of the British people'" but they needed to show 'tactical and strategic patience. Indeed, under pressure from many of his MPs, Cameron announced that a Conservative government would hold on in-out

referendum on EU membership before the end of 2017, on a renegotiated package, if elected in 2015 (Andor 10).

The Conservative Party unexpectedly won the 2015 general election with a majority. Soon afterwards, the European Union referendum Act 2015 was introduced into Parliament to enable the referendum. Cameron favoured remaining in a reformed European Union and sought to renegotiate on four key points: protection of the single market for non-Eurozone countries, reduction of "red tape", exempting Britain from "ever-closer union", and restricting EU immigration (Andor 10).

The outcome of the renegotiations was announced in February 2016. Some limits to in-work benefits for new EU immigrants were agreed, but before they could be applied, a country such as the UK would have to get permission from the European Commission and then from the European Council. Furthermore, in a speech to the House of Commons on 22 February 2016, Cameron announced a referendum date of 23 June 2016 and commented on the renegotiation settlement Cameron spoke of an intention to trigger the Article 50 process immediately following a leave vote and of the two-year time period to negotiate the arrangements for exit (Andor 10).

The official campaign group for leaving the EU was Vote leave; other major campaign groups included leave EU Grassroots Out, Get Britain OUT and better off out. The official campaign remained at the EU, chaired by Stuart Rose, was known as Britain Stronger in Europe, or informally as *Remain*. Other campaigns supporting remaining in the EU included Conservatives in Labour in for Britain, IN together, Greens for a Better Europe, Scientists for EU, Environmentalists for Europe, Universities for Europe, and Another Europe is Possible (Andor 10).

2.2. The Referendum Results

On June 2016 was a fateful date in the history of Britain, a referendum was held on Britain's exit from the Union and Britain voted 50% on its exit. 29 March 2017 was the official withdrawal (“Preparing for Brexit” 5). The results of the referendum were for the Brexit (51, 9 per cent) and both of North Ireland and Scotland had contributed to raise the percentage of votes in favor of the Brexit. England (53, 4%), Wales (52, 5%), North Ireland (44, 2%), and Scotland (38, 0%), the results were announced on the morning of 24 June. However, a calling for a second referendum attracted more than four million signatures, but was rejected by the government on 9 July (Kenton).

2.2.1. Procedures after Referendum

Brexit has become official. The United Kingdom will be the first to leave the European Union, which includes 28 countries. The chapter can be messy and difficult; it may take at least two years or maybe more. First, the United Kingdom will apply Article 50 of the Treaty on the European Union, which defines the process of leaving a country for the Union. It is composed of only five sections, but this information is the key to the future of the UK, and how both parties interpret, the information will make a big difference (Elvis Piccardo).

The alarm bells are ringing. The referendum and Brexit are on a knife-edge. Without much stronger leadership in favour of our EU membership, the Leavers could end up winning the day. They are playing the emotional cards so much better than the Remainers. However, the Brexiteers make a gut, emotional appeal that Brexit is the chance to ‘take back control’ of the future of Britain. Moreover, The Leavers have a strong and committed base of support among older voters, the most likely group to go to the polls. Their campaign relies on the endless repetition of half-truths and distortions: yet it comes across as conveying energy, conviction and passion (Piccardo).

The fact that the Leavers’ thin arguments are treated as seriously as they are reflects poorly on the quality of the national debate. Indeed, the European Union has brought

investment, jobs and protection for workers, consumers and the environment, and offers the best chance of meeting the challenges they face in the 21st century. Labour is convinced that a vote to remain is in the best interests of the people of this country. When Article 50 is applied, negotiations on trade deals and treaties begin; they discuss everything from immigration to financial markets to support agriculture and fishing. Each State will have its own address on each subject (Piccardo).

