



No Escaping Brexit Lesson

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Divorce is never easy. And a divorce after 44 years of unhappy marriage is harder still. Navigating the settlement, splitting the assets, untangling lives while remaining on speaking terms takes the moral fortitude most of us are not blessed with.

But that is what will be required of British Prime Minister Theresa May and her European Union counterpart, Donald Tusk, as they navigate what will be the world's most complicated and expensive divorce settlement over the next two years. Added to that, the EU will need to get its remaining 27 member states to agree to the terms of the divorce, an exercise tantamount to herding cats if previous experience of EU decision-making is any guide.

Regardless of the naysayers and the doubters who still campaign to this day for the UK to remain in the EU, have no doubt the Brexit divorce will go ahead. By 2019, the UK will be out and free to be a major player on the global stage once again.

Brexit is good news for Australia, but it won't all be plain sailing. We will need to be as nimble as



the UK in making the most of the changing geopolitical landscape.

The most obvious benefit for us is a quick and comprehensive free trade deal with the UK as soon as it exits the EU in 2019. We can expect wins for our exporters as the UK leaves the protected EU market and opens up its market to our Aussie beef, lamb, wine and fruit.

For most of us, as consumers, we should benefit from cheaper British cars and manufactured goods. Hopefully we'll get a better deal when it comes to visas for those who wish to live and work in the UK. The past decade has seen a sharp decline in the number of Australians living in the UK, which can be put down to the British Government's attempt to rein in non-EU migrant numbers. Out of the EU, the UK will have control over its migrant levels and Australians should expect a return to more favourable treatment in recognition of our shared ties of history, culture and values.

Free of the shackles of the EU, which consumes so much of the UK's diplomatic time and energy, the UK will look to the world. That goes against the narrative of the ardent "Remainers" that Brexit is a return to a nativist Little England. Prime Minister May has been quite clear: post-Brexit UK will be open and global. Old friends, like Australia, will be back in vogue and we should expect the UK to be focused on our shared interests, especially in the Asia Pacific region where the UK has been largely absent for the past few decades.

The UK will look for new friends too, especially Asian powerhouses like China, Japan and Korea. We can be part of those new friendships.

The biggest challenge posed by Brexit will be navigating our relationship with the EU. The EU without Britain means an EU without our most like-minded partner, without its most liberal and outward-looking member state and without its second-biggest economy and contributor.

Without the UK, the EU will be poorer, more introverted, less trans-Atlantic and less internationally engaged. Coupled with the blow of losing Britain, it will continue to grapple with intractable problems: the Eurozone crisis and high levels of government debt, systemic low growth and ageing populations, as well as the migrant crisis with its serious ramifications for internal security and social cohesion.

Let's be clear. An EU distracted, depressed and without British leadership will mean it will be harder for Australia to negotiate its dawdling FTA with the Union. Without free trade-loving Britain, the much more protectionist French and Italians will be less interested in doing a deal with Australia and more interested in protecting their own farmers.

NOW is a turning point for the EU. Without Britain, the EU must reshape itself to ensure its own survival. Elections this year, including in France and Germany, could see Eurosceptic leaders in place, putting the future of the EU in doubt.

EU leaders need to heed the lessons of Brexit – that democracies work when governments stay connected and responsive to people. Respecting the national sovereignty, identity and values of member states should always trump the interests of the EU and other supranational bodies. Ultimately, standing up for the common good only matters if it's for the common good of people



and not the institutions that profess to serve them. Losing sight of people means losing their faith. If you do that, recent history shows they won't be afraid to show their displeasure at the ballot box.

Such is the enduring power of democracy. That is surely the lesson for the EU and globalism more broadly.

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