

'Beyond the border – remaking Anglo-Irish relations post-Brexit'

NEXTEUK paper

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Introduction

After the UK, the country most affected by the UK's withdrawal from the EU is Ireland. These countries share centuries' old ties of kinship, geography and trade, and the UK and Irish economies are deeply interconnected and structurally dependent.

Brexit also challenges the formal and informal political structures that have come to define relations between Ireland and its erstwhile colonial power, the UK. These structures have been facilitated and strengthened to an important degree by the diplomatic relations that have built up as a result of these countries' shared EU membership since 1973. This current phase of both countries' constitutional development, as each adjusts to the UK's departure, raises pressing questions about future economic activity and trade on these islands, particularly in the communities on either side of Ireland's invisible border, and regarding the nature and direction of Anglo-Irish relations. This period of instability has also raised questions regarding the prospect of Irish unity in a serious way, which few would have predicted even five years ago. This is particularly the case given that Northern Ireland voted to remain in the UK's 2016 EU referendum (56% - 44%), and given the recent electoral gains made by the left-nationalist Sinn Féin party in both the UK and Irish general elections in 2019 and 2020 respectively.

It is difficult to overstate the constitutional and economic implications of Brexit for the territory of Northern Ireland. One particular area of contention relates to the future administration of the invisible border on the island of Ireland following Brexit. The openness of the border that permits trade and the free movement of people is viewed as fundamental to the Northern Irish peace process. The institutions, practices and norms that keep the border in its current form are rooted in the 1998 Good Friday Agreement (GFA) and in the constructive ambiguity and flexibility that the agreement affords. The consociational design of the GFA was agreed between the British and Irish governments and eight Northern Irish political parties, with the oversight and support of a range of international actors, including the EU. Indeed, it has been argued that EU membership allowed a diplomatic environment to form between the British and Irish governments that enabled the peace settlement to be negotiated (O'Leary, 2018; Powell, 1999). At the time of writing, it is not yet clear what impact the dynamic and process of Europeanisation will have on Anglo-Irish relations

Research Question

Some important contributions have already considered how Brexit may reshape relations between Ireland and the UK (see Ferriter, 2019; Laffan, 2018; O'Rourke, 2018). Our paper will add to this by further examining how Brexit poses a fundamental threat to the sustainability of the GFA and to prosperity on the island of Ireland. It will also consider what alternative channels may emerge to shape Anglo-Irish relations, particularly relating to Northern Ireland. Related questions and areas for further research that lie beyond the direct scope of this paper include: how will Brexit reshape relations between Ireland and Northern

Ireland, and between Northern Ireland and Britain? How might the UK's departure reshape relations between Ireland and the EU, and will Ireland's corporate tax regime and industrial regime be sustainable post-Brexit?

Theoretical framework

This paper contributes to the literature on Europeanisation. The literature on Europeanisation makes the fundamental point that EU membership affects the domestic politics of member-states (e.g. Buller & Gamble, 2002). Moreover, Europeanisation has a very different impact according to the dominant beliefs and the paradigm of domestic policy-makers. Ireland's state found it easier (and was more willing) to adapt to the realities of EU membership than the UK since accession to the bloc in 1973. Europeanisation also exposes how domestic elites often use European integration as a cover for major domestic policy change. Initially, the Thatcher governments used the EC Single Market Act to reinforce their own commitment to liberal free market economic statecraft after 1985. But once it became clear that closer political as well as economic European integration was the inevitable consequence, Thatcher's commitment to Europe began to fray. English conservatism (and to a degree English socialism) has drawn on the Tory politician Enoch Powell's understanding of national sovereignty: that sovereignty is the ability to make the laws by which citizens within a given political territory are governed. This conception of sovereignty is necessarily at odds with EU membership, which is a very particular and unique form of political association in which sovereignty is pooled and distributed across a variety of institutions within multi-level polities.

A crucial difference in Irish and UK attitudes to the EU relates to the issue of immigration and free movement. The UK's emergence as a 'migration state' in the 2000s fuelled political tensions in England that did not emerge in Ireland (or indeed, Scotland, to the same extent). Notably, Ireland experienced its first sustained phase on inward immigration from especially Central and Eastern Europe during this period (Gilmartin, 2012), with little organised opposition to it emerging to it. However, the left-nationalist Sinn Féin's successes in the 2020 Irish general election draws attention to discontent among a section of the voting population not dissimilar to other populist waves elsewhere in Europe, which may indicate a degree of disillusionment with the current economic and social settlement in the country that is focused on acceptance of financialised global capitalism.

