



The lessons of Brexit

Annual Report 2018





About the CER

The Centre for European Reform is an award-winning, independent think-tank that seeks to achieve an open, outward-looking, influential and prosperous European Union, with close ties to its neighbours and allies. The CER's work in pursuit of those aims is guided by the same principles that have served us well since our foundation in 1998: sober, rigorous and realistic analysis, combined with constructive proposals for reform.

The CER's reputation as a trusted source of timely analysis of European affairs is based on its two strongest assets: experienced and respected experts, plus an unparalleled level of contacts with senior figures in governments across Europe and in the EU's institutions. Since the UK's referendum on EU membership we have reinforced our networks in Europe by opening offices in Brussels in January 2017 and Berlin in October 2018. The diverse perspectives and specialisations of our researchers, half of whom are from EU-27 countries, enhance the quality and breadth of our analysis of European politics, economics and foreign policy.

The CER is pro-European but not uncritical. We regard European integration as largely beneficial but recognise that in many respects the Union underperforms, at home and beyond its borders. We look for ways to make it work better and then promote our ideas through publications, the media and various forms of direct engagement.

The CER's audience ranges from European politicians and officials, to journalists and the wider public who want to know more about the EU and

THE CER IN
JULY 2018
FROM LEFT TO RIGHT,
TOP TO BOTTOM:
*John Springford,
Ian Bond,
Agata Gostyńska-
Jakubowska,
Sam Lowe,
Peadar Ó hÚbáin,
Kate Mullineux,
Bea Dunscombe,
Nick Winning,
Beth Oppenheim,
Sophie Horsford,
Jordan Orsler,
Charles Grant,
Camino Mortera-
Martinez and Luigi
Scazzieri*

*Absent from the photo:
Sophia Besch and
Christian Odendahl*

its activities. The CER believes it is in the long-term interests of the EU and the UK to have the closest economic and political relationship that the political realities will allow.

We follow closely the trials and tribulations of the eurozone and the European economies, as well as the EU's single market and its energy and trade policies. We also study the Union's foreign, defence and security policies – including its relations with its neighbours, and key global players like the US, Russia and China; its approach to refugees and migration; co-operation on law-enforcement and counter-terrorism; the functioning of the EU's institutions; and the state of democracy in Europe. Since the British referendum, the CER has played an active part in developing viable and practicable proposals on the UK's future links with the EU.



The lessons of Brexit

by **Charles Grant**

In 2018 the British were obsessed with Brexit but the rest of the EU had much else to worry about. Although the migration crisis abated, EU governments could not agree on how to handle irregular immigration. France's President Emmanuel Macron struggled to convince fellow leaders that the eurozone needed radical reform in order to guarantee it a secure future. Poland and Hungary were in conflict with EU institutions because of their disregard for the rule of law. Russian misbehaviour continued to worry a number of member-states, while US President Donald Trump's threat of a trade war caused most of them to fret. Perhaps most alarming of all, the Italians elected a right-wing populist government that seemed on a collision course with the EU on issues such as eurozone spending rules, migration and Russia.

ABOVE:
Charles Grant

And on top of all that, EU leaders faced the unwelcome distraction of Brexit. They all regret it (some more than others) and they all want the problem out of the way as soon as possible. They now realise that Britain's departure is not quite the existential threat they once feared – no other member-state is anywhere near following the UK out.

That realisation may have made parts of the EU too complacent about Brexit. One senior Commission official commented in 2018 that

with the British pebble removed from the EU's shoe, he and his colleagues could get back to the necessary task of integration. Yet those who see the UK as the principal obstacle to a more federal, united Europe are surely mistaken. The vote for Brexit was simply an extreme and particularly unfortunate example of a phenomenon that stretches across much of the continent. Right-wing, populist forces in many member-states – including those in Central Europe – are antagonistic to some or all of immigration, trade liberalisation, cross-border

financial transfers, supranational rules and the institutions of Brussels.

The excision of the British pebble appears to have created modest difficulties for right-wing populists: since the referendum, support for the EU has grown in many parts of Europe, as voters have seen what a mess the UK is in. But many parts of European society remain fundamentally EU-sceptic. And despite the best efforts of Macron, who has found very little support among his fellow leaders, the EU is not making much effort to undertake serious reform.

