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New UK Leadership: Implications for Brexit

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On July 24, 2019, Boris Johnson became prime minister of the United Kingdom (UK) after winning the Conservative Party leadership contest that was triggered by the resignation of Theresa May as party leader on June 7. A colorful and polarizing figure who was one of the leading voices in the campaign for the UK to leave the European Union (EU), Johnson previously served as UK foreign secretary from 2016 to 2018 and mayor of London from 2008 to 2016. He inherits a government in which the Conservative Party controls a slim parliamentary majority by virtue of support from the Democratic Unionist Party (DUP), the largest unionist party in Northern Ireland.

Johnson Intent on Delivering Brexit but Renegotiation Unlikely

Prime Minister Johnson maintains that the UK will leave the EU on October 31, 2019, "no ifs, no buts." Brexit was originally scheduled to occur on March 29, 2019, but EU leaders granted the UK an extension until the end of October 2019 after the UK Parliament repeatedly rejected the withdrawal agreement negotiated between the UK and the EU.

One of the main obstacles to securing Parliament's approval has been the agreement's so-called Northern Ireland "backstop" provision, which would keep the UK in the EU customs union until the two sides agree on their future trade relationship. Although the former May government contended that it would never be necessary to implement the backstop, while the UK remains a member of the EU customs union it is unable to conduct an independent national trade policy, one of the main selling points for Brexit's supporters. The backstop was made necessary by the lack of an apparent solution to the Irish border question. UK, EU, and Irish officials have been intent on avoiding a "hard border" with customs checks and physical infrastructure between Northern Ireland and the Republic of Ireland to preserve the peace process and extensive cross-border trade. Doing so, however, has proved difficult to reconcile with the UK's intention to leave the EU's single market and customs union.

Prime Minister Johnson has indicated that he intends to renegotiate a better deal with the EU, one that discards the backstop provision. Some Brexit advocates argue that the Irish border problem can be solved through a series of "mini deals" and <u>alternative arrangements</u>, such as conducting customs checks at ports of entry and points of origin away from the border and instituting trusted trader schemes. The EU, however, maintains that the withdrawal agreement, including the backstop provision, is <u>not open for renegotiation</u>.

Possible Scenarios

No-Deal Brexit. The default outcome in the absence of further actions would be a "no-deal Brexit," a scenario in which the UK exits the EU on October 31 without a negotiated withdrawal agreement and transition period. Both sides have sought to avoid a no-deal Brexit due to <u>concerns</u> that it could cause considerable disruption, with <u>negative effects</u> on the

economy, trade, security, Northern Ireland, aviation, and other issues. Some ardent Brexit supporters <u>argue</u> that such fears are exaggerated and that following through on leaving without a deal would <u>improve the UK's position</u> in subsequent negotiations with the EU.

Prime Minister Johnson <u>reshuffled his Cabinet</u> to minimize divisions in the government by installing a team of hard-line pro-Brexit ministers. Johnson subsequently called for the UK to "<u>turbocharge" preparations</u> for a no-deal Brexit and stated that the UK would leave without an agreement if the EU did not rethink its refusal to change the deal.

Deadlock, Extension, Election. There are <u>indications</u> that a majority of Members of Parliament (MPs) would seek to prevent a no-deal Brexit, but <u>experts conclude</u> there is no guaranteed way for Parliament to block a no-deal Brexit through legislation or parliamentary procedure if the government were determined to push through such an outcome.

The <u>most apparent way</u> for Parliament to derail no-deal Brexit would be to hold a vote of no confidence in the government. A small number of Conservative Party rebels voting with opposition MPs could bring down the Johnson government, likely leading to an early election. This <u>scenario</u> implies a probable need to form a temporary government to request another extension from the EU in order to avoid an "accidental" no-deal Brexit. An extension requires the approval of the 27 other EU member states.

In any case, although Prime Minister Johnson asserts he has no intention of calling for an early general election, some experts suggest that a new election might be the only way to break political deadlock and provide a new mandate for Brexit. A snap election could be triggered with the support of two-thirds of MPs (434 out of 650) and also likely would involve requesting an extension from the EU. Johnson would be expected to lead the Conservative campaign on the basis of leaving the EU immediately, implementing post-exit arrangements, and negotiating a trade deal with the EU. Opposition parties might campaign on holding a second Brexit referendum or remaining in the EU. An election carries significant risks for all of the UK's political parties, as the outcome and resulting Parliament would be highly uncertain.

Issues for Congress

Many Members of Congress have a broad interest in Brexit. Brexit-related developments are likely to have implications for the global economy, U.S.-UK and U.S.-EU economic relations, and transatlantic cooperation on foreign policy and security issues. In 2018, the Administration notified Congress of its intent to launch U.S.-UK trade agreement negotiations after the UK leaves the EU, and Congress may consider how developments affect the prospects for an agreement. Members of Congress have demonstrated an interest in how Brexit might affect the peace process in Northern Ireland. In April 2019, House Speaker Nancy Pelosi said there would be "no chance whatsoever" for a U.S.-UK trade agreement if Brexit were to weaken the Northern Ireland peace process.