Negotiations will be complicated; besides, British Prime Minister David Cameron announced his intention to resign after most Britons vote for their country's exit from the European Union, saying Britain needed new leaders. Although, Cameron told a news conference Friday (June 24th) that The British voted in favour of getting out of the EU and their will must be respected. The British prime minister indicated the appointment of a new prime minister before the annual Conservative Party congress in October, adding that the new prime minister should begin negotiations on conditions for Britain's exit from the European Union. Cameron said negotiations should include the authorities of Scotland, Wales and Northern Ireland to take into account the interests of all parts of the UK in this process (Piccardo).

British politicians have called on Prime Minister David Cameron to leave after Britain's vote for exit from the European Union, while Philip Hammond confirmed that Cameron would not resign. However, British Prime Minister David Cameron called for resigning after a majority vote by British Prime Minister Nigel Farage for independence from the European Union. Told that the prime minister must resign, Farage told reporters on Friday (June 24th), and Boris Johnson must compete for the leadership of the Conservative Party. British Prime Minister David Cameron called for staying in the European Union, while former London mayor Boris Johnson and Justice Minister Michael Goff led a "voice for exit"

campaign and Faraj led his own campaign for Britain's exit from the European Union (Piccardo).

A number of British Labour MPs also called for Cameron's resignation from his post, MP John Mann said that David Cameron was yesterday a lame duck and now he has become a dead duck. On the other hand, 80 opposition lawmakers called on the European Union to stay in office, whatever the results of the referendum on Britain's membership in the European Union. The other side, foreign Secretary Philip Hammond said that Cameron had clearly indicated that he intended to remain in office despite the results of the vote in the referendum, saying the country now needed a sense of stability and continuity (Piccardo).

2.2.2. The Final Outcomes

The final outcomes of the UK referendum, announced Friday (June 24th), showed the EU's exit camp winning 51.9 percent, against 48.1 percent in favour of survival. As a result, the UK has only two years to negotiate its exit, after which it can be kicked off informally outside the European Union, unless all members agree to extend the deadline. Furthermore, Britain's departure has raised new fears of more fractures in Europe. Scotland has suggested it can call for a vote of independence, so it can join the European Union. In fact, the only sure thing about leaving Britain is that no one knows exactly what will happen. The United Kingdom will sail in uncharted water (Piccardo).

3. The Lisbon Treaty

On 19 October 2007, EU leaders in the Portuguese capital Lisbon approved a treaty aimed at reforming EU institutions and decision-making, replacing the European Constitution, which was rejected by France and the Netherlands in 2005. However, The Heads of State of the European Union and its 27 Governments or their representatives signed the reform treaty, to be ratified in each European country. The Lisbon Treaty states that extensive rights of parliaments of Member States, and common policies in the fields of energy, fuel and heat-

related issues. Giving the European Union's foreign policy coordinator broader powers than it is now, a two-and-a-half-year European Union would be in charge of the European Union, replacing the presidency with a half-year rotation (Andor 37).

The significant purpose was to create a long-term president for the European Council and to promote a common defence agreement; European countries have obtained special privileges through the Treaty, with Bulgaria guaranteeing the right to write the European currency in its own language, and Italy gaining an additional seat in the European Parliament. In June 2008, the Irish rejected the Lisbon Treaty of 53.4% against 46.6% before agreeing in a referendum in late 2009. It was hoped that the treaty would enter into force by January 2009, but was delayed until 1 December of the same year as it entered into force (Andor 37).

Despite the existence of Article 50 which represents a general legal framework for the arrangement of separation between the European Union and one of its members. The lack of practical application before raises many questions about the negotiations required to determine a new relationship between the Union and Britain, which decided to leave by a popular vote of nearly 52% Four decades during which overlapping and complex relations between the two parties. For example, should this new relationship be defined since the withdrawal agreement? Should negotiations be conducted on two separate tracks? While the second option seemed more likely, London would have to amend its national legislation to find alternatives to the many texts resulting from its previous participation in the European Union, particularly in the area of financial services (Andor 38).

