



EU Commission headquarters

# New UK Prime Minister, new European parliament: where to next on Brexit?

**Paul Goodison\*** analyses the fallout from the resignation of Theresa May as British Prime Minister and the implications of the recent elections for the European Parliament.

## What next after Theresa May?

On 24th May 2019 after a failure to secure Parliamentary support for a further reading of the EU Withdrawal Bill, Prime Minister May announced the timetable for her resignation as Conservative Party leader and Prime Minister. After stepping aside as Conservative Par-

ty leader on 7th June to allow leadership context to take place, she will remain as Prime Minister until a successor is appointed.

Brexit supporting UK Cabinet Ministers claimed that in her search for a compromise around the EU Withdrawal Bill, Prime Minister May has 'exceeded

what was agreed in cabinet'. It appears that in her effort to find a way forward with a revised Withdrawal Bill the Prime Minister simply succeeded in alienating all factions in the Conservative Party.

It now appears as if the process of approving the EU/UK Withdrawal Agreement has ground to a halt. Howev-

er, this has not altered the EU's insistence that the Withdrawal Agreement needs to be approved if an organized withdrawal of the UK from the EU is to be achieved.

The issues faced moving forward reach beyond political personalities to the heart of the Conservative Party's future economic policy. 'Hard Brexiteers' don't simply want to leave the EU but want to pursue a vision of the UK as a free-wheeling globally orientated (rather than Continentally focused) powerhouse, freed from the regulatory constraints of a more protectionist Europe.

This needs to be seen in a context where 'protecting Europeans' from the external crisis events which have buffeted the continent over the past decade is seen as increasingly central to the EU model. This is likely to create real tensions in the next phase of the Brexit process which will get underway once a successor to Theresa May as leader of the Conservative Party is elected and the withdrawal process has been completed.

It remains unclear whether Theresa May's successor as leader of the Conservative Party will feel morally obligated to call a general election in order to secure parliamentary support for their favoured Brexit strategy.

What is clear is that the clock continues to tick down to the revised date for the UK's departure from the EU on 31st October 2019, while the Brexit process is de facto put on hold while the Conservative Party leadership election takes place.

Rather than making full use of the Article 50 extension as urged by EU Council President Tusk, 4 of the 7 months of the extension period will have elapsed before the Brexit process can be resumed.

### The reaction across the EU

In response to Prime Minister May's announcement of her impending departure a spokesperson for Chancellor Merkel expressed the hope that an 'orderly exit of the UK from the EU' would still be possible, with the EU as a whole having an interest in finding 'a good solution to the Brexit issue'. President Macron for his part stressed how 'the principles of the EU will continue to apply', with the priority for the EU being

on ensuring the continued 'smooth functioning of the EU'.

The Dutch Prime Minister Mark Rutte, traditionally an ally of the UK, expressed the view the current Withdrawal Agreement still needed to be addressed regardless of who was the Prime Minister in the UK, since it is 'not up for renegotiation'. This view is widely held across EU member states.

The Irish Taoiseach Leo Varadkar has described the new phase of the Brexit process ushered in by Prime Minister May's resignation as 'very dangerous for Ireland', since it could lead to 'the election of a Eurosceptic prime minister who wants to repudiate the withdrawal agreement and go for no-deal'. However, he also felt it could eventually lead to 'a new British government that wants a closer relationship with the EU and goes for a second referendum'. The situation therefore remains uncertain.

In terms of the UK-EU negotiations Ireland's deputy Prime Minister Simon Coveney has 'warned the European Union would not offer Mrs May's successor a better Brexit deal', with the idea that a tougher negotiator could get a better deal being described as unrealistic, since this is 'not how the EU works'.

However, he did hold out the possibility of a further extension of the Article 50 period with it being argued this was 'possible and may be likely'. At the moment while the instincts of President Macron are focussed on preventing an ongoing Brexit impasse from poisoning the functioning of the EU's institutions, there is no majority among EU member states in favour of rejecting a further extension of Article 50 should the UK request such an extension. This is likely to remain the case for 'as long as Britain works constructively in order not to disrupt the work of the European Union'. This raises two questions:

- will a future Conservative Prime Minister still be willing to pursue Prime Minister May's policy of 'sincere cooperation' or will he or she pursue a policy of institutional disruption in an effort to secure a revision of the Withdrawal Agreement's 'back-stop' provisions?
- will a future Conservative Prime

Minister be willing to request a further extension of the Article 50 period if this is necessary to avoid a 'no-deal' Brexit?

