Britain's No-Deal Debacle?

The Costs at Home and Likely Setbacks Abroad

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> The historic commitment by the US government to the peace process in Northern Ireland is a factor, but in addition the Irish American vote matters in US national politics.
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The UK left the EU on 31 January 2020 after 47 years of membership. If a No-Deal Brexit becomes a reality, it may not only be a sore awakening for Boris Johnson and his government, but also for the United Kingdom as a whole. In this paper, I will examine UK scepticism over Europe as a long-established phenomenon as well as the failure over the withdrawal agreement and the problems with the poorly executed UK strategy for Brexit negotiations. I will then look at how a No-Deal Brexit scenario will complicate the economic and political consequences for Ireland, and the associated repercussions for trade negotiations for the UK with the United States. The historic commitment by the US government to the peace process in Northern Ireland is a factor, but in addition the Irish American vote matters in US national politics (Laird, 2020). This paper concludes with an examination of how an Irish American congressional lobby that is worried about the integrity of the Good Friday Agreement would block a UK-US trade deal (Ryan, 2019; Lynch 2019b).

The phenomenon of British exceptionalism towards the European Union has taken a dramatic turn. With the right-wing populist Boris Johnson taking the country's premiership, Britain's Trumpian moment has arrived. Having left the EU, the UK is now in the transition period that will last until the end of 2020 and negotiations on a trade agreement with the EU-27 are underway (Ryan,

2019; Bloomfield, 2019). It is unlikely that there will be any room for big compromises during the final stages of negotiations this autumn. Without compromise No-Deal is still the most likely outcome. With the global economy in recession and the COVID-19 crisis still not resolved this is bad economic news for both the UK and EU.

BREXIT—ENDGAME OF THE RELUCTANT EUROPEAN?—THE PHASE OF SCEPTICISM 1945-2016

The EU referendum vote on 23 June 2016 represented the biggest political decision many British voters have made in their lifetime. The British public in turn delivered a result that can easily be classified as one of the biggest recent political shocks (Armstrong, 2017).

The referendum revealed deep popular disaffection with the European Union, in particular on the part of working-class communities that felt that they had been left behind (Shipman, 2016). Some of the roots of this disaffection may lie elsewhere—in national government austerity policies or in the effects of globalisation more generally (Goodwin and Heath. 2016). The disaffection was exploited by opportunistic politicians, such as Boris Johnson and Nigel Farage (Gifford, 2017).

The potential implications of Brexit were even more significant as the UK was far from being 'any' EU Member State. It was the third-most populous of the 28 members, accounting in 2016 for around 13 per cent of its population. It was, with a share of 16 per cent of the EU's collective GDP in 2016, the second-biggest economy. Accounting for 27 per cent of all military spending of EU members in 2015, it was, by this definition, the biggest EU military power. With France, the only other EU Member State with a comparable military power projection capacity, it was one of only two EU members with a permanent seat on the UN Security Council and with nuclear weapons. The implications of Brexit were doubtless bigger for the UK itself than for the 27 remaining Member States. But Brexit also

Table 1: Key dates

Year	Event
1957	The EEC (The Treaty of Rome) is set up
1961 & 1967	British applications for EEC membership
1963 & 1967	French veto against British membership
1971	Third British application for EEC membership
1973	Britain becomes a member of the EEC under Prime Minister Edward
1974	Harold Wilson's Labour party defeated Edward Heath's Conservatives in February 1974 and formed a minority government and then won an overall majority in October 1974. Labour promised that it would give the British people the final say on EEC membership, which would be binding on the government—through the ballot box—on whether the UK accept the terms and stay in or reject the terms and come out.
1975	In the referendum Britain votes in favour of continued membership (66% voter turnout, 2/3 said yes) (Butler and Kitzinger, 1976).

threatened to diminish the EU's (arguably already declining) international weight and influence (Webber, 2018). History shows that three spheres of interest originally governed the British official attitude: the UK's relationship to the United States, the Commonwealth and then Europe. Europe became more important to the UK as it became more successful economically and to a lesser extent politically (Ryan, 2016).

Most Prime Ministers of the UK defended and enhanced British exceptionalism, and the permanent niche the country had carved out: within the Single Market and Customs Union, but outside the European Monetary Union and other European integration arrangements. There was a strong belief up until the referendum in 2016 that this set up was in the UK's best interest.