Our paper thus makes the following contribution to the extant literature:

- We examine how Brexit threatens the civility of Anglo-Irish relations, and the political settlement on the island of Ireland. Peace, prosperity and social cohesion may all be at stake. In particular, Brexit directly challenges the political logic of the GFA because Brexit effectively requires reference to the EU to be deleted from the Agreement. The incorporation of EU membership within the GFA helped to convince the nationalist (and largely Catholic) population of Northern Ireland to accept the terms of the agreement even if it undermined the achievement of a united Ireland. Brexit thus represents a significant threat to the current political and constitutional status of Northern Ireland.
- Given the boost that the UK's withdrawal poses to the case for Irish unity, we consider how Brexit may reshape the constitutional landscape of both Ireland and the UK. Relatedly, Brexit clearly poses a broader threat to the devolution settlement within the UK, particularly given its implications for the looming threat of Scottish independence.

It is no coincidence that a majority of citizens in both Northern Ireland and Scotland voted against Brexit in the June 2016 referendum.

- The paper analyses how over the last thirty years, Anglo-Irish relations have been powerfully shaped by Europeanisation. One might therefore expect Brexit to have a major impact. However, Brexit cannot be simplistically equated with de-Europeanisation. It is not yet clear whether Brexit will lead to the de-Europeanisation of the bilateral UK-Irish relationship, particularly given the north-south bodies iterated in strand two of the GFA. It remains perfectly possible that the British political class will choose to maintain elements of the architecture of NI governance that reflect the dynamic of Europeanisation for the purely pragmatic reason that it helps to sustain the Union at a time of growing uncertainty. Nonetheless, their capacity to pursue that approach may be undermined by the reality that Brexit inevitably impinges on core tenets of the GFA, not least the imposition of a border in the Irish sea as a consequence of the transition deal on trade signed by the UK Government and the EU. Unionists in particular are nervous that Brexit will lead to the installation of physical checks at Northern Irish ports, undermining the integration of Northern Ireland within the UK that was fundamental to their consenting to the GFA.

The paper proceeds in the following way. Firstly it briefly outlines the historical background to Anglo-Irish relations. It then considers the long-term implications of Brexit for the island of Ireland. The paper addresses the impact of Brexit for Anglo-Irish relations in three main areas: political economy; the constitution; and security and social cohesion. In conclusion, the paper outlines three potential scenarios for Anglo-Irish relations relating specifically to the governance of Northern Ireland that we dub muddling through; Irish unity; and the return of political violence to Northern Ireland. At the time of writing, muddling through appears to be the most likely outcome.

Anglo-Irish relations and the EU

Over the past twenty years, the UK and Ireland have enjoyed historically intimate political, diplomatic and economic ties. The culmination of this, from a symbolic perspective at least, came with the visit of Queen Elisabeth II to Ireland in 2011 – the first such visit by a sitting monarch to Ireland in the 90 years since the country’s independence from the UK. The 2016 Brexit vote saw the Irish embassy in the UK actively campaign for remain, in an unusual intervention by a foreign state in the domestic affairs of a country.

Given both countries’ integration inside the European Economic Community¹ since 1973, much of their domestic and foreign policy has been defined by EU membership. Ireland has been a net recipient of EU funds for most of its EU membership, especially in the 1980s (O’Donnell, 2000). In Ireland, EU membership has historically often been seen as a way for the country to distinguish itself from the UK and to protect and strengthen its own sovereignty. Today, the Irish population remains consistently among the most enthusiastic supporters of EU membership (see Commission, 2018). More recently, Ireland has benefited from the unwavering support of the EU institutions and member states throughout the negotiations regarding the UK’s departure, particularly relating to the status of the Irish border.

¹ The forerunner to the European Union.

Since the 1980s, the Irish economy has been among the most open in the world. The Irish government has traditionally presented the country as an intermediate zone between the US and the EU, as the only English-speaking eurozone member. Ireland has been seen as an attractive place for inward direct investment, given its stable political system, relatively young and educated workforce, and its relatively low and predictable corporate tax regime. Indeed, Irish industrial policy is almost entirely built around attracting foreign direct investment (FDI), largely from America, and Ireland has a relatively largely ICT production sector (Crafts, 2014). This strategy has led to many household names locating important operations in the country including their European headquarters, notably *Apple, Facebook, Google, Twitter* and *Pfizer*. Foreign firms account for around 40 per cent of value-added GDP in Ireland, while American firms account for over 50 per cent of total FDI. At any given time, more than 10 per cent of employment (and 50 per cent of manufacturing employment) in Ireland is dependent on US multinational corporations (MNCs) (Purdue, 2016). Ireland has less than one per cent of the EU's population, but nine per cent of all US investment in Europe.

