

Europe after BREXIT: Shades and Penumbra

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Abstract. *In the context of the first reactions loaded emotionality of the period immediately following the announcement of the referendum result, there were a lot of “analysis” of the consequences Brexit’s one more fateful than another, predicting the decline of Great Britain and / or the Union European, a new the global financial crisis, the collapse of the British economy, leaving Great Britain by financial capital, seriously affecting British investments in the United States and the European Union etc. It was, in our opinion, a wrong approach, which stems from the fact that these analyzes, regardless of the competence of their authors were made while the event was in full swing and in the absence of almost any real information about it.*

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1. General considerations

Despite the safety that politicians, the media and public opinion discusses about Great Britain out of the European Union, Brexit is not yet a reality, but only a possibility with a high probability. It is true that the referendum favor of the *leave* camp with a marginal majority, but this result is maintained now by the British government in the state of political relationship purely internally between the British government and the population of Great Britain, without any implication in foreign policy thereof, including Britain’s relationship with the European Union.

The unexpected result of the British referendum result in adverse impulsive, not calculated and unrealistic in the financial world, a European political leaders and even some segments of the population British and European, who have seen the future planned and relatively safe until then threatened by unknown. British pound depreciated massively reaching values below 1.2 against the euro and approx. 1.3 against the dollar; value of the shares fell sharply on the London Stock Exchange - by far the largest in Europe – and a number of capitals of European financial (Paris, Amsterdam, Frankfurt) were also quick to offer to take over as the main European financial market from London Stock Exchange (LSE); some European politicians, angry that Britain solve its internal problems on account of the partnership with the European Union were quick to adopt a tougher attitude towards the British Government urging him to accelerate to maximum output process in the European Union and determined to “punish” Britain to counter centrifugal tendencies existing in other member states of repeated British example; Scottish and Irish politicians have tried to use the contradiction between pro-European attitude of their populations and the anti-European population in England and Wales to feed the independence movement in their countries; European residents in the United Kingdom have panicked, as British expats in the European Union with a future before them at risk either expulsion or a long bureaucratic process of naturalization with uncertain results; British pro-Europeans have organized large protests against the result of the referendum, asking for repetition; Spain was quick to ask (one more time) sovereignty over Gibraltar, etc.

All these panic reactions and irritation were quickly silenced by the British calm and moderation. It has been shown that both British politicians and visible through

financial and economic governance leaders have been much more prepared and acted more professional than their European or elsewhere. Cameron government resigned immediately after the result and the new prime minister, Theresa May, has managed to bring together the two factions (pro and cons European) that might upset the party. Conservatives resumed their domination of political life by the way, British Labour remains in full conflict about who lead the party and in which direction.

In turn, the new British government has already announced that he does not intend to initiate the process of negotiating Brexit until at least British relations with the European common market and aggressiveness European politicians had to subside. Scholarships recovered, the Bank of England gave the necessary assurances major British banks (with British capital) that will be supported and LSE recovered.

2. The Challenges of BREXIT

- *Brexit consequences on Britain* are now uncertain. They will begin to take shape until after the outbreak of the British government as the country emerges from the European Union and even a date for this release is now uncertain. The British government announced that it would take into account the desire expressed by the population in the referendum, but even this decision is a certain degree of uncertainty since the referendum has by law, the government advisory only.

- *Brexit consequences on European Union* are more predictable, at least some of them. The most important is the increase German influence within the European Union. Britain was the most important factor mitigating the Berlin government authority in decision making bodies of the European Union. Brexit site creates problems in the relationship between the European Union and the United States, because the United Kingdom is an important agent for the US foreign policy in Europe.

Brexit is a factor of diminishing prestige and authority of the current leaders of the European institutions, which undoubtedly represents a major failure. Moreover, in the immediate aftermath of the referendum was being created almost unanimity on the idea of reforming major their opinion which has not resulted in any concrete proposal, which has become increasingly less mentioned.

If the event will take place, Brexit will significantly reduce the EU's ability to be a force its own security designed to count the balance of power in diplomatic, military and *intelligence* on the European continent.

The economic consequences of the common European market Brexit depend on the outcome of negotiations conducted after the beginning of the process output, if it will take place.

- *Brexit consequences on Romania* will certainly exist, but are not serious and will not cause any major disruption in domestic nor external. On the other hand, most of them will be mediated by effects Brexit the European Union.

- The currency of Romanian *Leul* is independent of the pound sterling, during its parts being bonded flexible European currency, so depreciation of the pound has not affected and will not affect the exchange rate of the leu even if the British currency will reach as declared governor of the Bank of England until parity with the dollar.

- *Romania's foreign reserve* is partly made up of amounts denominated in sterling, but their share is small enough as not to influence the course affect the pound.

- *Britain is not an important economic partner of Romania*, nor in terms of foreign trade, either through its investments in the Romanian economy. Romanian economy will be affected to a greater extent from the consequences of economic and political negotiations on the treaty between the European Union and Britain than directly out of Great Britain in the European Union.

- *Future of Romanian immigrants* currently in the UK will depend on their current situation than on a job. But it is almost certain that the Romanian emigration to

Britain will decrease considerably since the introduction of reciprocal visa in the relationship between the two countries.

◦ *The military alliance* between our country and Great Britain will not suffer, priority is being put through NATO and through bilateral relationship far less direct. Britain certainly remains a core member of NATO and the strategic partnership with the United States in this regard its relations with Romania remained unchanged.

◦ *As most scientific and academic relations* between Romania and the United Kingdom are carried out through field programs in the European Union, Great Britain out of this will be felt in the Romanian research and higher education.

3. Conclusions

We think that instead of describing a reality, the first wave of analysis focused on Britain out of the European Union described fears rather their authors and / or their partners. We hope that by reducing the intensity of the wave analysts will become more cautious in their predictions.

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