The prospect of a further Article 50 extension however needs to be balanced against the view of UK Chancellor of the Exchequer, Philip Hammond that 'there is a real risk of a new prime minister abandoning the search for a deal and shifting towards seeking a damaging 'no-deal' exit as a matter of policy in order to protect an ideological position which ignores the reality of Britain's economic interests'. This fear is shared by many market analysts with markets reflecting 'a higher risk of no deal or a change of government'. This view was also shared by a spokesperson for the Spanish government who took the view 'a hard Brexit seems a reality that is almost impossible to avoid'.

A 'no-deal' Brexit at the end of October 2019 if the Withdrawal Agreement is not ratified remains the legal default position, despite UK Parliamentary opposition to a 'no-deal' outcome to the Brexit negotiations. Some commentators suggest there are more paths leading to a 'no-deal' outcome than there are paths leading to a negotiated UK withdrawal. However, this is not the universally held view

UK election specialist Professor Curtice of Strathclyde University argues 'there is "little chance" of 'no-deal' because MPs would collapse any government that forced it through'. The threat of the general election, it is asserted, would make any new Conservative Party leader think twice about pushing through an option which did not enjoy Parliamentary support.

Overall it appears 'EU leaders are preparing for a "different breed" of Brexiteer to replace Theresa May as Britain's prime minister'. The prevailing view is that with the Conservative Party being in electoral survival mode it will need to appoint a hard Brexit leader who will be able to regain lost ground to the Brexit Party.

Yet any new leader will have limited room for manoeuvre in terms of completing a negotiated withdrawal. In this

context as EU Chief Negotiator Barnier has pointed out in terms of what happens next 'it's for the UK to decide, nobody else'. Against this background a lot will depend on who the new Conservative Party leader is.

At the time of writing 13 candidates had declared themselves for election as the new Conservative Party leader. Boris Johnson is widely regarded as the leading candidate with Michael Gove, Jeremy Hunt and Dominic Raab also seen as strong contenders.

Boris Johnson is committed to leav-

ing this as 'political suicide' for the Conservative Party since it would trigger a general election which the Labour Party would win.

Against the background of Conservative Party members being overwhelmingly in favour of a 'hard' Brexit, UK business leaders have expressed concern that 'candidates in the leadership contest would back a no-deal withdrawal in a destructive bout of winner takes all politics'. They urged any new Prime Minister to 'table an urgent plan to break the Brexit impasse'.

fragmented, the political situation related to group alignment in the European Parliament remains fluid.

### The battle to re-building the centre ground

In the centre meanwhile the losses of the Christian Democrats (EPP) (-38 seats) and Socialists and Allies (S&D) (-32 seats) means these two groups no longer together command a majority in the European Parliament. This will shake up the process of political alliance formation in the Parliament with some new

## The European Parliament Election Results

**2019 European Parliament Seats Political Grouping and Political Positioning**

Far Left		Centre left		Centre		Centre Right		Far Right	
<b>GUE/NGL</b>	<b>38</b>	<b>S&amp;D</b>	<b>153</b>	<b>EPP</b>	<b>178</b>	<b>ECR</b>	<b>63</b>	<b>ENF</b>	<b>58</b>
		<b>Greens</b>	<b>69</b>	<b>ALDE&amp;R</b>	<b>105</b>			<b>EFDD</b>	<b>54</b>

ing the EU at the end of October 2019 but would seek to renegotiate the backstop in the Withdrawal Agreement so that the UK can depart in a structured manner. However, whether or not the backstop is re-negotiated and the Withdrawal Agreement enters into effect, Boris Johnson is committed to leaving the EU at the end of October.

Dominic Raab has also promised to leave on the 31st October, hinting he would do so even if he has to ride roughshod over Parliamentary opinion in regard to avoiding a 'no-deal' Brexit. He claims that as a lawyer he is a 'details guy', with the credentials to be able to conduct negotiations.