Britain became the Reluctant European under Margaret Thatcher (1979-1990) who was known for her confrontational style, and who negotiated a budget rebate for Britain. She was in favour of enlargement but resisted closer European integration as well as the exchange rate mechanism (ERM). Thatcher wanted floating exchange rates instead. Britain became a member of the ERM in 1990, against Margaret Thatcher's wishes. A month after Britain had joined the ERM, Margaret Thatcher had to resign as Prime Minister. Successor John Major (1990-1997) represented the British view of widening rather than deepening European integration (Ryan, 2016; Thatcher, 2003).

Under Major in December 1991, the Maastricht Treaty was signed. On 16 September 1992, so-called "Black Wednesday" happened which saw the UK exit

from the ERM. This event is not only deeply engrained in the memory of older politicians like then-Finance Minister Norman Lamont, but also among the younger ones like Prime Minister David Cameron who was then a special adviser to the Finance Minister. The on-going recession and a split within the Conservative Party concerning the EU dominated UK politics before the 1997 general election, which the Conservatives lost (Ryan, 2016; Kiratli, 2015).

Following the Maastricht Treaty in 1993, the UK Independence Party (UKIP) adopted the UK's exit from the EU as the distinctive party goal (Lynch and Whitaker, 2013). Growing Euroscepticism within the wider UK population and a surge of support for UKIP also had implications for the UK's stance on Europe.

Under Prime Minister Tony Blair (1997–2007), Labour had a more pro-European stance. Blair was keen to play a leading, constructive role in Europe and New Labour were less sceptical towards the EU. But declining popularity due to the Iraq war weakened his premiership. Finance minister Gordon Brown, who later succeeded Blair as Prime Minister (2007-2010) was rather lukewarm regarding the EU. Cameron (2010-15) was first elected in a coalition government with the pro-European Liberal Democrats until the Conservative Party won a majority in May 2015 (Glencross, 2016).

In the 2009 European Parliament elections, UKIP came in second, while it won the 2014 European Parliament elections with a vote share of 26.6%. As UKIP became a significant political player, it started to pose a threat to the Conservative Party. Indeed, Cameron decided to hold an 'in−out'

referendum on the UK membership of the EU, though it was labelled as an "advisory referendum" which was not constitutionally binding (Ryan, 2016; Glencross, 2016). This decision was a tactical move to try and win over UKIP voters in the run-up to the 2015 general elections. The surge of support for Nigel Farage and UKIP and the victory for the leave campaign in the EU referendum emboldened and strengthened the Eurosceptic wing of the Conservative Party, providing it substantial political clout within the Party.

Prime Minister Cameron was primarily to blame for the referendum outcome. He initially endorsed the idea in 2013 of an 'in-out' referendum after a planned attempt to renegotiate the UK's relationship with the EU. Cameron in his Bloomberg speech in January 2013 pledged to stage an 'in−out' referendum on the UK's EU membership if the Conservatives won the 2015 elections. Cameron explained his proposal by arguing that the EU that would emerge from the Eurozone crisis was going to be a 'very different body' to the one that the British had voted to join in 1975. Before staging a referendum, the government would negotiate a 'new settlement' of the UK's membership terms with 'our European partners' (Cameron, 2013).

Cameron duly submitted his requests for renegotiation to his European partners in November 2015, and by February 2016 an agreement was reached at the European Council under the four headings of Cameron's requests (BBC News, 2016) (see Table 2).

Table 2: Requests for renegotiation

Position of non-Eurozone member states	Discrimination between Euro and non-Euro economic actors prohibited.
Competitiveness	Better regulation, lowering of administrative burdens.
Social benefits & free movement of workers	Safeguard mechanism, restricting non-contributory in-work benefits for four years. Member states control over benefits for non-active EU migrants.
Sovereignty	Ever-closer union of peoples not a legal basis for extending EU competencies. All member states do not have to aim at a common destination, with recognition that the UK does not want further political integration. Role of national parliaments enhanced with a new 'red card' mechanism (55% of vote trigger) (Ryan, 2016).

The agreement did not resonate with the British public and, combined with a complacent Remain campaign, led to the pro-Brexit result in the referendum (Scott, 2017). On the morning after the referendum (Clarke et al, 2017), Cameron announced he would be standing down to allow a new Prime Minister to prepare the negotiation with the EU. "Above all," he said, "this will require strong, determined and committed leadership" (Martin, 2016). On July 11, 2016, the Conservative Party chose Theresa May to replace him. Prime Minister May's record on Brexit revealed a high degree of opportunism, a certain skill in calculating domestic political odds, and a willingness to risk the economic well-being of the British people for short-term political self-interest and for the interest of her party (Shipman, 2016).