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Indeed, the first major lesson of Brexit is that European integration – in the old sense of grand new treaties that transfer powers to the Union – has stopped. From the Single European Act (ratified in 1987) to the Lisbon Treaty (ratified in 2009), five major treaties endowed the EU with substantial new powers. There will probably never be another such treaty. Any new document would have to be ratified by every member-state, with four or five of them certainly resorting to referendums. It is virtually certain that at least one of the referendums would have a negative outcome. EU leaders know this, which

is why, if integration is required – for example to improve the way the eurozone works – they will resort to small, low-key inter-governmental treaties among the relevant member-states. The eurozone countries have already done this in recent years, with mini-treaties establishing two bail-out mechanisms, the European Stability Mechanism and the Single Resolution Fund.

The challenge of anti-EU populism to European integration will wax and wane from year to year, but will remain potent. The May 2019 European elections will remind leaders of populism’s strength. The European Commission is undoubtedly right that in order to tackle the root causes of right-wing populism, the EU needs new powers in areas like eurozone governance and managing migration; the EU’s poor performance on those issues has boosted support for the likes of France’s Marine Le Pen, Italy’s Matteo Salvini and Austria’s Heinz-Christian Strache. Yet the paradox of European integration is that anti-EU populists will often be strong enough to prevent the steps towards more integration that would undermine support for their own parties; voters and/or parliamentarians in many member-states would be likely to block the transfer of substantial new powers to the EU.

Therefore while the EU is a very long way from unravelling, it is likely to soldier on with insufficient means to tackle the many complex challenges it faces.

Leaving is like joining

At the time of writing, in January 2019, the final result of the Brexit process remains unclear. No particular outcome looks likely, but many seem possible: the deal Theresa May negotiated; that deal modified to signal a softer Brexit; Britain leaving the EU without any deal; or a second referendum that could lead to the UK remaining a member.

However, two-and-a-half years after Britain’s referendum, some lessons of the Brexit process are becoming clear. One is that leaving the EU is like joining it. Countries wanting to join engage in ‘accession negotiations’, but that is a misnomer. The accession process in fact involves the EU imposing its terms on the country concerned. If it does not like those terms it does not have to join. The details can be debated but not the basic deal that the EU offers. Every country that has joined the EU has put up with this unequal ‘negotiation’ in order to get into the club.

Leaving the EU is a similar process. Once the departing country has set its red lines for the future relationship, the EU decides what kind of deal will work. Then the exiting country has to accept those terms – if it wants a deal, and it will, since leaving without one would be hugely damaging to its economy. It is true that the Irish border has made Britain’s exit particularly complicated; the Withdrawal Agreement’s provisions for Northern Ireland to stay in much of the single market, and for the whole UK to stay in a basic customs union with the EU, would not be relevant to other countries exiting. But any member-state leaving would have to accept the EU’s strictures on process (the Withdrawal Agreement must come before discussions on future relations) and substance (the departing country must promise to pay the money the EU claims it is owed).



How not to leave the EU

Exiting the EU is a process in which the departing country holds very few cards – the money it owes being one of them. So Brexit was always going to be an unequal negotiation. But the British have handled their exit particularly badly, thereby exacerbating the weakness of their position, in at least three ways.

First, May's government made strategic and tactical errors in the conduct of the negotiations. The prime minister set out her red lines for the Brexit talks in a speech to the Conservative Party Conference in October 2016, excluding a role for the European Court of Justice, freedom of movement and membership of the single market. She made that speech without having thought through the consequences; no official was allowed to read it in advance (later she added no customs union to her list of red lines).

In that speech the prime minister was trying to curry favour with Tory eurosceptics, especially when she said that "if you believe you are a citizen of the world, you are a citizen of nowhere – you don't understand what citizenship means". For much of her prime ministership, May has made minimal efforts to build bridges with the 48 per cent of Britons who voted Remain, or to the businesses that fear a distant relationship with the EU. But having embarked on the path towards a hard Brexit, she then spent the following two years learning that such a course would be very damaging to the economy; rather late in the day, she sought to change direction towards a softer Brexit. That meant blurring

some red lines and provoking supporters of a hard Brexit.

Another tactical error was to send the EU her Article 50 letter, activating the withdrawal process, in March 2017. It is true that she was under pressure from both her eurosceptic backbenchers and from the EU to get a move on. But she sent the letter too soon, because she had no plan for Brexit. She should have waited till she knew what she wanted. And once the letter was sent, the clock started to tick: the UK would automatically leave on March 29th 2019, with or without a deal. The ticking clock put the EU in a very strong position.