As a consequence of this strategy, there are question marks over Ireland's low corporate tax rate, and accusations of breaking the European Commission's state aid rules in the ongoing case regarding the government's handling of Apple's tax responsibilities (Commission, 2020; Brennan, 2020). Concerns have been expressed that Ireland grew too dependent on a poorly supervised banking sector, and had all the hallmarks of a 'bubble economy' prior to the 2008 financial crash (Crafts, 2014). Ireland's openness means it is relatively exposed to external shocks. Nonetheless, Ireland appears to have been a beneficiary of the relative shift towards service-orientated, hi-tech sectors within the advanced economy countries since the 1990s with a high rate of new technology diffusion. During the 1990s alone, Ireland went from twenty second to ninth among the industrial nations on output per capita.

There are clearly structural similarities between the Irish and UK economies. The UK has among the highest levels of FDI in the EU. Historically, the UK economy has been highly dependent on the financial sector. Like Ireland, the UK had gained comparative advantage over the last thirty years as its policy regime is conducive to the high rate of technology diffusion and ICT-intensive production sectors. The two countries have followed similar supply-side policy approaches centred on labour market flexibility, competition in product and capital markets, and the high rate of investment in human capital (Gamble, 2012). The UK was particularly exposed to the 2008 financial collapse and like Ireland, it is vulnerable to external shocks. The main difference between the two economies is that Ireland is a member of the Euro-zone which has enabled it to benefit even more strongly from cross-border trade and investment since the late 1990s, but at the same time, limits the Irish government's direct influence over the country's monetary policy – as the responsibility for this resides with the European Central Bank (ECB) in Frankfurt.

Brexit and Ireland

While the potential consequences of Brexit for the United Kingdom (UK) and the rest of the EU are considerable, in no country will the UK's departure be more keenly felt than in Ireland. The social, economic and political ties between these islands are centuries old and the livelihoods of communities living along either side of the border will be threatened should there be a botched or disorderly Brexit, particularly in the event of a no-deal.

Each week a billion euros worth of trade crosses the Irish sea, and some 30,000 people cross the border to work, study and worship. The Irish agriculture sector is particularly exposed to

Brexit. In 2018, UK exports to Ireland were worth £34 billion (5.5 per cent of all UK exports), while imports were worth £21.8 billion (3.4 per cent). That said, the share of goods exported from Ireland to the UK has fallen to 11 per cent from 17 per cent only a decade ago. Ireland is still the UK's fifth largest export market, receiving £28 billion in goods and services in 2018, making up 5.9 per cent of all UK tradeables (Ward, 2020). Meanwhile, although agriculture contributes only around 1 per cent to Irish GDP, some 40 per cent of all Irish agri-food products go to the UK market. The sector makes up almost 9 per cent of all Irish employment, and is inevitably concentrated in rural regions where alternative sources of employment are scarce. This includes the region adjacent to the border, where supply chains and businesses often straddle the frontier (IFA, 2020), and where any tariff or customs barriers could have dire economic and social consequences.

A defining issue in Anglo-Irish relations since the Second World War has been the problem of how to manage political violence and conflict in Northern Ireland, especially since the outbreak of the period of violent conflict commonly referred to as 'The Troubles' from the late 1960s (Raddan-Keefe, 2018). The GFA established the political institutions in Northern Ireland that facilitated the successful peace process. The UK's withdrawal from the EU threatens to undermine the delicate political balance that underpins Northern Ireland's fragile peaceful coexistence, and poses risks to social cohesion, economic prosperity and the hard-won peace.

Brexit is acknowledged as being of pivotal importance for Ireland's future. Even Fine Gael, the party leading the minority government in Dublin during the Brexit referendum and regarded as the least irredentist of all of Ireland's political parties (all of which are all at least nominally in favour of Irish unity), have spoken seriously about the prospects of a border poll. In 2017, the Irish parliament commissioned a report entitled '*Brexit and the future of Ireland: uniting Ireland and its people in peace and prosperity*' (Oir, 2017) that reviews the options on how a poll on unity would be carried out in Ireland.