A recurring theme of this section is the failure of successive generations of British politicians to make a positive case for Europe. At best, membership was portrayed as a grim necessity (Wall, 2020).

NO-DEAL BREXIT CONSEQUENCES FOR IRELAND

Brexit was not inevitable. It was most of all the outcome of multi-generational failures of British political leadership. (Sobolewska and Ford, 2020). The Republic of Ireland will be hit hardest politically and economically by a No-Deal Brexit, while the opportunity for unity may also become a probability.

A No-Deal Brexit (Walker and Elgot, 2019) and the threats to the Good Friday agreement (McDonald, 2019) could force the people of Northern Ireland to consider a border poll and the possibility

of a United Ireland (Whysall, 2019). One possibility might be a border poll in Northern Ireland concurrent with a constitutional referendum in the Republic of Ireland. The interim constitutional arrangements would preserve the *status quo* within Northern Ireland as much as possible, continuing both devolution and compulsory power-sharing, but swapping the roles played by Dublin and London. The political dynamics unleashed by Brexit may make a border poll inevitable. The Republic of Ireland referendum would redefine the national territory to include Northern Ireland, but would then also prescribe interim constitutional arrangements and a set of more extensive constitutional changes that would apply five years later by default with a new constitution being enacted by plebiscite on an all-island basis. Planning for a possible vote for a United Ireland in both jurisdictions would be needed (Doyle, 2019).

Aside from the political repercussions, a No-Deal Brexit would cause considerable damage to the Irish economy, and there is little doubting that this would cause problems back in Britain, too. Although, as the Irish economist David McWilliams has noted, trade between Ireland and the UK has fallen from 91% of Irish exports in 1953 to 11% today, the Irish-British partnership remains of central importance to Britain. Ireland is the UK's fifth largest export market, and the UK exports more to Ireland than it does to China. Furthermore, the UK runs a large trade surplus with Ireland—in fact, it is the UK's second-largest trade surplus after the US. The idea that Brexit will give way to a "Global Britain," which does not need Europe, is unlikely (McWilliams, 2019).

In addition to facing economic distress and enduring political instability, Ireland may also have to fight to ensure its standing in the EU. In a post-Brexit scenario, there are concerns that commercial interests in the UK would be able to smuggle goods into the EU's single market through the Northern Ireland land border that do not meet EU standards and that evade EU tariffs. In such a case, Ireland may be forced to harden its border with the rest of the EU (Ryan, 2019; Parker et al, 2020).

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The UK Government has repeatedly stated that it would not ask for or agree to an extension of the transition period—referring to the Conservative manifesto commitment. Indeed, the Government went so far as to legislate to prohibit itself from agreeing an extension with the EU. As things stand, the transition period will expire, and the UK will exit the EU single market and customs union on 31 December 2020.

10 Downing Street has stated, 'the transition period ends on 31 December 2020, as enshrined in UK law, which the Prime Minister has made clear he has no intention of changing'. A U-turn from the UK therefore remains a remote possibility despite the COVID-19 pandemic, and the UK's ambitious timetable ruling out an extension to the transition period remains to be a key driver of the UK's negotiation strategy. A number of observations on the UK stance—as viewed from outside the negotiating team—have been described as the UK Government was "running down the clock" on reaching a deal with the EU (Jerzewska, 2020).

It has become clear under Boris Johnson since his election victory in December 2019 that the interpretation of the Withdrawal Agreement's Protocol_on Ireland/Northern Ireland differs between the UK and the EU. The Command Paper published by the UK seems to cement these differences. The Command Paper does not fully address the challenges which come from the special situation around the Irish border. It attempts to determine how the UK Government envisages the Protocol might be implemented and suggests some solutions, but these will need to be agreed with the EU, and that will not be straightforward (Gasiorek and Jerzewska, 2020).

The substantive differences concern which goods will be subject to checks, on which flows, and how the checks will be carried out to the satisfaction of both the UK and the EU; and relatedly, what infrastructure and institutions are needed. With talks between the UK and the EU seemingly at an impasse, the outlook is bleak for businesses and consumers alike in Northern Ireland, and it is ordinary people who will be hit the hardest by price increases for daily essentials (Gasiorek and Jerzewska, 2020).