Not only many observers believe that a new trade relationship between Britain and the EU will take longer, but also fear that the complexity of the arrangement of these relations, which will disrupt the files of the economy and European affairs at various levels. Consequently, both in Britain and in the Union want a quick separation between the two parties in two years or less, the British government said in a study it submitted to its

parliament in February 2016 that will be reflected on the financial markets as well as the value of the pound sterling (Andor 38). “It is likely to take a long time, first to negotiate our withdrawal from the Union, Then on our future arrangements with the Union, and finally our trade agreements with non-EU countries” (Fraser). The study speculated for a period of up to a decade of uncertainty.

British Prime Minister David Cameron announced that he would resign by October 2016. His likely successor, Boris Johnson, as the Conservative Party chairman, will announce to the EU that Britain will withdraw under Article 50 of the Lisbon Treaty. This would mean the beginning of the two-year period set by Article 50, but Johnson stressed that he saw no reason to start the process and that there was no need for short-term change (Andor 39).

On the post-British scenario, observers point out that the easiest scenario is to join Iceland or Norway as a member of the European Economic Space, which will give it access to the domestic market. Nevertheless, London will have to respect the rules of this binding market without being involved in its formulation, and will have to pay a substantial financial contribution. Either for London is to follow the Swiss model of relations with the Union, to conclude a free trade agreement between them, or to establish a customs union with it, as Turkey did (Andor 40).

The two sides should negotiate on the status of some 2 million Britons residing and working in EU countries, in particular their rights to retirement and access to health services in these countries. The British government says negotiations on these rights will be based on reciprocity for EU nationals in Britain. As for the European Union, it needs to quickly close a gap of 7 billion Euros in its annual budget of 145 billion Euros until 2020; a date lost the contributions of Britain, which will save from the amounts received by the British from the accounts of the Union. The Union will also need to clarify - as soon as possible - the status of

companies and individuals who use their rights under its membership to trade, work and live on both sides of the new border (Andor 40).

4. Britain Launches Exit Negotiations From EU

Britain officially launched negotiations to end its membership in the European Union, however. British Prime Minister Theresa May signed an official letter to the EU. Britain's Permanent Representative to the Union is to hand letter to the President of the European Council, Donald Tusk, at the headquarters of the European Union in Brussels. "When I sit at the negotiating table in the coming months, I will represent all the people in the UK, young and old, the rich and the poor, and the European citizens who have taken this country as their home," she said. "In view of the opportunities that will be available to us during this journey that will enter memory, our common values, interests and aspirations can and should unite us," she said, stressing that she wants Britain to be a "safe country for our children and grandchildren." (Fraser). She added also, "We all want to live in Britain that is truly global and comes out and builds relationships with her old friends and new allies around the world." (Fraser).

According to Theresa May that appears as she signs the letter of activation of article 50 of the Lisbon Treaty, after presiding over a cabinet meeting and May will then address the parliament at about the same time as the speech. In addition, the British prime minister attached the picture with excerpts from the speech to be delivered by the prime minister to parliament ("Brexit EU Spells out Procedure").

5. Britain's Situation After Brexit

There are many opinions about what will happen after Britain leaves the European Union. There are those who believe that the withdrawal will affect the Kingdom more than it affects the Union. Some argue that since Britain will leave the union, it will lose some of its most important leaders, and therefore it is difficult for the union to rebuild itself again. Some believe that this event will lead to three challenges for the European Union ("Europe without Britain").

The first difficulty is how the union will deal with the situation because it has never encountered such an event, The negotiation does not depend on only two parties, but will include all countries of the Union for further negotiations. Second, we find that the union will find it difficult to ensure the continuity of cooperation between its countries because Britain was among the greatest countries of the union and its exit may lead to a destabilization of the union's strength. The third obstacle revolves around the union's relationship with the kingdom after the exit, because, according to Article 50, in the event of the exit, there will still be relations and transactions between the two parties (Andor 5-6).

Conclusion

A vote in favour of Brexit fired the starting gun on a two-year renegotiation of the UK's place in Europe and the world. If the UK opts to cut ties with the rest of Europe, this renegotiation could fundamentally change the political, economic and legal foundations of UK life that have built up since the country joined the EU in 1973. Alternatively, if the UK chooses to remain part of the EEA, the economic and legal changes would be much smaller.