At the same time, Ireland can arguably now be regarded as becoming increasingly influential within the EU, and in relation to international diplomacy given a range of factors, including:

1. Throughout the UK's withdrawal, Ireland has helped to define the EU's terms in the negotiations, most notably around the border. It is striking how often Michel Barnier, the European Commission's head of Task Force for Relations with the UK, could be heard voicing Irish demands during the initial negotiation with the British government.
2. Until August 2020, it was the Irish Commissioner, Phil Hogan, who held the trade brief, arguably one of the most important portfolios in the Commission, and a key area of competence for the EU.
3. In June 2020, Ireland secured a seat on the UN Security Council, fending off a spirited challenge by Canada.
4. In July 2020, Irish Finance Minister Paschal Donohoe was appointed chair of the Eurogroup, defeating the candidate backed by both France and Germany.
5. Ireland still leverages its connections in the US. Notably, then Taoiseach (prime minister) Leo Varadkar's announcement of the COVID-19 lockdown on 12 March 2020 (two weeks before the UK) was made while in Washington DC on the annual St Patrick's Day state visit to the US President (Colfer, 2020).
6. Fundamentally, in light of the UK's withdrawal, and the impact that this may have for Ireland that have been outlined, the Irish government moved to grow its diplomatic footprint amid the biggest expansion of the Irish embassy network since independence (Beesley, 2019). It now maintains embassies in each EU country, which is rare for a

country of less than five million people (Charlemagne, 2020). This is seen as part of an all-systems response to the potentially devastating impact of Brexit for the country.

In geo-political terms, Ireland's position is similar to the 'bridge' strategy once favoured within the British political class, which contends that there is no existential choice to be made between Europe and America. Rather the state seeks positive relations with both, as influence in the EU strengthens influence with the US President, and vice versa. It is striking that successive Taoisigh (there have been three since 2016) strove to maintain reasonably close ties to the Trump White House, for example, while continuing to deepen their influence at the EU level. In short, while Brexit poses a threat to Ireland that is without precedent, the country's response has arguably put it in a strong position geopolitically.

It is also important to note that 'Brexit' is not a clear-cut political project with the governing class at Westminster. There are many divides even within the pro-leave camp. Some leave supporters still favour a close economic association with the EU (as implied by Michael Gove during the 2016 referendum, for example), while others support a 'Global Britain' strategy where the EU is treated as just another part of the world market, with an emphasis placed on severing ties with Europe to benefit from global economic integration. Some commentators believe that the Global Britain approach will be too costly in relation to growth and employment, and that the UK will be drawn back inevitably to a 'softer' form of Brexit. There is still a great deal of uncertainty because of the lack of consensus about where Britain's interests lie (Gamble, 2018). Clearly, the type of Brexit pursued in the long-term will have a major impact on the future shape of Anglo-Irish relations.

Not surprisingly, there is almost no support in Ireland for following the UK out of the EU. For Ireland, joining the EEC in 1973 was an opportunity to escape excessive economic dependence on the UK, and five years later the currency link between the two countries was broken. EU membership (and structural funds) contributed to Ireland catching up with average EU living standards, which at the outset were around only 2/3 of that level (Fitzgerald, 1998).

The Irish strategy towards the EU was completely different from the British one. Ireland embraced a European destiny. With a population of 64 million people, the UK has a large domestic market. Ireland, with a population of less than five million, embraced access to the EU market of almost half a billion. Socially and culturally, EU membership has also provided safeguards for the Irish language, for Irish culture, and, arguably, for Irish sovereignty.

Anglo-Irish relations and Brexit

At the time of the GFA, which brought the Northern Ireland conflict to an end, it was taken for granted by all parties that the UK and Ireland would remain EU partners for the indefinite future. To an important extent, the relationship between the countries has been shaped by EC membership all the way back to the conclusion of the Anglo-Irish Agreement of 1985. The Agreement formalised relations between the UK and Ireland, and gave the Republic a say in the governance of Northern Ireland. The EU set the context and helped to provide part of the framework in which the GFA was negotiated throughout the late 1990s. That said, the EU was not centrally involved in the latter phase of the peace process negotiations, as the US government was much more influential in bringing the different sides to the table. The Clinton Administration played a particularly important role in normalising relations with Sinn Féin, for example. On becoming UK Labour Party leader in 1994, Tony Blair abandoned the long-established policy of Labour's Northern Ireland spokesman, Kevin McNamara, promising

'unity by consent'. Blair informed the Unionist community in Northern Ireland that the GFA would normalise Northern Ireland's position within the UK. Moreover, the status of Belfast as part of the UK would be secured within the context of devolved government. It is fair to conclude that these assurances played a role in persuading the majority of Unionists to support the GFA.

Thus, the UK's withdrawal from the EU has exposed the fragile political compromises that helped to bring about peace and relative prosperity in Northern Ireland since the GFA. It has also cast a light on how many commentators and politicians in the UK continue to misunderstand the nature of the political compromises and constitutional arrangements on these islands and the key political dynamics and compromises that have prevailed. This was most clearly revealed in 2019 by Karen Bradley, then the Secretary of State for Northern Ireland, whose scarcely believable self-proclaimed ignorance of Northern Irish politics was exposed (Carroll, 2018). The contested nature of the EU in the UK has served to reinforce the lack of awareness within the British governing class of the potentially unstable situation in the north of Ireland wrought by Brexit.