The agreement of the revised Protocol on Ireland/Northern Ireland in October 2019 paved the way for the UK to leave the EU on 31 January 2020. Yet the months since then have been characterised by uncertainty. On the one hand, the UK Government has been unable to explain precisely or consistently what it agreed with the EU. On the other hand, the EU's insistence that 'the rules are the rules' has left Northern Ireland businesses fearing that there will be no flexibility to apply the Protocol proportionately. The House of Lords European Union Committee report warns that time is running out for the Government to provide certainty to Northern Ireland business and stakeholders before the Protocol becomes operational on 1 January 2021. Without clear and prompt guidance from the Government, and a proportionate approach to the application of the Protocol by the EU, there remains a real and present danger of Northern Ireland becoming collateral damage of Brexit (European Union Committee, 2020).

The UK on 12 June 2020 formally rejected the option to extend its post-Brexit transition period beyond the end of this year, leaving companies with a matter of months to prepare for more restrictive trading conditions with the EU. UK Cabinet Office minister Michael Gove said he had "formally confirmed" the decision during talks with Brussels, stating on Twitter: "On 1 January 2021 we will take back control and regain our political and economic independence" (Brunsden and Payne 2020).

The big difference between leaving the EU with no trade deal in December 2020, as opposed to in March or October 2019 is that there is agreement between the UK and the EU in the legally binding Withdrawal Agreement on the regime for the trade in goods between Northern Ireland and the EU (European Union Committee, 2020).

The UK is legally obliged to be ready for the new system by the end of the year, which means introducing a customs and regulatory border between Great Britain and Northern Ireland to ensure that goods entering Northern Ireland can circulate freely in the island of Ireland (with no customs or regulatory border) without compromising the EU's Single Market or Customs Union. The implementation of the Protocol is being discussed in the Joint Committee where the UK co-chair is Michael Gove, the Chancellor of the Duchy of Lancaster. This will require goodwill and flexibility on both sides, even in the event of the failure of the wider UK-EU negotiations on the future relationship, and the inevitable tension and acrimony that this is likely to generate. The fact that the Brexit negotiations concluded with a Protocol

on Ireland/Northern Ireland remains an impressive achievement. The overriding imperatives were conservation and preservation, in terms of finding solutions that would as much as possible secure a reasonable measure of stability in Northern Ireland (European Union Committee, 2020).

Meanwhile, the British government has abandoned its plan to introduce full border checks with the EU on January 1, 2021 as ministers come under mounting pressure from business not to compound the chaos caused by COVID-19. In a significant policy U-turn, Gove has accepted that businesses cannot be expected to cope with COVID-19 and simultaneously face the prospect of disruption at the border at the end of the post-Brexit transition period. Instead of full checks, the government will now introduce a temporary light-touch regime at UK ports such as Dover for incoming EU goods, under both a deal and No-Deal scenario. However, officials concede that goods flowing to the EU from the UK are likely to face full checks as they enter France, for example in the case of the port of Dover (Foster and Parker, 2020).

The EU-UK Withdrawal Agreement for Brexit means there will be no hard border or customs border on the island of Ireland between the Republic of Ireland and Northern Ireland. The Withdrawal Agreement was negotiated between the UK and the EU after Britain voted to leave the EU and included provisions to maintain a seamless border between the Republic of Ireland and Northern Ireland. This seamless border between the Republic of Ireland and Northern Ireland was originally negotiated between the UK and Ireland as part of the

Northern Ireland peace process culminating in the Good Friday Agreement / Belfast Agreement (1998) - an agreement or treaty that essentially underpins the peace process in Northern Ireland.

The fact that both UK and the Republic of Ireland were in the EU when this Agreement was negotiated made everything a lot easier. Now that the UK is out of the EU, and as a result of the Good Friday Agreement and the Withdrawal Agreement, there will have to be a customs border between Northern Ireland and the rest of the UK rather than between the Republic of Ireland and Northern Ireland, which would be the logical situation given that the Republic of Ireland is in the EU and Northern Ireland is in the UK.

Boris Johnson signed up in 2019 and boasted about it being a fantastic deal for Britain as it is leaving the EU. However, the UK Government is now concerned that having a customs border between one part of the UK and another part of the UK undermines the unity and integrity of the UK and subjects its internal trade to a degree of control by the EU that undermines the whole idea of Brexit.

THE 2020 IRISH REPUBLIC ELECTION RESULT HAS RECAST IRELAND'S POLITICAL DYNAMICS

Ireland's political landscape has now been redrawn. Sinn Féin has won the popular vote in the Irish election, securing 24.5 percent of first preferences in the country's electoral system of single transferable votes. Opposition party Fianna Fáil came second with 22.2 percent, and Leo Varadkar's ruling Fine Gael a dismal third on 20.9 percent. As far as seat distribution is concerned, Fianna Fáil received 38 seats, down 6 seats in 2016. Sinn Féin won 37 seats, up 14 on 2016, and Fine Gael dropped 16 seats to end up with 35 seats. This means that Fine Gael had the third worst vote result in its history (after

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1944 and 1948), while, for Fianna Fail, it was the second worst ever (after its post-crash humiliation in 2011).