During the renegotiation, the UK would face an unavoidable trade-off between economic benefits and political sovereignty. The UK benefits from closer economic integration with the EU, but the price for this integration is allowing the EU control over some areas of policy. Leaving the EU will not free the UK from this fundamental trade-off.

At present, there is no consensus within the government or the public over what should follow Brexit. This reflects the fact that all of the alternatives to EU membership have their own drawbacks and can impose costs on the UK economy. To make an informed decision about the merits of Brexit, voters need to know as much as possible about what Brexit would mean.

Neither the Conservative government nor the Labour opposition have released proposals for the UK's future that the country votes to leave the EU. Just as the parties put

forward policy manifestos in the run-up to an election, they should publish their plans for a post-Brexit world before the referendum, and the questions that we have to rise is what is the consequences and the impact of the Brexit.

Chapter Three

Different Economic effects on UK after Brexit

Introduction

To be economically damaged from Brexit is unfortunately unpreventable for the UK. However it is not impossible to reduce this damage if they do it on the Norway or Switzerland's way; this means that they remain in the European Economic Area. But it means also that they are obliged to keep paying most of what they are currently do, and to implement the majority of the Single Market rules without having any voting rights on what these rules are. Moreover, the most important factor, which would make this option far from the UK's ambitions, is that they might be forced to allow free EU migration, while immigration was the most dominant factor that was discussed during the referendum debates and negotiations.

This chapter shows that EU immigration has benefited the UK. First, access to the Single Market "buys" a big increase in real wages through higher productivity. Second, because EU immigrants are more likely to be in work and are younger and better educated than the British born, they pay more in tax than they take out in welfare. Moreover, people born in the UK who live in areas of the country that have had big influxes of EU migrants have not suffered lower wages or job opportunities. The only group, which seems to have a very small loss of wages from immigration, are unskilled migrants.

To sum up, the impact of Brexit will take place of proud not only in the British history, but also in the history of the entire world, because of Brexit's consequences. This chapter is going to talk about the Impact of Brexit: What are the UK's options outside the European Union?, in addition, the impact of Brexit on UK trade, living standards, foreign investment, immigration, and on the UK Refugees.

1. Trade and living standards

The European Union (EU) is the UK's biggest exchange accomplice. Around a half of the UK's exchange is with the EU. However, EU participation decreases exchange costs between the UK and the EU. This makes products and enterprises less expensive for UK shoppers and enables UK organizations to fare more. Notwithstanding, leaving the EU ('Brexit') would bring down exchange between the UK and the EU because of higher tax and non-tax boundaries to exchange (Tetlow and Stojanovic 23).

The UK would profit less from future market joining inside the EU. The fundamental monetary advantage of leaving the EU would be a lower net commitment to the EU spending plan. The idealistic situation of the impacts of Brexit on exchange and wage is that the UK (like Norway) gets full access to the EU single market. We compute these outcomes in a 1.3% fall in normal UK livelihoods (or £850 per family). In a "critical" situation with bigger increments in exchange costs, Brexit brings down salary by 2.6% (£1,700 per family unit). Additionally, all EU nations lose salary after Brexit. The fall in the UK is £26 billion to £55 billion, about twice as large as the £12 billion to £28 billion pay misfortune in whatever remains of the EU consolidated. Non-EU nations encounter some littler pay picks up (Emmerson et al 12, 17).

Therefore, if the UK singularly expelled every one of its duties on imports from whatever remains of the world after Brexit, UK livelihoods fall by 1% in the idealistic case and 2.3% in the Over the long haul, decreased exchange brings down profitability. Figuring in these impacts considerably expands the expenses of Brexit to lost 6.3% to 9.5% (about £4,200 to £6,400 per household). Moreover, being outside the EU implies that the UK would not consequently profit by future EU exchange manages different nations. This would mean

passing up a major opportunity for the present US and Japanese arrangements, which are estimate to enhance genuine livelihoods by 0.6% (Reenen 6).