Michael Gove takes the view the next Conservative Party leader 'must not only believe in Brexit but have the wherewithal to deliver it'. Michael Gove has not so far 'tied his hands by promising to get the UK out of the EU by October. Instead, he has said he would run as a "unity candidate", suggesting he would push first and foremost for a deal'.

Jeremy Hunt is seeking to position himself as 'the candidate with the business skills to carry out a better negotiation than Theresa May', but would 'keep leaving without a withdrawal agreement on the table as an option'. However, he

### Rise of Right Wing less pronounced than expected

While populists and nationalists increased their share of the vote in the European Parliament elections, with an extra 35 seats 'it was not the deluge that many traditionalists had feared'. While in France, the Rassemblement National took 22 of the 74 available seats with 23.31% of the vote, beating into second place the La Republique En Marche centred alliance of President Macron (22.41% of the vote and 21 seats), elsewhere in the EU27 far-right parties did less well than expected.

More fundamentally the right-wing populist, nationalist anti-EU parties are split across political groupings in the European Parliament. The Rassemblement National leads the Europe of Nations and Freedom Group, alongside the Northern League of Italy, the Freedom Party in Austria and Vlaams Belang from Belgium, while the Brexit Party, Alternative for Germany and 5 Star Movement in Italy are part of the European Freedom and Direct Democracy Grouping (EFDD) (with the Brexit Party MEPs currently representing more than half of the EFDD Parliamentary membership).

Thus while the right wing remains

realignment of the centre being necessary to secure a working majority in the European Parliament.

This is likely to be vital to the smooth functioning of European institutional business in the face of the disruptive forces of the far right which are likely to be temporarily invigorated by the arrival of 29 Brexit Party members.

To a certain degree the enlarged Group of the Alliance of Liberals and Democrats for Europe + Renaissance (ALDE&R) would appear to be a natural ally in rebuilding the centre. Significantly, this political grouping includes the 21 French members elected under the alliance led by President Macron's La Republique En Marche. This needs to be seen in the context of President Macron's commitments to building a radical centre to act as a bulwark against populist, nationalist and anti-EU parties. This approach within the ALDE&R is likely to be further bolstered by the gains of the UK Liberal Democrats, who took 16 seats, and the wider gains of the ALDE&R which now has 36 more seats than in 2014. This includes 4 seats for Belgium MEPs in the home base of the Group's leader Guy Verhofstadt.

Alternatively, it could involve reaching out to the enlarged Green group

(+17 seats). Indeed, it could even involve bringing both the ALDE&R and Greens into a broad alliance so as to maintain the political balance, with the centre-left Greens providing a counter-weight to the centre-right ALDE&R.

### Appointing the New Commission President

The first test in the political alliance process will be the debate in the European Parliament over the candidate to be put forward as the new President of the European Commission. The new European Commission is scheduled to take-up office on the 1st November 2019. While normally the largest political group in the European Parliament puts forward its candidate for the post, the current proposed candidate of the EPP, Manfred Weber, may not be acceptable to allies who will need to form part of the new consensus which will be required for the smooth functioning of the European Parliament in its legislative and budgetary role. Mr. Weber has been politically close to Viktor Orban whose Fidesz party has been suspended from the EPP for the anti-EU rhetoric and anti-democratic measures it has adopted when in government.

On Monday 27th May a senior French official maintained France had never been in favour of Manfred Weber, while the ALDE&R of in which President Macron's La Republique En Marche plays a prominent role called for 'a European Commission president candidate who can build a robust majority way beyond the partisan lines', strongly suggesting it wanted an alternative to Manfred Weber.

In this context the choice may fall on another of the current candidates such as the ALDE&R's Margrethe Vestager, the current EC Competition Commissioner and former Minister of Economic and Internal Affairs in the Danish government. Margrethe Vestager is not formally a candidate but part of a slate of names

put forward by the ALDE&R as possible appointees to the role.