The border

The focal point for this politically fragile situation is the border that bisects the island of Ireland, separating Northern Ireland from the Republic. The border was established in the wake of the 1921 Anglo Irish Treaty that concluded the Irish War of Independence, and foreshadowed the Irish Civil War (Ferriter, 2019). The border runs for approximately 500 kilometres, and has an estimated 280 crossing points – more crossing than there are between Sweden and Norway. It divides communities, parishes and even properties. As has been accepted by British governments since the 1940s, the border is not policeable in peacetime without consent. The breaking out of peace after the passage of the GFA saw the border and the Northern Ireland conflict fall out of public discourse in Britain. The success of the peace process is largely taken for granted in the UK, while the point also underlines the limitations of the British political class which is often guilty of severe historical amnesia - some might say ignorance - in its understanding of Irish politics. The May Government's decision to pursue a confidence and supply arrangement with the Democratic Unionist Party (DUP) after failing to secure a parliamentary majority in the June 2017 general election is testament to this, and underlines the complacency of the UK political elite regarding the security situation in Northern Ireland. For the government of the UK to favour one particular political party within Northern Ireland contravenes the terms of the GFA, as the former Number Ten Chief of Staff, Jonathan Powell, made clear at the time.

The combination of the peace process, which involved the removal of security installations along the border and the reopening of border crossings, with the EU's Single Market, which involved the removal of customs posts, meant the virtual elimination of the physical border between Northern Ireland and the Republic (Tóibín, 2001). This situation not only made Ireland essentially one territory, albeit under two jurisdictions, but equally made the two islands part of a single market just as they were prior to independence and partition in 1921. This approach proved beneficial not just for trade, but also for the thousands of daily border crossings that take place by people living on either side of the frontier. Crucially, for those living near the border, the GFA meant that the north/south demarcation was no longer the focal point for political instability and violence.

Even so, despite its significance for the peace process, it remains striking that the EU has relatively low salience in Northern Ireland. The Brexit referendum turnout in Northern Ireland was relatively low at 62.7 per cent, with 55.8 per cent voting to remain, which was lower than other remain-supporting parts of the UK such as Scotland and London (Murphy, 2016). Fewer than 50 per cent turned out in heavily nationalist West Belfast. It has been argued that Northern Ireland was particularly disadvantaged during the referendum in 2016 because the then Northern Ireland Secretary, Theresa Villiers, was a ‘leave’ supporter. Some scholars (Murphy, 2016; Gamble, 2018) point out that Northern Ireland was not particularly effective at feeding into EU policy discussions before Brexit, partly due to ongoing political tensions and the sporadic suspension of the Assembly, and relatively little contingency planning was done to prepare for a leave outcome.

Garry (2017) concludes that vote choice in the 2016 referendum in Northern Ireland was largely driven by the existing ethno-nationalist divide, as 85 per cent of Catholics voted to stay in the EU and 60 per cent of Protestants voted to leave. Sinn Féin and the DUP adopted opposing positions, the latter being strongly in favour of Brexit – the only party with representation in Westminster other than UKIP to do so. However, as was the case in rest of the UK, educational qualifications also played an important role in shaping the choices of Northern Irish voters, as 80 per cent of those with a postgraduate qualifications voting to remain, while less than 50 per cent of those with no formal school-leaving qualifications did so (Garry, 2017). There was a similar occupational divide between professional and manual workers, demonstrating that the ‘meritocratic cleavage’ is present in Northern Irish politics.

The future of Anglo-Irish relations

While Brexit has certainly inflicted a major shock on the institutions and conventions of Anglo-Irish relations, it is arguable that the countries were on divergent paths long before the UK vote, given the consistently pro-EU stance of the Irish electorate (Eurobarometer, 2018). In important ways, Brexit raises questions not just about how Ireland and the UK can mediate their relations, but also about what geo-strategic role Ireland will identify for itself as a small, open, export-focused economy firmly committed to EU membership in the post-Brexit era.

In 2016, then Taoiseach Enda Kenny asserted the precedent of East Germany in extracting a commitment in the EU’s Brexit negotiation agreement which states that, should Northern Ireland become united with the Republic, it would join the EU automatically. Demographics may play a role here as well as Northern Ireland’s remain vote in 2016, as the Catholic community (a crude shorthand for the population that predominately identifies with the Republic of Ireland) is expected to exceed the Protestant community (an equally crude shorthand for the population that predominately identifies with the UK) as early as 2021². It is also important to acknowledge the potential economic impact of Brexit more specifically for Northern Ireland; the region has been a net beneficiary of EU funding which in 2014-2020 amounted to 3.55 billion euro per annum, a large portion of which was provided through the Common Agricultural Policy. All this amounts to the unification of the country being spoken about seriously at the highest levels of government for the first time in a generation.