After Brexit, the UK would acquire better exchange manages non-EU nations; It would not need to trade off such a great amount with other EU states. However, the UK would lose control as its economy makes up just 18% of the EU's 'single market'. Also, it is hazy whether there are considerable administrative advantages from Brexit. The UK as of now has one of the controlled item and work markets. 'Expensive' funds are as far as anyone knows from annulment of the Sustainable power source System and the Working Time Order both of which get extensive residential political support in the UK. (Reenen6)

2. Investment

The Foreign Direct Investment centers more on the interests and benefits that the company brings from foreign countries. The investments focus on the economic side, in addition to the fact that investors often find them focusing on investing in countries that contain labor. These investments differ in the way they operate, some aim at consolidation and work based on cooperation, and others aim at acquisition, meaning that they aim to benefit on their own (Scott).

Foreign Direct Investment (FDI) raised national efficiency and in this way incomes and wages. Multinational firms acquire better innovative and administrative know-how, which straightforwardly brings yield up in their operations. FDI likewise fortifies local firms to enhance .For instance, through more grounded supply chains and harder rivalry.

Notwithstanding, the UK has a FDI supply of over £1 trillion, about portion of which is from different individuals from the European Union (EU) (Tetlow and Stojanovic 41).

Some portion of the UK's appeal for remote financial specialists is that it conveys simple access to the EU's Single Market. After Brexit, higher exchange costs with the EU would probably discourage FDI. The constructive outcome of EU participation on FDI is

powerful, running in the vicinity of 14% and 38% under various measurable presumptions. The measure of these impacts is additionally reliable with examinations between UK FDI streams and an arrangement of coordinated control nations, in addition to striking an exhaustive exchange bargain. For instance, joining Switzerland in the European Organized commerce Affiliation would not fundamentally lessen the negative impacts of Brexit on FDI (Reenen 8-9).

Assessing the impact of lower FDI on income is complex. Existing macroeconomic estimates of how FDI affects growth combined with a very conservative estimate of the impact of Brexit – a 22% fall in FDI over the next decade. Brexit-induced fall in FDI could cause a 3.4% decline in real income—about £2,200 of GDP per household. The income losses due to lower FDI are larger than our estimates of static losses due to lower trade of 1.3% to 2.6%. Estimates of the impact of Brexit on the UK's car industry imply that UK production would fall by 181,000 cars (12%) and prices would rise by 2.5%. Even if the UK manages a comprehensive trade deal and keeps tariffs at zero, production would fall by 36,000 cars (Reenen, 14).

Surveying the effect of lower FDI on salary is overwhelming. We utilize existing macroeconomic appraisals of how FDI influences development joined with an exceptionally moderate gauge of the effect of Brexit, a 22% fall in FDI throughout the following decade. We ascertain that a Brexit-instigated fall in FDI could bring about a 3.4% decrease in genuine income—about £2,200 of Gross domestic product per family unit. The salary misfortunes because of lower FDI are bigger than our appraisals of static misfortunes because of lower exchange of 1.3% to 2.6%. Estimates of the effect of Brexit on the UK's auto industry infer that UK creation would fall by 181,000 autos (12%) and costs would ascend by 2.5%. Regardless of the possibility that the UK deals with a thorough exchange arrangement and keeps taxes at zero, creation would fall by 36,000 autos (Reenen 16).

The UK's money related administrations industry is the biggest beneficiary of FDI. Limitations on 'single international ID' benefits taking after Brexit would prompt huge cuts in movement. Besides, the UK would be unable to test EU controls at the European Court of Equity. Financially, the outcomes of leaving the EU will rely on upon what arrangements the UK receives taking after Brexit. In any case, bring down exchange because of diminished incorporation with EU nations is probably going to cost the UK economy significantly more than is picked up from lower commitments to the EU spending plan. Notwithstanding putting aside outside speculation, movement and the dynamic results of diminished exchange, we evaluate the impacts of Brexit on exchange and the UK's commitment to the EU spending plan would be comparable to a fall in pay off in the vicinity of 1.3% and 2.6% (£850 to £1,700 per family unit every year). Furthermore, once we incorporate the long-run impacts of Brexit on efficiency, the decrease in wage increments to in the vicinity of 6.3% and 9.5% (about £4,200 to £6,400 per family every year (Reenen 17)).