However, the issue is complicated by an inter-institutional dispute over the weight to be given the opinion of the European Parliament in selecting the President of the European Commission. EU leaders have been making the case that 'European treaties give them the sole authority to nominate someone for the role, and that they only have to nod towards the results of the European Parliament election when they make their

Parliament. This is particularly important since a more fragmented European Parliament may well require the construction of subject by subject coalitions around new EU initiatives.

### Implications for the ACP

The departure of Prime Minister May and the prospect of a 'true believer' hard Brexiteer as UK Prime Minister brings closer the prospect of a 'no-deal' Brexit at the end of October 2019. Given the limited time which will be available

**Changes in the Composition of the European Parliament (Seat)**

Political Group	2019	2014	Change
<b>EPP</b>	178	217	-38
<b>S&amp;D</b>	153	185	-32
<b>ALDE&amp;R</b>	105	69	+36
<b>Greens/EFA</b>	69	52	+17
<b>ECR</b>	63	77	-14
<b>ENF</b>	58	36	+22
<b>EFDD</b>	54	42	+12
<b>GUE/NGL</b>	38	52	-14
<b>Independents</b>	8	20	-12
<b>Others</b>	25	29	-4

Source: European Parliament, 'European Parliament 2019 - 2024', 28 May 2019, 18.06 hours  
<https://election-results.eu/>

choice'.

This could see an alternative candidate being advanced by EU member states, with the name of Michel Barnier, the EU's chief Brexit negotiator having been floated as a possible candidate. Michel Barnier has developed a good working relationship with both the European parliament leadership and the Heads of State and Government in the EU Council. The name of German Chancellor Angela Merkel has even been heard in the corridors as a possible contender, although Chancellor Merkel has showed no indication of any willingness to take on the role.

This is an important issue since who presides over the work of the European Commission will have an important bearing on how EC policy initiatives develop in light of the strengthened position of the far right in the European

once a new Prime Minister is in place to secure approval of the Withdrawal Agreement or renegotiate it, the only way of avoiding a 'no-deal' Brexit would appear to be through a further extension of the Article 50 period.

This would then allow a new European Commission and new UK prime Minister to focus on completely a negotiated withdrawal of the UK from the EU.

However, this assumes a 'no-deal' Brexit does not become the policy choice of the new Conservative Party leader, as part of a political strategy to undermine the electoral base of the Brexit Party which engineered a collapse of the Conservative vote in the European Parliament elections. It also assumes the new UK Prime Minister will be willing to request an Article 50 extension.

The only main Conservative Party leadership candidate with a serious pros-



**An inconvenient hug : Juncker EU President vs. Prime Minister May**

pect of making it beyond the primary vote by MPs who is likely to be willing to request an article 50 extension and reject a no-deal outcome would appear to be Michael Gove.

However, even if Michael Gove were to emerge as Conservative Party leader the granting of an extension of the Article 50 period assumes the EU Council will agree to this. This will depend heavily on how the Parliamentary process of appointing a new European Commission President and the other top EU jobs proceeds. If the newly energized populist anti-EU right wing parties launch an obstructionist campaign to frustrate EU business, with the Brexit Party playing a leading role, some EU leaders may believe the collective interest is better

served by the permanent departure of UK MEPs, since this would reduce by half the seats of the EFDD in the European Parliament.

Critical developments which ACP governments and private businesses will need to monitor include:

- the outcome of the Conservative party leadership contest;
- the process of European Parliament engagement in the appointment of a new EC President.

Should a hard Brexiteer such as Boris Johnson be elected leader of the Conservative Party and become UK Prime Minister, ACP governments and private sector companies would be well advised to accelerate preparations for a 'no-deal'

Brexit.

Were the UK under a new Prime Minister to abandon Prime Minister May's policy of 'sincere cooperation' with the EU, in an effort to secure modifications to the Withdrawal Agreement and/or the newly energized anti-EU populist parties in the European Parliament were to adopt an obstructionist approach, then ACP governments and private sector companies would be best advised to initiate 'no-deal' Brexit preparations.

*\*Dr Paul Goodison runs a Subscription Only News and Analysis Service on Brexit issues which provides more in-depth analysis of the Brexit process and the implications of Brexit for African, Caribbean and Pacific countries.*