During the 2019 UK election, Unionists suffered notable losses in Northern Ireland. The DUP, whose 10 members of parliament (MPs) had propped up May's government, lost its leverage in Westminster. This includes the loss of two seats to nationalists, including its parliamentary leader's seat to Sinn Féin. Support increased for the cross-community Alliance Party, which won one seat. The nationalist Social Democratic and Labour Party (SDLP) won two seats, one from the DUP and one from Sinn Féin. Notably, there are now more nationalist MPs from Northern Ireland (9) than unionists (8)—a reverse from the 11 to 7 split in 2017 (Ryan, 2020; Hayward, 2020).

The Ulster Unionists, the SDLP and Alliance parties joined Sinn Féin and the DUP after signing up to the deal brokered by the British and Irish governments[1] which overcame the stalemate in the Northern Ireland Assembly dating from January 2017 when Sinn Féin withdrew from power-sharing, accusing the DUP of arrogance, bad faith and sleaze (Beesley, 2020a). The almost unanimous view in the Republic of Ireland and Northern Ireland is that Boris Johnson's attitude to Northern Ireland is at best indifference. This view was only strengthened by the dismissal of Julian Smith as Northern Ireland secretary just over a month after he oversaw the resumption of the Northern Ireland assembly (Carroll 2020).

The Republic of Ireland's general election took place on 8 February. Sinn Féin's vote share increased by 10.7 percentage points, making it the most popular party. This is the first time it has achieved this distinction; it will not be the largest party in the Irish Parliament (Dáil Éireann) only because it did not run enough candidates to capitalise on its surge in popularity. In 2019, it had

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1   https://assets.publishing.service.gov.uk/ government/uploads/system/uploads/ attachment_data/file/856998/2020-01-08_a_new_ decade__a_new_approach.pdf

very poor local and European Parliament elections, losing half of its local councillors, which made its success in the general election even more surprising.

The result is part of a story that began more than a decade ago with the economic crisis, spending cuts and tax increases, and the intervention of the IMF and EU with a multi-lateral 'bailout' loan in late 2010. Fianna Fáil and the Green Party, which were in government at the time, were severely punished by the electorate at the general election in 2011. Fine Gael and Labour also lost swathes of voters in 2016, notwithstanding Ireland's rapid economic recovery because they continued with a programme of spending cuts and tax increases from 2011 onwards (Ryan, 2020; Leahy, 2016).

From 2016, Fine Gael governed with the support of a confidence-and-supply agreement with Fianna Fáil, which effectively supported the minority Fine Gael government in parliament. This arrangement lasted almost four years—long beyond its expected lifetime—partly due to the need for political stability to deal with the impact of Brexit (Kelly, 2016).

Under the mechanics of Ireland's electoral system, 39 constituencies elect between three and five lawmakers each, through a single transferable vote. Sinn Féin's election success materialised under the leadership of Mary Lou McDonald, a Dubliner who replaced veteran Belfast leader Gerry Adams in 2018. Since the party only put forward 42 candidates to fill Ireland's 160 parliamentary seats. (Ryan, 2020; Beesley and Hall, 2020).

Sinn Féin rode a wave of anger over homelessness, soaring rents, hospital waiting lists and fraying public services. McDonald offered left-wing solutions, such as an ambitious public housing building programme, that enthused voters, especially those under the age of 50. Meanwhile, Varadkar's attempt to frame the election around his Brexit diplomacy and the strong economy fell flat. Fianna Fáil was contaminated by its confidence-and-supply deal that had propped up Varadkar's minority administration, leaving Sinn Féin to cast itself as the agent of real change.

This extraordinary election result has come at a time at which the Republic of Ireland is the fastest growing economy in the EU. Sinn Féin at its core is the party that wants to call a border poll in Northern Ireland and the Republic of Ireland on Irish unity. At the same time, it embraces multiculturalism, and supported both gay marriage and abortion rights. Relations with the UK were, until Brexit, as close as they have ever been. But Brexit altered the mood. Irish people disliked the way Brexiteers disregarded Irish concerns.