To put it plainly, the UK will be poorer over the long haul from leaving since UK will exchange less with its nearest neighbours, losing full access to the biggest Single Market on the planet. In addition, UK will have less remote speculation because of these weaker ties. What's more, there will be a huge increment in instability as UK spends numerous agonizing years renegotiating the association with Europe and whatever is left of the world (Reenen 17).

The sum UK spared from paying less of a "section expense" to Brussels is peanuts by correlation with these misfortunes. What's more, the "£350m seven days" is a lie with England's actual net commitment not as much as half of this. Nevertheless, this constitutes just around 0.4% of our national salary, an inconsequential sum contrasted with the evaluated loss of 6% to 9% Brexit prompted loss of national wage. Overall, the monetary torment of Brexit is shared pretty equitably crosswise over families; the poor surely do not get

away, despite the fact that those on centre wages are hit marginally harder than the rich (The Guardian).

3. Brexit's Impact on Immigration to the UK

In the vicinity of 1995 and 2015, the quantity of migrants from other European Union (EU) nations living in the UK tripled from 0.9 million to 3.3 million. In 2015, EU net movement to the UK was 172,000, just barely beneath the figure of 191,000 for non-EU foreigners. Nonetheless, the enormous increment in EU migration in 2015 29% of EU workers were Clean (The Guardian).

Besides, EU settlers are more taught, more youthful, more inclined to be in work and more averse to claim benefits than the UK are conceived. Around 44% have some type of advanced education contrasted and just 23% of the UK are conceived. About 33% of EU workers live in London, contrasted and just 11% of the UK conceived. Besides, many individuals are worried that migration diminishes the compensation and occupation odds of the UK-conceived because of more rivalry for employments (Tetlow and Stojanovic 44).

Along these lines, migrants expended merchandise and ventures and this expanded request makes greater business openings. Foreigners additionally may have aptitudes that supplement UK conceived labourers. As a result, we require exact confirmation to settle the issue of whether the monetary effect of movement is negative or positive for the UK conceived. Despite the fact that the zones of the UK with vast increments in EU movement did not endure more prominent falls in the occupations and pay of UK conceived specialists (Reenen 75-77).

The enormous falls in wages after 2008 are because of the worldwide monetary emergency and a powerless financial recuperation, not to movement, and there is additionally little impact of EU migration on imbalance through lessening the compensation and occupations of less talented UK labourers. Changes in wages and joblessness for less taught

UK-conceived labourers indicate little relationship with changes in EU movement (Reenen 75-77).

Primarily, the EU migrants paid more duties than they take out in welfare and the utilization of open administrations. They along these lines help lessen the spending shortfall. Settlers do not negatively affect nearby administrations, for example, wrongdoing, instruction, wellbeing, or social lodging and European nations with access to the Single Market must permit free development of EU nationals whether in the EU (like the UK) or outside it like Norway and Switzerland. The outcast emergency has nothing to do with EU participation. Displaced people admitted to Germany have no privilege to live in the UK. The UK is not in the Schengen international ID free travel understanding so there are outskirts keeps an eye on transients (Reenen 75-77).

It is obviously appeared to be difficult to get a place at school or physical check-up due to EU vagrants. In any case, since transients pay more in duty than they take out, there's quite of cash to go around; it's recently that the administration has not spent it admirably on extending administrations in the spots they are required. As an outcome, Individuals have endured in the course of the most recent decade. Genuine wages fell by more than 8% in the 6 years after 2008 (Reenen 79).