The island of Ireland is a place of different and evolving identities. The GFA allowed for these different identities to co-exist in relative peace. Northern Ireland already enjoys ‘regulatory

² However, notable is the variation in opinion surveys on unification, where online surveys point to a majority for Irish unity while telephone polls suggest a much tighter outcome, which is interesting methodologically, if for no other reason.

dealignment' with the rest of the UK in many areas including regarding language rights and thorny social issues such as marriage equality and reproductive rights, which are devolved powers. Citizens of Northern Ireland are able to choose British or Irish nationality, or both. The impact of COVID-19 has highlighted how the key area of public health is a devolved power, and Northern Ireland followed its own path in coming out of lockdown, walking in step with the rest of the UK at some points, and choosing its own path for others. The onset of COVID-19 also highlighted the inefficiency of having two jurisdictions on one small island, at least when it comes to public health. Speaking at a meeting with Northern Ireland's First Minister, Arlene Foster, in March, then Taoiseach Leo Varadkar) asserted that '*Viruses don't recognise boundaries or borders*' when calling for co-operation between the jurisdictions in tackling the impact of the pandemic (Moriarty, 2020). The meeting resulted in a memorandum of understanding being signed between the two governments which set out areas of cooperation between the jurisdictions in the fight against COVID-19 (Colfer, 2020a).

A new government came to power in Ireland in June 2020 following an inconclusive general election on 8th February, as the traditionally electorally dominant Fianna Fáil and Fine Gael parties are sharing power for the first time along with the smaller Green Party. This government ends the century-old duopoly of the two centre-right parties, who between them have led every Irish government since the foundation of the state a century ago, following the surge in support for the left-nationalist Sinn Féin party at the polls (Colfer, 2020b).

While in the UK, EU membership has often been portrayed as an historic error that undermined and weakened sovereignty and the country's global standing, in Ireland EU membership is often seen as allowing the country to assert its independence, obtaining a seat at the top European table, accessing EU funds, and asserting the country's post-colonial separateness from the UK. EU membership has positively influenced Ireland's economic model given the country's commitment to free trade, competitiveness and innovation. The pluralist political systems that characterise the EU and countries elsewhere in Europe provided the model for both the Irish economic model and for the GFA, with its emphasis on human rights, democratic consent, and political decentralisation. Recent referendums on abortion and marriage equality, and the use of citizens' assemblies to promulgate legislative responses to defined policy areas (including climate change, electoral reform, and various areas of social policy) are deemed to signal the arrival of Ireland as a 'model' European nation.

The impact of Brexit on Anglo-Irish relations

Despite the structural divergence between the two states, Brexit will have a major impact on Anglo-Irish relations and the long-term political status of Northern Ireland. Overall, the consequences of Brexit can be assessed across the following dimensions of political economy, the constitution, and social cohesion and security:

The Political Economy Impact of Brexit on Anglo-Irish Relations

Brexit may impose stresses on the political economy of both states that leads to growing strains in the Anglo-Irish relationship. Both countries have been a beneficiary of the shift towards knowledge-intensive economies, and have gained comparative advantage, especially since the 1990s. If Brexit brings the period of comparatively strong economic performance to a close, it may weaken the peace process. The improvement of relative prosperity in Northern Ireland is perceived to be an important aspect of the post-1998 peace dividend.

- Depending on the outcome of the Brexit negotiations, the demand and supply shock of Brexit on both economies is likely to be very significant. COVID-19 will amplify the impact on growth and employment further. The sectoral impact is enormous in areas such as agriculture, as mentioned above.
- Northern Ireland was a priority region for EU structural funds, but there is no clear plan for replacing them. The UK government wants to launch a shared prosperity fund to replace structural funds but Whitehall will exert greater control over how funds are used. That is bound to create tensions in Northern Irish politics, as is the case in Scotland and Wales.

The Constitutional Impact of Brexit on Anglo-Irish Relations

As discussed, EU membership has helped to normalise and solidify Anglo-Irish relations as both states have been partners within the EU. Relations improved further after 1997 when the UK state was reformed by devolution and the creation of a multi-ethnic state accommodating the four nations of England, Wales, Scotland and Northern Ireland. Brexit is imposing strains on the UK devolved settlement which will in turn undermine Anglo-Irish relations.

