

European views on the UK's renegotiation: Ireland, Portugal, Austria and Croatia

The success or failure of David Cameron's planned renegotiation of the UK's EU membership will depend to a large extent on how the other 27 EU member states respond to his proposals. But how do countries across the EU view the UK's renegotiation? Building on a [report](#) published in 2014 by the German Council on Foreign Relations, EUROPP is running a series of overviews of the renegotiation from each of the EU's member states. Compiled by [Tim Oliver](#) and written by authors based at universities and research institutions, the overviews will set out what discussion – if any – there has been about the renegotiation and the wider views within each country on the renegotiation and a potential Brexit. This post is the fourth in the series and gives views from Ireland, Portugal, Austria and Croatia.

- **Ireland:** [Brexit is a matter of significant and growing concern in Ireland](#)
- **Portugal:** [Lisbon's attitude has been fairly positive to the renegotiation, but without support for Treaty changes](#)
- **Austria:** [After Brexit and Grexit, could Auxit be next?](#)
- **Croatia:** [Zagreb sympathises with the UK's positions, but sees few short-term gains from a renegotiation](#)

Ireland: Brexit is a matter of significant and growing concern in Ireland

The prospect of a Brexit and the renegotiation of the United Kingdom's relations with the EU is a matter of significant and growing concern in Ireland, having implications not only for UK-EU relations but for Irish-UK relations and, in particular, for Northern Ireland.

Ireland and the United Kingdom joined the European Communities on the same day in 1973, at a time when relations between the two states were near their lowest ebb in a generation. In the four decades since, the Anglo-Irish relationship has flourished. Joint membership of the EU has provided a forum for contact on diverse policy issues, strengthened cross-border ties and institutions, played a significant role in the Northern Irish peace process, and fostered deep political and economic interdependencies between the two countries. In the context of the UK-EU negotiations, then, Ireland finds itself between Scylla and Charybdis.

On the one hand, the country remains a committed member of the EU, with little in the way of domestic political Euroscepticism, and is deeply wary of any attempts by the UK to roll back the process of European integration. On the other hand, Ireland is acutely aware that *failing* to secure a reform package to help keep the UK in the EU could have profoundly negative implications for the island of Ireland. Indeed, leaving aside the obvious trade and business implications, the debate in Ireland is increasingly centring on the impact Brexit could have on peace and stability in Northern Ireland.

In the event of a British departure from the EU, Ireland's border with Northern Ireland would become the external border of the European Union, potentially with all the associated border controls and security checks that this entails. The possible return of barriers dismantled over the past generation would be deeply symbolic for Northern Irish nationalists, who could once again feel themselves disconnected from the Irish state.

It gives some cause for cautious optimism, then, that at least a small number of the suggested UK reforms resonate not only with Ireland's priorities, but with those of the European Commission. Completing the Single Market in

services and the digital sector, for example, is an agenda to which Ireland, as a hub for multinationals and a country with a burgeoning digital sector, will be empathetic. So too will it be on the issues of completing free-trade deals, improving competitiveness and relaxing the regulatory burden for business: any advantage for still-struggling Irish SMEs will be welcome.

Even on the somewhat thornier issue of ‘ever closer union’, Ireland is likely to be in favour of a *creative* accommodation for the UK. After all, even a minor concession by the EU on this issue would constitute a major, symbolic victory for David Cameron – one that could have a particularly profound effect on the result of the British EU referendum. Ultimately, though, much will depend on the specifics of the UK’s more substantial demands, and the most significant obstacle to Irish support is likely to be the UK’s proposed restrictions on the free movement of labour.

Considering Ireland’s history of economic migration, UK proposals for transitional controls for new Member States, or restrictions on welfare provisions for jobseekers (both driven in large part by a toxic domestic debate in the UK) are unlikely to be considered positively. Freedom of movement, after all, encompasses the freedom to move to seek employment.

If the UK were to approach these issues from the perspective of curbing specific abuses, such as welfare fraud, it could ultimately gain traction. However, the *sine qua non* of any such proposal will be to ensure that it is not inherently discriminatory against citizens of specific EU Member States, current or future.

Overall, then, the Irish view of the negotiations is one characterised by caution. There is much on the line for Ireland, but clarity is needed and for now the outcome remains deeply uncertain. Indeed, uncertainty and complexity have become the hallmarks of the UK’s engagement with the EU in recent times, and it is clear that Mr Cameron’s reform agenda has engendered a degree of exasperation in several European capitals.