Nevertheless, EU movement was ascending before 2008 and in the course of the most recent two years when wages have pivoted. The compensation slices were because of the worldwide budgetary emergency and an extreme grimness bundle. It was nothing to do with movement. Likewise, with open administrations, EU vagrants are a piece of the arrangement, not some portion of the issue (Reenen 79).

4. Refugees

The Syrian displaced person emergency is not identified with the UK's proceeded with participation of the EU. The aggregate movement figures will not be abundantly influenced, as the legislature will concede just around 20,000 grown-up exiles throughout the following five years. Outcasts given the privilege to stay in Germany or other EU nations have no privilege to live or work in the UK. It takes various years (ordinarily near five and eight) preceding displaced people are even permitted to apply for citizenship. Large portions of the individuals who are settled are probably not going to look for work in the UK. The UK is not in the Schengen international ID free travel assertion, so there are outskirts checks counteracting section of outcasts. Ceasing unlawful passage to the UK would not be any simpler after Brexit (Reenen 42).

5. The Brexit Future Problems For Britain's Economy

In the short run, vulnerability about England's future association with the EU, its biggest exchanging accomplice, could push the UK into a retreat. The English pound has lost around 9 percent of its incentive since vote, and England's 100 stock list lost 3 percent of its incentive in exchanging, that implies English stocks are down more than 10 percent in genuine terms. Moreover, that unpredictability reflects advertise stresses over more extreme outcomes in the months ahead. With Cameron out of energy, England's prospects of arranging a great manage the EU could be debilitated. The EU may choose to strike a hard deal to dishearten different nations from leaving the EU. On the other hand, the UK's new pioneer will not acknowledge the sort of limitations that accompanied a Norway-style bargain that may make difficult issues for organizations situated in the UK (Reenen 44).

Jacob Funk Kirkegaard, an economist at the Peterson Institute for International Economics, said "If you are Nissan or some other car producer with major production in the UK, today, the same safety standards and environmental standards allow you to sell everywhere in the European market," But if the UK leaves the EU, "you would no longer be

able to sell into other European markets, not because you face a small tariff but because you have to go through another set of safety certifications. This kind of thing would be repeated in every industry you can think of" (Dogar).

On the off chance that you are Nissan or some other auto maker with real generation in the UK, today, a similar wellbeing norms and ecological gauges enable you to offer wherever in the European market," Jacob Funk Kirkegaard, a financial specialist at the Peterson Organization for Worldwide Financial aspects, let me know. In any case, if the UK leaves the EU, "you would at no time in the future have the capacity to offer into other European markets, not on the grounds that you confront a little duty but rather in light of the fact that you'd need to experience another arrangement of security confirmations.

The sort of thing would be rehashed in each industry you can consider. In this stage, pundits say the financial impacts could be huge. The UK government has assessed that leaving the EU could make the English economy be in the vicinity of 3.8 and 7.5 percent littler by 2030 and relying upon how well arrangements for access to the European market at last go. Different reports have discovered littler yet at the same time noteworthy effects (Reenen 79-83).

A standout amongst the most critical and disputable accomplishments of the EU was the foundation of the rule of free development among EU nations. A native of one EU nation has a free ideal to live and work anywhere in the EU. Both Britons and outsiders have exploited this open door. At present, there are about 1.2 million Brits living in other EU nations, while around 3 million non-English EU nationals live in England. Because of EU tenets, they could move over the English Channel with at least printed material. England's exit from the EU could change that significantly (Reenen 79-83).

Thus, England could arrange another settlement with the EU that keeps on permitting free development between the UK and the EU. Nevertheless, hatred of EU foreigners

particularly from poorer, monetarily battling nations like Poland and Lithuania was a key compel driving backing for Brexit .so the English government will be under colossal weight to decline to precede with the present game plan. Low thought would imply that individuals moving to or from England would need to stress over identifications and residency rules. In addition, it could imply that some English migrants may lose their entitlement to keep living and working in the UK and be ousted (Reenen 79-83).