- The peace process evolved within the context of UK-wide devolved governance after 1998. Devolution transformed the context of Northern Ireland within the UK state and conferred decentralised powers on the newly constituted Northern Ireland Assembly, which was based on principles of political pluralism manifested in the proportional electoral system used to elect Assembly members. It led to the normalisation of the Northern Ireland policy agenda as matters such as education, health, welfare and industrial policy became devolved to the Northern Ireland administration. It was open to EU engagement and it made the UK into a ‘quasi-federal state’ more akin to the polities of Western Europe. Brexit clearly represents a threat to the wider UK devolution process, as recent tensions over Scottish independence also underline.
- The fundamental constitutional issue is that the GFA was intended to allow Northern Ireland citizens to be able to enjoy the full rights of EU membership, an important reassurance especially for the nationalist community. Brexit effectively makes that impossible. The genius of the GFA was that for Unionists it took the border out of Northern Ireland politics and normalised the position of Northern Ireland within the devolved UK, whereas for Nationalists, the GFA took the border out of the island of Ireland (Gormley-Heenan & Aughey, 2017). Brexit clearly disrupts this delicate balance that the GFA achieved.
- The irony is that Brexit will not unify the UK around the ideal of reclaimed parliamentary sovereignty and self-determination, but may actually lead in the medium-to-long-term to the imperilling of the Union itself (Gamble 2018).

The Security and Social Cohesion Impact of Brexit on Anglo-Irish Relations

Given the negative impact of Brexit on the political economy and constitutional position underlying Anglo-Irish relations, there are concerns that Brexit may threaten social cohesion and imperil the relatively positive security situation in Northern Ireland.

- The Brexit issue has reignited political polarisation in Northern Ireland and damaged social cohesion. As was noted, 85 per cent of Nationalists/Catholics voted to remain in 2016 (although it is striking that 40 per cent of the Unionist community did so too).
- Indeed, the Brexit shock has been more acute because in the last decade or so, Northern Ireland has slipped into a phase of ‘negative peace’: while political violence has remained at a relatively low level, polarisation between communities remains and could easily lead to a fresh security crisis, particularly if the border once again becomes a focal point for political conflict.

The Long-Term Impact of Brexit on the UK, Ireland and Anglo-Irish Relations

In addressing the long-term implications of Brexit for Anglo-Irish relations, several important factors need to be considered.

The first point is that it is possible (and indeed perhaps relatively likely) that both sides will use constructive ambiguity to forge a post-Brexit modus operandi that is workable, at least in the short-term, as was the case with the backdrop to the GFA. After all, while Unionists oppose the Sinn Féin and SDLP demand for Northern Ireland to have ‘special status’ within the EU, many Unionists acknowledge the need for co-operation with the government in the Republic over the border, security, public health and the COVID-19 response, the common travel area, electricity supply, agriculture, and so on.

Secondly, it needs to be recognised that Brexit has intensified political instability within the UK, leading to a legitimacy crisis of the UK state. One likely effect is for there to be even less attention paid to Northern Ireland within the British political class, as the focus shifts to desperately shoring up the Union, and especially dealing with the Scottish situation, while managing other geopolitical shocks such as the threat posed to liberal democracies by Russia and China, and the instability in the UK’s ‘special relationship’ with the US engendered by the Trump White House.

Thirdly, Brexit will inevitably alter the nature of Ireland’s membership of the EU. Brexit represents a major exogenous shock to the EU (Murphy, 2016). The UK has one of the largest economies and 10 per cent of the EU’s population. It is one of two pre-eminent military powers with extensive security links to the US. So the UK’s departure will have huge repercussions for EU power relations and capability. One interpretation of this is that Brexit will draw Ireland closer to the EU and will lead to a further process of ‘thick’ Europeanisation (Hix, 2018; Rosamund, 2016). Another outcome could see Brexit engendering tensions at the core of the EU project, which in turn could lead to greater distance between Ireland and the EU. For instance, the success of Irish membership is predicated on the EU maintaining the emphasis on free trade, lower taxes, competition and free markets. Brexit itself will change the dynamics and power balance within the EU (such as that between large and small states) which will inevitably reshape Ireland’s relationship with the EU.

