

Königswinter - September 2016

Five points to take away

1. Brexit was a revolt of 'the excluded'. In this sense, it was part of a phenomenon seen across the Western world, notably in the rise of Donald Trump, but also in the growth of support for AfD in Germany, the Five Star Movement in Italy, the Front National in France.

But - as was initially true for AfD - there was also a more intellectual component. There is resentment that a European élite for whom 'more Europe' is the answer to all questions has been pursuing a federalist project which commands little popular support across the continent. There is also a concern that the European project is faltering - that it faces existential problems, in relation to the crisis of the Eurozone and from internal and external migration, which have not been effectively managed.

2. The current business response to Brexit is (almost certainly unfounded) complacency. A belief that a deal will be struck which allows things to continue much as they did before the vote. This fails to recognize either the expectations which have been aroused by the Brexiteers in the UK or the problems of securing agreement to a fresh deal from member states with interests and political

difficulties of their own. One participant drew attention to Kubler-Ross's taxonomy of 'stages of grief' – denial, anger, bargaining, depression, acceptance – and suggested that this was a means of understanding how Britain's relationship with Europe would evolve over the next few years, with 'denial' the principal current reaction in both Britain and Germany.

3. The migration issue is extremely complex, and there is a spectrum of motives for migration. The refugee fleeing for his or her life is found at one end of that spectrum and the pure economic migrant at the other. But in practice, most people fall somewhere in between. Still, the German issues are mostly to do with refugees and the British issues mostly to do with economic migration. The desirability and feasibility of integration raise different questions in these different cases. Existing political institutions, at both European level and the level of the nation state, have proved inadequate to handle the complexity of the phenomenon or the public response to it..
4. Migration has become a focus for a wider set of - poorly articulated - discontents. In some cases, resentment of migration is a response to actual experience of migration - excessive concentrations of low skilled workers in particular towns, proximity to poorly integrated Muslim communities. But polling evidence shows little relationship between anti-migration sentiment and the

presence or absence of immigrants. There is a tendency to blame any discontent on anonymous others and unscrupulous politicians have always exploited this fear. A corollary is that more effective migration policies would not necessarily assuage popular concerns about migration.

5. A discussion of energy policy revealed failures of political process - an unwillingness to take difficult or long term decisions, the formulation of policy on weak or no evidential base, often with unintended consequences. Such failures are a symptom of a deeper malaise. The stability of established political structures in Europe and the United States is under greater threat than has been the case for some decades.

26th September 2016