May never developed a proper strategy for Brexit, in the sense of determining the desired ends and the means needed to deliver them. So she took far too long to work out what she wanted. All through the Brexit talks, the texts that the two sides discussed were EU texts. The UK failed to produce its own proposals, which allowed the EU to set the agenda. When May finally came up with a blueprint for the future relationship, in June 2018 – the so-called Chequers plan and its associated white paper – it was too little, too late to make much impact on the EU. The plan's section on customs (allowing the UK to set its own tariffs at the same time as eliminating border controls between the UK and the EU) was regarded as unworkable by the EU (and many British officials). The provisions that would allow the UK to stay in the single market for goods by aligning with EU

ABOVE:
(L to R) Julian
Cracknell,
Amber Rudd
and Charles
Grant

*Dinner on 'The
future UK-EU
relationship:
A Home Office
perspective',
London*

rules were more serious; but they failed to take account of EU concerns that the British could distort the level playing field by undercutting continental firms in areas such as social and environmental rules or competition policy.

As one EU negotiator put it: "If the UK had produced the Chequers plan a year earlier, and met our concerns about the level playing field, it would have been hard for us to reject it." But coming when it did, in the form it did, the plan was rejected.

The explanation for these tactical errors, of course, was May's fear of upsetting her party's hard-Brexiteers. Especially after she lost her parliamentary majority in the general election of May 2017 – which left her dependent on the votes of Northern Ireland's Democratic Unionist Party (DUP) – she lacked the authority to take on her right wing. She was painfully slow in developing a plan because she could not get her fissiparous party to unite behind a common line – and when she did finally concoct a model for the future relationship, key ministers such as Boris Johnson and David Davis resigned.

“The appalling performance of the UK's political class – and in particular the narcissistic Tory psychodrama on Europe – has permanently stained its reputation.”

The second reason why the UK was in an especially weak position was that its government was divided – while the EU played a blinder in uniting behind the solid, sober and serious leadership of Michel Barnier, the Commission's chief negotiator. He made a big effort to stay in touch with the 27 capitals – and the European Parliament – and therefore won their confidence. His 'Task Force 50', working closely with the Germans and the French, set a firm line, which to the UK was hard and to the EU was principled. Some of the member-states had reservations about this line but they still went along with it. They understood that if they kept together they would achieve more of their objectives. The UK tried hard to work with its 'friends' – such as the Dutch, Swedes, Irish and Poles – to soften the EU's stance, but with little success.

In 2018 the EU was disunited on countless issues, but not on how to handle the British. Meanwhile May and her top officials were greatly weakened in the negotiations by the continuing Tory civil war over Europe. Quite often, May would tell

her EU partners one thing, her Brexit secretary (David Davis, or later on his replacement, Dominic Raab) would tell them another and her officials would have a third point of view. To take just one example, in early November 2018, Raab said to Ireland's foreign minister that the UK expected the right to pull out of the Irish protocol after three months – contradicting what other British ministers and officials were saying. That civil war – and the often crude and thoughtless comments coming out of the mouths of senior politicians and commentators (such as Foreign Secretary Jeremy Hunt's comparison of the EU and the USSR at the 2018 Tory conference) – did a lot to tarnish the UK's reputation and lose it goodwill.

The third reason why the UK weakened its hand in the Brexit talks was the sheer ignorance and incompetence of its political leaders. For most of the time since the referendum they have failed to level with the British people about the painful trade-offs that Brexit would inevitably entail: if the UK wanted close economic ties with the EU it would have to forego sovereignty, and if it wanted regulatory autonomy it would have to accept barriers to trade with the EU. May eventually understood the trade-offs but did not explain them to the people. Indeed, for much of the Brexit process she would not accept what experts told her. For example, late in 2017 she was still saying that the entire future trading relationship could be negotiated before Brexit happened (in fact trade talks will not start until after Brexit and are likely to take around five years).

The EU did not have a problem with the British officials that it dealt with, but became frustrated with the inability of their political masters to allow them to negotiate. The persistent tendency of UK politicians to make gross factual errors grated. For example, many of them said that trading on WTO terms would not be so bad since that was how the UK traded with the US, ignoring the fact that UK-US trade is facilitated by dozens of US-EU agreements covering areas such as data, aviation, financial services and pharmaceuticals. And then David Davis said (shortly after resigning) that it would not matter if the UK left without a deal, since it could use the transitional period to negotiate a free trade agreement (FTA) with the EU – apparently unaware that without a deal there is no transition. Whatever the result of the Brexit process, the appalling performance of the UK's political class – and in particular the narcissistic Tory psychodrama on Europe – has permanently stained its reputation, and not only in Europe.