From the Irish point of view, however, the loss of the UK from the EU would be so profound in its consequences that facilitating a constructive and collaborative dialogue over the coming months will be a priority.

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Portugal: Lisbon’s general attitude has been fairly positive to the renegotiation, but without support for Treaty changes

The UK’s attempt to renegotiate its relationship with the EU has not been the focus of much public discussion in Portugal so far. The national media has covered the issue episodically and opinion leaders have written about it in the main Portuguese newspapers, but no major event has been organised publically to discuss the topic up to now and Portuguese decision-makers have even tended to downplay it when speaking in public.



A first possible explanation for this state of affairs is the fact that the UK’s renegotiation demands have thus far lacked detail, therefore foreclosing the possibility of any serious debate. The “British question” has also been overshadowed by a series of other more pressing issues, such as the Eurozone and Greek crises, the situation in Ukraine, international terrorism, the refugee crisis, together with Portugal’s own economic troubles and its general election, which took place in early October. But there are also subtler reasons related to Portugal’s political and strategic culture, which mean that this kind of discussion is normally confined to a narrow circle of experts or conducted behind the scenes.

While public discussion on the issue has been limited, there is an acute awareness among Portuguese decision-makers of the serious implications that the British renegotiation could have, particularly if it leads to a “Brexit”. A

British withdrawal from the Union is commonly perceived in Lisbon as a source of fragmentation and potential instability in Europe, as well as the loss of an old ally and important partner within the EU framework. While Portugal has had a more integrationist approach than the UK (Portugal is part of the euro and Schengen areas), both countries share an outward-looking and Atlanticist view of the world. Thus, Portugal strongly favours the UK remaining in the EU, but not at any cost.

When the British Foreign Secretary, Philip Hammond, visited Lisbon in February 2015 for initial talks about reforming the EU, his Portuguese counterpart, Minister Rui Machete, expressed openness toward the UK's position, but also stated that changes in EU treaties were "not opportune". Moreover, similar to many other Member States, Portugal has early on in discussions been very explicit in presenting free movement for EU citizens as one of its "red lines", both as a matter of principle and particularly in view of the large Portuguese community living in other EU countries, not least in the UK.

As regards the other reforms sought by the UK government, Lisbon's general attitude has been fairly positive, which in part is a reflection of the vagueness of David Cameron's demands. Thus, Portugal clearly favours deepening the Single Market (for services, energy and the digital sector), limiting unnecessary regulation at the European level, and pursuing an ambitious trade agenda (with the United States, Canada, China and Japan). It also supports a greater role for national parliaments (which is consensual among most Member States, depending on details) and appears to have some openness on changes to in-work benefits for EU migrants in Britain, since this is perceived as being more of an internal issue.

While backing greater integration in the euro area, Portugal's stance seems also to exhibit some sympathy toward the position of non-Eurozone members. Indeed, the country's contribution to the discussion on Economic and Monetary Union governance that took place at the June 2015 European Council meeting expressly stated that "the reform of the euro area's architecture should bridge the institutional divide between the euro area and the rest of the Union". Finally, the demand for an opt-out from "ever closer union" is met with some puzzlement and neglect in Lisbon, since it is seen as mainly symbolic and intrinsic to Britain's domestic debate.

Up until now, the British renegotiation has had no major impact on Portugal's own internal debate about the EU. In recent years the national mood towards the Union has become more critical, but this evolution is more directly linked to the austerity measures implemented under the Troika. Moreover, Eurosceptic political forces in the country have remained marginal.

To illustrate, the "British question" did not figure in the context of the recent parliamentary election, which was won by the ruling right-wing PSD/CDS coalition, led by the pro-European Pedro Passos Coelho, though without an absolute majority. This inconclusive election will entail more negotiation and compromise between the coalition and the opposition, but as the latter is led by the also pro-European centre-left Socialist Party (PS) few changes are expected in Portugal's stance towards the UK's renegotiation in the near future.

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Austria: After Brexit and Grexit, could Auxit be next?

Austria's media and consequently its public has paid much more attention to the consequences of a potential Grexit than to the consequences of a Brexit or Britain's attempt at a renegotiation of its EU membership. Whilst Austria is a Eurozone member and it is therefore only natural to be interested in the fate of the euro and Greece, the relatively limited public interest in the prospect of the UK leaving the EU is worrying.