Brexit itself may in fact have become Sinn Féin's perfect storm: Not only has it locked the two larger parties into an extended problematic marriage, but it has also left the prospect of a United Ireland looking far less remote. Northern Irish voters chose Remain in the 2016 referendum but are now outside the EU anyway. Faced with the choice between two unions—the UK or the EU—many north of the border may choose unity with the Republic of Ireland in the next five years.

After positive internal party votes on Ireland's proposed coalition between the Fianna Fáil, Fine Gael, and Green Party, a new government was formed on 27 June 2020, with Fianna Fáil leader Micheál Martin serving as Taoiseach and Leo Varadkar as Tánaiste (Deputy Prime Minister) until December 2022. The position of Taoiseach will revert to Leo Varadkar and Micheál Martin will become Tánaiste until the next election in 2024. Sinn Féin will become the main opposition party in Dail Eireann (Beesley, 2020b).

Sinn Féin has recast Ireland's political dynamic and installed itself as a third large party in what has historically been a two-party system. One of the main takeaways of the 2020 election result will be Sinn Féin fundamentally breaking through the historical tight grip on Irish politics of the two traditional parties, Fianna Fáil and Fine Gael (Ryan, 2020; Beesley and Hall, 2020)

Some influential Irish Americans are looking on in astonishment at the demonisation of Sinn Féin by the two leaders of Fianna Fáil and Fine Gael and what seems like the majority of Dublin establishment in the Republic of Ireland. After decades of Irish leaders encouraging Americans to get Sinn Féin to do the right thing and become full participants in the peace process, the political establishment in Ireland is now sending out mixed messages. It is fine for the unionist DUP to be in government with Sinn Féin in Northern Ireland, but not for Fianna Fáil and Fine Gael in the Republic (O'Dowd, 2020).

Former congressman Bruce Morrison, a key figure in the American role in the Irish peace process, summed up Irish-American sentiment best in a recent interview with IrishCentral.com: "The continuing attempts to quarantine Sinn Féin is a direct attack on their democratic mandate and the wishes of their voters," he said. "When we urged them forward to ceasefire and disarmament . . . we said peaceful politics was the way forward. Now that they have done that, the previously dominant parties are trying to change the subject to the past—It makes no sense!" (O'Dowd, 2020).

A JOE BIDEN PRESIDENCY AND CONGRESS MAY BLOCK US-UK POST-BREXIT TRADE DEAL

In June 2017, then UK Prime Minister Theresa May called an election that lost the Conservatives' parliamentary majority and made her party dependent on the DUP to form a government. The DUP, a fiercely pro-union party that had opposed the 1998 Good Friday Agreement that brought peace to the island of Ireland, used its new leverage in Parliament to block any differentiated status for Northern Ireland after Brexit lest it weaken the union. Bowing to the DUP's demands, the Prime Minister tried to appease her coalition partners by widening the alignment to encompass the UK, not just Northern Ireland. This in turn infuriated the other Brexiteers.

After first suggesting the UK would agree to some alignment between Northern Ireland and the Irish Republic, and subsequently suggesting regulatory alignment more broadly between the UK and the EU, it was clear that May would fail to provide a solution to the Irish border issue. For this reason, the

European Commission unveiled its own, "the backstop," which would guarantee that the border remains open no matter what happened in the future. The backstop would ensure that Northern Ireland would remain integrated within the EU's customs union and single market for goods, supplemented by an EU-UK customs union, until it was rendered unnecessary either by the future relationship itself or other means. In layman's terms, it was designed as an insurance policy enabling the UK and EU to fulfil their shared commitment to respect the Northern Ireland peace agreement by keeping the border as open after Brexit as it is now.

Throughout the protracted Brexit saga, the central problem has been the Irish border issue, which Brexiteers have long avoided to acknowledge. Indeed, at every step they have shown a simple lack of concern about the communities who rely on the border's openness for their peace and prosperity (Luce, 2019). Even worse, Michael Gove, a Conservative cabinet minister tasked in May's government with No-Deal planning, previously authored a pamphlet attacking the Good Friday Agreement, comparing it to Munich appeasement (Gove, 2000).

In addition, Brexiteers have claimed confidently that such inconveniences would prove to be insignificant for a scenario in which post-Brexit Britain that was able to secure a better and more prosperous trade deal with the United States. Indeed, Prime Minister Boris Johnson has made a US-UK free trade agreement a guiding ambition of his government, and he has claimed that the UK would be "first in line to do a great free trade deal" with the Trump administration. Across the pond, this fantasy has been inflated by President Donald Trump, too, who said in late July 2019 that he had spoken to Boris Johnson by phone and supported an "ambitious trade agreement" with Britain after Brexit. Trump's message has also been echoed by Senator Tom Cotton, a Republican from Arkansas, and 44 of his Senate colleagues who sent a letter to Johnson pledging unwavering support for the United Kingdom as it exits the European Union (Cotton, 2019).