Politics, principles and precedent

Any member-state contemplating an exit in future years will pay close attention to the EU's priorities during the Brexit talks. They may be described as the 'three Ps' – politics, principles and precedent. Note that economics was not a priority – a point that many British eurosceptics have failed to understand. Because the British have always tended to see the rationale of the EU as economic, they assumed that EU leaders would also prioritise future trading ties. Brexiteer ministers assured the British people that the EU would not do anything that could endanger its trade surplus in manufactured goods with the UK. They were wrong.

The most important driver of the EU's response to Brexit was politics. The French and German governments, and others too, saw Brexit as potentially an existential threat. If the British flourished outside the EU, others might think seriously about leaving. "We don't want Marine Le Pen to say, 'Look at the Brits, they are doing just fine, let us join them'", said a French official. Every EU government which had to worry about a powerful eurosceptic movement made this point.

By the end of 2018 the risks of Brexit setting off a chain reaction appeared minimal; arguably the EU had overdone its effort to ensure that departure did not appear to be an agreeable process. Whatever the final outcome, it was evident that Brexit would inflict a degree of economic pain on the UK. But the EU was taking no risks.

The EU also cared deeply about its principles. One of the most important is that the 'four freedoms' – free movement of goods, services, people and capital – are indivisible. Thus if Britain wanted free movement of goods – as its Chequers plan proclaimed – it would have to take the other freedoms too. That is why Barnier told the British that they could have a deal modelled on Norway's (fully in the single market) or a Canada-style FTA (completely outside the single market), but nothing in between. The EU rejected the Chequers plan for this reason, and others – including fears that the British would distort the level playing field, and that, whatever they promised, they would simply refuse to be rule-takers for very long.

The political declaration on the future relationship that was agreed in December more-or-less sticks to the Barnier approach, though it is so vague that with some effort one can read into it what one wants. The declaration is certainly a rejection of Chequers and it spells out that the British shall not have frictionless trade in goods – a key aim of the Chequers plan – post-Brexit. British officials can claim that that declaration will lead to something between Norway and Canada, if not Chequers.

Another key principle for the EU is that no third country can have as close a relationship with the Union as a member, or a quasi-member such as a Schengen country that is outside the EU. This reinforces the EU's point that a state cannot be partially in the single market.

ABOVE:
 (L to R)
 Charles Grant
 and David
 Lidington

20th birthday
 party, hosted
 by the Spanish
 Ambassador,
 London

More controversially, the EU has also applied this principle to future co-operation with the UK on policing, justice, security, foreign policy and defence – areas where the UK has been surprised to find the EU wanting to keep it at some distance.

“The EU has tended to put politics, principle and precedent ahead of pragmatism, and certainly ahead of economics.”

A closely-related priority for the EU has been to attach great importance to precedent. This may not be entirely unrelated to the fact that many of the key officials on the EU side, notably in the European Commission and the German government, are lawyers. Precedent gave the EU yet another reason to reject the Chequers plan: if the British were allowed into the single market for goods, without free movement of labour, the Swiss would insist on the same deal (Switzerland currently accepts free movement as the price of participation in the single market for goods, albeit reluctantly). And if the British could have their cake and eat it, what would stop Austria, say, from insisting that it be excused freedom of movement? As for security, if the British were allowed to participate in EU defence institutions, how could the EU stop a third country such as Turkey requesting the same privilege? The obvious answer is that the EU could simply say no, but that has not made EU leaders less precedent-focused.

Forget about the geopolitics

Just as few EU negotiators are economists, very few of them have experience of foreign policy, defence or security issues. Indeed, one lesson of the Brexit process is that the EU does not attach great importance to the geopolitical implications of a country leaving the EU. Macron has said that, with an increasingly threatening geopolitical environment, Europe needs to develop “strategic autonomy”; Chancellor Angela Merkel has added that the EU must take more responsibility for its own security.

Yet without very close collaboration with the UK, post-Brexit, the EU will struggle to fulfil such aims. The UK is one of only two countries in the EU that has a broad range of defence capabilities, and is willing and able to use them. It has a first-rate diplomatic network, intelligence services that are second to none in Europe and great expertise in policing and counter-terrorism.

The EU has tended to put politics, principle and precedent ahead of pragmatism, and certainly ahead of economics. In some national capitals, particular ministries (such as those responsible for trade, defence or police co-operation) thought the EU’s line on Brexit was too hard, but such views made little impact. The member-states’ input into the Brexit talks was managed on a centralised basis by prime ministers’ and presidents’ offices; the sectoral interests represented by particular ministries were largely excluded.

