

# The Unintended Revolution: Brexit and Instrumental Incoherence

(Jonathan Hopkin, LSE)

# Introduction

## Instrumental Incoherence:

- Reforms motivated by orthogonal objectives
- Reformers interested in side-effects not main effects
- Main effects emerge over time and in different dimensions
  
- Apply to case of Brexit:
- An example of instrumental incoherence?
- What incentives and objectives were at play and with what effects?

# The Case: Brexit

- Very major institutional reform/shock with deep economic, political and geopolitical consequences
- Variety of actors/groups involved, with differing objectives and indeed beliefs about reality
- An event but also a process – variety of paths towards final outcome possible
- Some institutional, political and economic effects visible immediately – not necessarily the ones reformers sought
- Longer term effects to be seen, but complete reversal unlikely for now

# The Actors: Who Wanted Brexit?

- Tory Euroskeptics: longstanding opponents of British membership, especially since Maastricht (or Thatcher's Bruges speech)
- Parts of City of London financial sector (Thompson 2017) – especially some hedge funds and other shadow banking actors suspicious of European regulation
- Right-wing press barons: Murdoch, Mail Group, Telegraph (Barclay brothers) and assorted wealthy donors (Banks, Dyson, Marshall etc)
- Anglosphere right-wing think tanks: Policy Exchange, IEA, HJS, TPA etc
- Political opportunists: Boris Johnson, Gove, Stuart

# Motivation: Why Brexit?

- Ideological commitment to nationalism (English?) and sovereignty
- Economic interests: Eurozone threat to City of London independence, bonus caps, taxes on financial transactions, some overblown concerns about labour regulation (hard to take seriously)
- Cultural concerns: immigration and threat to British (?) identity
- Geopolitics: realignment of UK within Anglosphere and 'globalist' orientation (offshore networks, tax havens, post-Empire outposts) (Slobodian 2023)
- Political opportunism: realignment of British politics and change balance of power within Conservative Party

# Different Motivations, Different Consequences

- The possible institutional outcomes are therefore a function of the different objectives of the different groups and their ability to get their version of Brexit over the line
- Brexit would not necessarily deliver all the elements groups were pursuing, nor would the objectives be necessarily explicit or immediate
- But the process of generating the electoral backing for Brexit and then implementing the end of EU membership shakes up those various inputs leading to a quite unpredictable outcome
- Role of political entrepreneurship and political constraints overcomes the preferences of voters and most interest groups

# Orthogonal Objectives: Johnson, the ERG and the Reshaping of the Conservative Party

- Longstanding battle between pro-SM and Euroskeptic wings of Tory Party, ever since Thatcher turned against Europe (late 80s)
- Under Cameron, party tacks to centre (to compete with New Labour) but needs a deal with Euroskeptics to win party leadership – price is party leaves the EPP
- Commitment to referendum on EU membership is next concession – after hung parliament in 2010 Cameron concedes expecting to remain in coalition with pro-EU Liberal Democrats
- 2015 – Conservatives win majority and referendum called – Cameron aims to negotiate a deal with EU and close the matter by winning it

# Orthogonal Objectives: Johnson, the ERG and the Reshaping of the Conservative Party

- Entry of Boris Johnson into Leave campaign driven fairly clearly by personal ambition: little sign of Euroskepticism in past and Johnson located on more liberal wing of party while London mayor
- Johnson joins group of Euroskeptic campaigners inside and outside the Tory party with American contacts and experience with new digital campaign techniques - eg Matthew Elliot, Dominic Cummings
- Leave strategy combines libertarian, 'globalist' strand with economic interventionist and closed borders discourse aimed at wavering Labour voters in North ('Levelling Up')
- Brexit leverages 'second dimension' culture wars to change Tory base



# What kind of Brexit? The Impossible Coalition

- Referendum vote forces majority of Conservative party to embrace Brexit, with few exceptions who are effectively marginalized
- Attempt by new leader Theresa May to forge new Conservative discourse around a mix of border control and continued engagement with EU Single Market proves unsustainable
- Euroskeptics around ERG (European Research Group) in Conservative parliamentary party force May out, Boris Johnson as PM
- Johnson negotiates 'hard Brexit' and calls early election, forces out pro-European MPs
- Voter fatigue and crisis in Labour party facilitates new Tory majority

# The Brexit Outcome Nobody Wanted

- Result: a hard Brexit which undermined trade, compromised fiscal space to pursue 'Levelling Up', substituted EU migration with dramatically increased non-EU migration, and complicated Covid response
- Despite comfortable parliamentary majority, Conservative government mishandles Covid and quickly descends into internal division after Johnson ousted and his successor, Liz Truss, barely lasts 2 months
- Probable reversal of outcome of 2019 election next year, with Conservative support crumbling
- Brexit deeply unpopular

# The Brexit Outcome Nobody Wanted



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United Kingdom

## Majority of Britons support rejoining the EU single market - poll

Reuters

November 29, 2023 3:48 PM GMT+1 · Updated a day ago



Puzzle with printed EU and UK flags is seen in this illustration taken November 13, 2019. REUTERS/Dado Ruvic/Illustration [Acquire Licensing Rights](#)

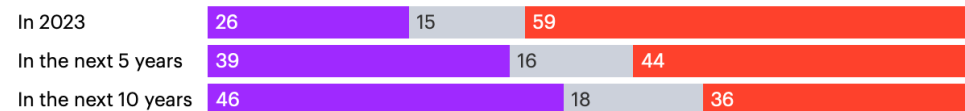
# The Brexit Outcome Nobody Wanted

## By 46% to 36%, Britons say they should be another EU referendum in the next ten years

In principle, do you think there should or should not be another referendum on Britain's membership of the European Union....? %

Should be a referendum   Don't know   Should not be a referendum

### All Britons



### Intend to vote Conservative



### Intend to vote Labour



# Brexit as Disruption and Opportunity?

- Leaving EU allows an easily captured political system with few checks and balances complete freedom to redesign economic system along libertarian, 'globalist' lines
- Truss experiment failed at first hurdle, but attempted to implement a series of measures long trailed by 'Tufton Street' – right wing think tanks with opaque funding (connected to right-wing ecosystem in US)
- Sunak establishes 'freeports' – special economic zones free of conventional regulatory constraints. Objective of 'crack-up capitalists' (Slobodian 2023)
- Little political will or capital to go much further, but playing long game

# Conclusion

## Instrumental Incoherence?:

- Brexit motivated by orthogonal objectives – short-term ambitions of Johnson combined with confusing array of post-Brexit projects
- Johnson mainly interested in side-effects, but ERG and ‘globalist’ think tanks more focused on main effects
- Main effects emerge over time and in different dimensions? So far little real reform beyond Brexit itself, but Tory party increasingly captured by far right groups, although lacking legislative capacity
- Surprising decline of Labour left and Scottish nationalism, short-term beneficiary a very centrist, technocratic post-Corbyn Labour party