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However, as Boris Johnson and Donald Trump have been making their triumphant claims, the Irish Government has been building up support among its own allies in the US Congress. So far, the Irish are in the stronger position in Washington (Donnan, 2019). This has primarily been achieved with the help of the Friends of Ireland Caucus in the US Congress, which has been an effective advocate for Irish interests in the United States and which claims to represent the interests of America's large and politically diverse Irish-American constituency (Kennedy, 2019).

Many of the US Congress' most important officials have sided with the Irish on backstop concerns and against the British government on a potential trade deal. Richard Neal, for example, the chair of the House Ways and Means Committee, which has authority over trade deals, has said, "Any negotiation of a bilateral trade agreement with the UK […] needs a firm commitment on no hard border" (Lynch, 2019a). This has been reiterated by Nancy Pelosi, the Speaker of the US House of Representatives, who declared in a speech at the London School of Economics: "If there's any harm to the Good Friday accords—no trade treaty". (RTE News, 2019) There is also Chuck Schumer, the Democrats' leader in the Senate, who has declared his "inveterate opposition to any prospective trade deal with the UK that either undermines the landmark Good Friday Agreement or facilitates a return to a hard border" (Ryan, 2019).

On 3 November 2019, the US House of Representatives voted in favour of a resolution which calls for strict adherence to the Good Friday Agreement during Brexit negotiations, and was passed by unanimous voice vote following a debate. The legislation urges the UK and the EU to ensure that Brexit does not threaten peace on the island of Ireland and strongly opposes the reintroduction of a hard border. The bill emphasises that any trade agreement between the US and the UK is contingent on meeting the Good Friday Agreement's obligations (The Irish News, 2019). Even if Johnson and Trump were to have their way, the road to a UK-US Free Trade Agreement is a long one. A

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UK-US Free Trade Agreement, without a pre-existing framework from which to build, as in the North American Free Trade Agreement's (NAFTA) case, will be even tougher to negotiate and ratify.

The prospect of former vice president and Irish-American Joe Biden becoming President would make it likely that Boris Johnson as a friend and political ally of President Trump would find it even more difficult to achieve a UK-US Free Trade Agreement without significant compromises (Ryan, 2019).

The dire economic predictions for the implications of a No-Deal Brexit will then be tested by events, in an environment made infinitely more hostile by the consequences of COVID-19. The painfully won relative stability of Northern Ireland, founded on the Good Friday Agreement, will be put at risk, an outcome that will arouse opposition in the United States. This opposition from Congress and other American sources will serve to preclude any possibility of a favourable trade agreement between the USA and UK. The widespread perception of the present British government as a "rogue" administration will be reinforced by its cavalier attitude to the implementation of international treaties.

Brussels put the border on the island of Ireland, the only land border between the EU and UK, at the very heart of the exit negotiations with the UK government. Across the Atlantic, key political leaders were quick to raise their concerns over the potential negative impact of Brexit on the Good Friday Agreement. While Boris Johnson and Donald Trump have made bold statements about their ambitions for a US-UK free trade agreement,

those plans may get hampered by the House of Representatives which has expressed its determination to preserve peace on the island of Ireland. In any case the negotiations on a UK-US free trade deal have been postponed indefinitely due to the COVID-19 crisis and the presidential election.

Since the beginning of his candidacy, Joe Biden has voiced his support for protecting the Good Friday agreement and recent developments in the EU-UK negotiations have only hardened his resolve. They equally appear to have hardened the resolve of other prominent Democrats in Congress and, perhaps more important, to have generated new scrutiny in the US of the UK's policies with regard to Northern Ireland. Trade negotiations with the US post-Brexit, under any administration, will therefore be far more complex. The added complexity over the border issue on the island of Ireland is something that the UK government may have chosen to downplay but it would be propelled into the limelight if a No-Deal Brexit scenario came true (Stephens, 2020).

After the Johnson government introduced the Internal Market Bill, which put the UK's commitment to the Withdrawal Agreement in question, the EU is asking how they can continue to negotiate with a government whose signature cannot be trusted. Goodwill among the EU-27 towards the British government is at an all-time low. The bill does not seek to eliminate the customs border in the Irish Sea that Johnson agreed to last October—merely to weaken aspects of it. Nevertheless, the bill has led to fears in Dublin and elsewhere that Johnson may ultimately seek to scrap that entire border. The prime minister's dislike of

the Withdrawal Agreement is heart-felt. That treaty contradicted the pledge that he had earlier given to the DUP that he would never allow a border in the Irish Sea.