The fourth point is that so far, the Irish state has dealt with the Brexit crisis and the risks it poses by intensifying its commitment to European integration. But will that remain an option in the long-term for the Irish political class? European integration has previously led to conflict and division in Irish politics (such as with the defeat of the 2001 Nice and 2008 Lisbon Treaties,

despite the support from the government and mainstream parties). While strong, the pro-European political consensus in the Republic is not certain to hold. Brexit may pose a fundamental question for Ireland about whether it chooses to align itself with Europe and to weaken its ties to the Anglosphere. Of course, Europeanisation has been an important force in contemporary Irish politics and society, while Brexit may well exacerbate the EU's attractiveness. Yet Ireland's ties to Anglo-America are deep and enduring, not least in political economy given the general preference to maintain an open global economy, as affirmed by the importance of US FDI into the country. EU initiatives such as tax harmonisation and the imposition of a digital services tax would pose a fundamental threat to the Irish economic model which has delivered record growth since the 1990s.

In summary, there is self-evidently a risk that Brexit may lead to the protracted deterioration of Anglo-Irish relations, placing unprecedented strains on the relationship. A broader weakening of the relationship would in turn have a negative impact on the political and security situation in Northern Ireland.

Future Scenarios

Social science is not predictive and it is clearly impossible to know what the long-run impact of the Brexit shock will be for Anglo-Irish relations and for the situation in Northern Ireland. That said, outcomes are never foreordained, while political contingency and leadership will play a critical role. Drawing on the analysis presented so far, we conclude this paper by highlighting several potential scenarios for the future of Anglo-Irish relations in the aftermath of Brexit.

- 1) **Muddling Through:** Both the UK and Ireland continue to operate within the terms of the GFA and its governance framework. The strains imposed by Brexit require both sides to behave pragmatically, and to uphold the integrity of the current institutions. The Irish government takes this approach to maintain stability in the North, and because there is no agreement within the political class about when and whether to reopen the question of Irish unity. The British government, meanwhile, distracted by difficulties elsewhere in the cohesion of the UK and ongoing geopolitical tensions, has no desire to destabilise the GFA at the present time. As far as possible, UK politicians claim that business as usual must prevail in the management of the politics of Northern Ireland.
- 2) **Irish Unity:** In this scenario, the north and south of Ireland become unified within the next decade. The new unified Irish state would be committed to an unequivocally European future. A minority of Unionists in Northern Ireland voted to remain in the EU and thus would accept the reality of Irish unity and the end of the Union, which leads to the eventual victory of the border poll. It is possible that incompetence or benign neglect within the British political class means there is little concerted effort to shore up the Union. There is some evidence that during the Brexit negotiations, parts of the English Leave constituency represented by the Conservative Party were prepared to countenance losing Northern Ireland from the UK as the price to be paid for a 'clean' Brexit. Such events would be likely to trigger the wider disintegration of the UK state, including Scottish independence. Anglo-Irish relations may well remain perfectly cordial, but the focus of Ireland's geopolitical strategy would doubtless pivot away from the Anglosphere towards continental Europe.

- 3) **The Breakdown of Anglo-Irish Relations and the Return of Political Violence:** The UK Government uses Brexit to weaken its commitment to the GFA and its institutions as part of a wider drive to recentralise the UK while drawing back on the devolution project to reclaim sovereignty for the Westminster Parliament. The deterioration of Anglo-Irish relations is then exacerbated by the economic shock of Brexit. As a consequence, there is less effective co-operation between the governments, and no concerted attempt to manage the worsening situation in Northern Ireland, as the border once again becomes the focal point for political conflict. Growing polarisation between communities leads to the worsening of the security situation, and an upsurge in sectarian political violence. Northern Ireland regresses to the situation it found itself in prior to the signing of the GFA, but with renegade splinter terrorist organisations spurring the conflict who may be less amenable to political negotiation.

Conclusion

At the time of writing, ‘muddling-through’ appears to be the most plausible medium-term scenario for Anglo-Irish relations. Although there are sections of Brexit-supporting opinion in the UK who would accept the disintegration of the Union and even the inevitability of Irish unity, the ruling Conservative Party is still a Unionist party. Every effort will be made to shore up the status quo, while conflict with Dublin will be avoided wherever possible. However, it is important to point out that even the incrementalism and pragmatism that characterise that scenario could lead to the accumulation of tensions and ambiguities across time which could impose irreparable strains on Anglo-Irish relations. Co-operation between the two governments has been hugely important in maintaining the peace process since the 1990s. If that were to cease, the consequences for Northern Ireland politics would be very serious indeed. Moreover, the institutions of the GFA will inevitably be weakened by Brexit since, formally at least, many citizens in Northern Ireland are no longer citizens of the EU (while the status of the 700,000 Irish passport holders living in Northern Ireland is less clear). Crucially, Brexit threatens the tacit acceptance of the GFA among nationalists by undermining the identification with Europe. It does so among Unionists too, by imposing a border in the Irish Sea. No amount of co-operation between the British and Irish governments will be able to square that post-Brexit circle.

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