Most references to a Brexit or renegotiation have thus far been linked to the implications for Britain, instead of for Austria or for the EU as a whole. The underlying premise is that Britain's problems with the EU are a British problem and the British government and people should deal with them. The coming Brexit referendum has already strengthened the Eurosceptic camp in Austria, and a renegotiation of Britain's EU membership terms or an exit from the EU will reinforce them even more.

A [petition](#) in Austria demanding an 'Auxit' referendum succeeded in collecting as many as 261,159 signatures ([4.12 per cent of the electorate](#)) in only one week (the week beginning 24 June 2015). This may not be a huge number, but compared to a [similar petition in 2000](#) the current petition scored 67,258 signatures more and surprised many. Furthermore, the formal threshold of 100,000 signatures was crossed, which means that the Austrian parliament is obliged to discuss the matter in a plenary session.

The petition outcome is not binding. Given that it was not organised or supported by a particular political party, the likelihood that the parliament will adopt the call for a referendum is essentially [nil](#). Nevertheless, this is yet another indication that Euroscepticism in Austria is growing not only in [public opinion polls](#), but also in terms of actual political power.

A successful Brexit would be butter on the bread of the far-right Freedom Party (FPÖ). The latter is not demanding a complete withdrawal from the EU, but its current leader (H. C. Strache) is inspired by David Cameron's stance and is [supporting the idea of a re-negotiation of Austria's memberships terms](#). Other parties in Austria therefore view the idea of a UK renegotiation of its membership with some trepidation, seeing in it the opening of a Pandora's box of problems that could fuel support in Austria for a similar deal or Auxit.

The prospects of Brexit, Grexit and even Auxit, in addition to comparable developments elsewhere in Europe (e.g. Iceland revoking its EU membership application, or Switzerland restricting the number of EU citizens in its territory), can be interpreted as a sign of the declining attractiveness of EU membership. Austria may be still a long way from formally turning its back to the EU, but it seems that the UK's push for a renegotiation and forthcoming in/out referendum have helped Austria take a small step in that direction. More are likely to follow if Britain's threat to abandon the EU bears fruit.

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Croatia: Zagreb sympathises with the UK's positions, but sees few short-term gains from a renegotiation

In what is an election year in Croatia, very few topics not directly linked to local affairs have made their way into the mainstream public debate. Migration has slowly generated more interest due to the magnitude of the problem and the geographic location of Croatia, but the reforms to the EU that the British government has proposed have received limited attention.



Elections aside, another reason why more attention is not paid to these proposals is that they are rather vague and do not press Croatia to come up with clear positions. There is also a sense that whatever Croatia says, the crucial negotiations will be carried out by the big EU members and states mostly concerned with a possible Brexit. A June 2015 report by Global Counsel on the impact of a Brexit on EU

member states placed Croatia in the least affected group of countries.

The European Affairs and the Foreign Affairs committees of the Croatian parliament, however, have discussed British proposals, although they have not reached any conclusions on the issue. The general impression from these debates, however, is that Croatia would support the strengthening of the role of national parliaments in EU policy making. Croatia is already one of a few member states where national parliaments enjoy substantial rights in this area.

David Cameron can also count on some support from Croatian Prime Minister Milanović. The Croatian PM has expressed understanding that too much bureaucracy is stifling the Union's competitiveness and favours cutting red tape and curbing the extension of powers of the Commission. Moreover, any negotiating of Eurozone safeguards for countries outside the euro area, Croatia being one of them, will be closely followed.

With respect to the influx of EU nationals seeking employment in the UK and the broader debate on migration, Milanović revealed genuine empathy for the situation the British government faces. Yet, the UK is one of five EU member states which in June 2015 decided to keep restrictions on the free mobility of Croatian workers for another three years. Thus, British attempts to change in-work benefits for EU workers in the UK do not, in the short run, affect Croatian citizens and are not a direct concern for the current government. However, the free movement of people is taken as one of the fundamental principles of the EU that needs to be protected and maintained.

The bottom line for Croatia is that there should be no treaty change, or at least there should be no opening up of the treaty framework which does not deliver comprehensive and better outcomes for all member states. A statement which allows for voluntary participation or individual adaptation to 'ever closer union' would probably be supported by Croatia, but unpacking the treaty framework seems too risky. As the newest member to succeed in joining the EU after extensive and arduous negotiations, Croatia would prefer to see compromise reached and the unity of the Union maintained rather than Britain leaving.

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