To claim that this step is being taken in the interests of Northern Ireland risks making a mockery of the finely tuned balance and common values the Good Friday Agreement was intended to uphold. Biden fired a shot across Boris Johnson's bow by warning him that a trade agreement with the US was incompatible with his Brexit negotiation strategy. He has sided with the EU by claiming that peace on the island of Ireland was at risk from the UK Internal Market Bill, which provides powers to override the Withdrawal Agreement in order to prevent trade barriers in the Irish Sea.

"We can't allow the Good Friday Agreement that brought peace to Northern Ireland to become a casualty of Brexit," he tweeted. "Any trade deal between the US and UK must be contingent upon respect for the Agreement and preventing the return of a hard border. Period." He was not just fishing for Irish American votes. That is the firm position of his party and a large portion of America's political class." (Chao-Fong, 2020).

Biden is himself part of the Irish American lobby. "The Irish cause is in his veins," a former aide, Shailagh Murray, told the *New York Times* (Landler, 2020). He often cites Yeats and in his acceptance speech for the Democratic nomination in August, he quoted lines by Irish poet and playwright Seamus Heaney, adding: "This is our moment to make hope and history rhyme." Biden's cultural and political hinterland is suffused with Irish nationalism. In any Anglo-Irish dispute, he will instinctively take the Irish side.

US president Donald Trump's special envoy to Northern Ireland, Mick Mulvaney, has warned against creating a "hard border by accident" on the island of Ireland (Boffey, 2020). In response to the proposed Internal Market Bill, Mulvaney went a step further, saying in an interview with the *Financial Times*: "The Trump administration, State Department and the US Congress would all be aligned in the desire to see the Good Friday Agreement (Belfast Agreement) preserved to see the lack of a border maintained" (Beesley and Payne, 2020).

The casual ignorance about US congressional politics and Northern Ireland seems widespread in Westminster and the UK media. There have been British critics of Joe Biden's comments regarding the Good Friday agreement, accusing him of not understanding the situation in Northern Ireland and interfering in UK domestic politics (Polley, 2020, Gray 2020). The fact of the matter is that there will be no trade deal between the US-UK unless the Irish dimension is resolved to Dublin's satisfaction.

CONCLUSION

A No-Deal Brexit is an unpredictable outcome that poses a risk to the financial stability of the UK, EU and beyond. Regardless of how EU leaders choose to answer the questions posed by Brexit, the instability and uncertainty will not end anytime soon. Britain became the first country ever to leave the 28-nation European Union. Prime Minister Boris Johnson says these negotiations must conclude by 31 December 2020, meaning a No-Deal Brexit if they are not, with Britain

leaving on "most favoured nation" terms under World Trade Organisation rules. These are the same rules under which Britain currently operates much of its global trade, including with China, Russia, and the United States, and is therefore a feasible default position.

While this would leave the UK free to pursue a domestic and international agenda without hindrance by EU rules, the immediate disruption, including an unavoidable hard border between Northern Ireland and Ireland, will make for a very uncomfortable position economically and politically.

Prime Minister Johnson has so far chosen to ignore the border issues on the island of Ireland. Worse, his new Internal Market Bill—a proposal that would hinder the effectiveness of the withdrawal agreement—signals reckless willingness to violate international law in service to his Brexit ambitions. It is time for the UK government to realize that failure to meet its obligations under the Good Friday Agreement could seriously spoil its 'Global Britain' vision, including any ambitions of a comprehensive trade agreement with the US.

Nothing will happen quickly on a UK-US trade deal during the 2020 election campaign. So in a hard Brexit/No-Deal scenario, Brexiteers who claim that a US-UK trade deal will be the solution or compensation for strained economic relations with the EU are not being realistic, while the UK would find itself isolated from not only one but two of its key allies. ▪

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Britain's No-Deal Debacle?
The Costs at Home and Likely Setbacks Abroad

John Ryan

For much of the past four years, and increasingly in the past few months, the United Kingdom has drifted in the direction of a No-Deal Brexit. In this Strategic Update, John Ryan explores the economic and political consequences for the United Kingdom of such a situation, as well as the domestic factors in Ireland and the United States that may provide unanticipated problems for the Johnson government.

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