Conclusion

The economic impact of leaving the EU will depend on what policies the UK adopts following Brexit. However, lower trade due to reduced integration with EU countries is likely to cost the UK economy far more than is gained from lower contributions to the EU budget. Even though, setting aside foreign investment, migration and the dynamic consequences of reduced trade. However, Brexit is likely to have a negative impact on inward foreign direct investment. One may say that leaving the EU will reduce foreign direct investment to the UK by around 22%.

Indeed, such losses of investment will damage UK productivity and could lower real incomes .besides, finance also show that Brexit would lower EU-related output of goods and services, and erode the UK's ability to negotiate concessions from regulations on EU- related transactions. Moreover, these costs may be a price that many people are willing to pay to leave the EU. But they are not trivial costs. Nevertheless, we cannot be precise about the size of the losses from restricting immigration following a Brexit. However, we can confidently say that EU immigration has not had significantly negative effects on average employment, wages, inequality or public services at the local level for the UK-born. Nor, it should be said, are there large positive effects.

Nonetheless, at the national level, falls in EU immigration are likely to lead to lower living standards for the UK-born. This is partly because immigrants help to reduce the

deficit and they are more likely to work and pay tax and less likely to use public services as they are younger and better educated than the UK-born. It is also partly due to the positive effects of EU's immigrants of productivity.

General Conclusion

The UK is a modern, developed economy of almost 65 million people, the sixth largest economy in the world with strong international alliances. While close economic and diplomatic relations with other European countries are both inevitable and to be greatly welcomed, this does not imply that membership of the EU is the only way these can be achieved. What is equally apparent is that a UK exit from the EU would result in different costs and opportunities than a path of ever-closer union. However, many of these costs are an inevitable consequence and wise negotiation must be carried out if the UK is to reap the benefits. Whatever the arrangement, there is likely to be a trade-off between the level of access to the Single Market, and freedom from EU product regulations, social and employment legislation, and budgetary contributions .

Indeed, the UK's policies after exit should embrace openness: openness to global trade, openness to worldwide diplomatic partners, and openness to international business and investment. Domestically, reforms should take advantage of the freedom from European regulation while preserving common standards and cooperation where this is in the UK's best interests. Moreover, nothing can be guaranteed, at present, there is no consensus within the government or the public over what should follow Brexit. This reflects the fact that all of the alternatives to EU membership have their own drawbacks and would impose costs on the UK economy. To make an informed decision about the merits of Brexit, voters need to know as much as possible about what Brexit would mean.

The first chapter focused on the background or the atmosphere in which; these relationship between Britain and EU based on and brief study not only to the European Union, but also to the United Kingdom, besides in this chapter we focus on the term Brexit where it derived from?, the relationship between Britain and the rest of Europe before the 19th century and during the 20th century.

The second chapter explains the reasons of Britain entry to the EU and we shed light on the UK as a member in EU. From one side, the reasons of UK leaving EU and The referendum of 2016, and from another side, the referendum results and the Procedures that Britain will follow after referendum by explaining Lisbon Treaty and Article 50 with its contents and steps of UK leaving the EU focusing on the Brexit negotiation.

The third chapter we have dealt Life after Brexit: the UK's options outside the European Union and The consequences of Brexit for UK trade and living standards and the impact of Brexit on foreign investment in the UK and Brexit and the impact of immigration on the UK and Refugees issue and The Brexit will cause problems for Britain's economy.

It is not too sure that the remaining part of the EU would prevent the EU from bringing forward legislation that would directly disadvantage UK industry; EU membership has not prevented the recent implementation of a succession of financial services legislation, against the UK's wishes, while the terms of the UK's exit are decided. The initial actions to ensure a strong and prosperous UK must be begun during that time. The challenge would be to ensure that the UK could gain sufficient advantages, new trade partners, sufficient access to EU markets, and minimal further contributions to the EU budget. Moreover, it ensures an attractive investment climate and a reduced regulatory burden to compensate for the loss of access to Europe and the loss of its voice in Brussels, with greater bilateral trade with the emerging powers of the world and with the US. The EU would continue to be a major trade partner, perhaps the most important one.

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