Few of the key officials in Brussels or national capitals dealing with Brexit are economists (nor are the important politicians). When one discussed Brexit with them, it was apparent that maximising future trade and investment flows was not a priority. The British expected industrial lobbying to soften the EU’s stance, but it did not. National officials, including in Germany, liked to report that business lobbies were pressing them to be tough on the integrity of the single market. “We have been urged not to let the British pick holes in the single market, lest that precedent lead to the whole thing unravelling,” said a Berlin official. “Business leaders tell us that the strength and integrity of the single market is much more important than the loss of a bit of trade with the UK.” In fact some individual firms, such as Airbus (for which friction on the UK-EU border will be a major headache), did speak out for a closer future relationship than that envisaged by the EU, but they have made little impact.

So one might have expected the EU to take a hard line on the future economic relationship, to show that Brexit does not pay, but – out of self-interest – to have been more pragmatic on security. Given that almost nobody in the UK voted to leave because of European co-operation on foreign and defence policy, even a eurosceptic Conservative government could be open to pragmatic ways of plugging in the British, post-Brexit.

But this has not been the EU’s approach. Principle and precedent have dominated its thinking. The UK cannot have as close a relationship to Europol as Denmark, which opts out of police co-operation, because it is a third country. It cannot take part in the European Arrest Warrant since that is only open to member-states. And if the UK was allowed military liaison officers in the EU’s defence planning institutions, other third countries would ask for the same privilege. As for the Galileo scheme to build a network of



European navigation satellites, the EU says that a third country such as Britain can use the system but cannot be part of the management or gain access to the encryption technology, lest the US asks for the same (the EU talks less about the industrial advantages of excluding UK-based firms from bidding for Galileo contracts).

Many European defence experts and quite a few ministers on the foreign and defence side of EU governments are worried about the British

being kept at arm's length. They argue that the EU does need to create unique and bespoke arrangements to plug in the British, because it needs their capabilities. Otherwise, they say, the EU cannot be serious about strategic autonomy. Yet the political declaration agreed in December reflects little of this thinking. Given the declaration's non-binding and very vague format, however, it is not too late for national governments to push for close ties when the security relationship is negotiated.

ABOVE:
*Pierre
Moscovici*

*Conference
on 'The future
of the EU:
Democracy
under siege',
Brussels*

Did the EU push the UK too hard in the Brexit talks?

Given that the final outcomes remain unclear, it is far too soon to make a definitive judgement. In any case, the abysmal performance of the UK's government and political class makes it difficult to criticise the EU; during the two-and-a-half years since the referendum, the UK has done little to earn goodwill. But there are certainly Britons who voted Remain in June 2016 who would vote differently in another referendum, because of the perception that the EU has bullied the UK. They don't like the fact that one side has held most of the cards in this negotiation, and they bridle at the *hauteur* of some EU officials (it is not only Britons who sometimes take exception to the tone of these officials).

Put all this to EU officials, and they respond, of course, that their task is to ensure a smooth Brexit that protects the Union's interests; their job is not to nurture British public opinion – especially since that opinion has been so poorly managed by UK politicians, many of whom have repeatedly lied to voters.

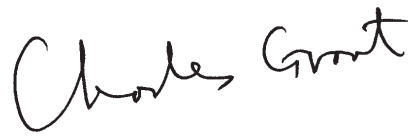
British MPs, and not only right-wing Tories, have found it difficult to accept that Northern Ireland should be left – in economic terms – closely aligned with the EU. But once both sides had agreed, in December 2017, that for the sake of the peace process there should no border controls between Northern Ireland and the Republic, there had to be an Irish protocol that left Northern Ireland in some kind of regulatory union with the EU.

On the Irish issue the EU did in fact show flexibility in November 2018. Driven by the desire to avoid customs checks on goods travelling from Great Britain to Northern Ireland, May erased her earlier red line and asked for the backstop to put the whole UK in a basic customs union with the EU. At first the EU said no – though if maximising trade with the UK had been a priority, it should have said yes. The EU worried about the legality of putting an arrangement which could end up permanent into a treaty that, according to Article 50, should only cover the process of exiting – and

not the future relationship. Furthermore, France and several other countries had major worries that without automatic provisions for the UK to update its social and environmental rules in line with those of the EU, British firms could exploit the customs union to distort the level playing field.

In the end Merkel helped to persuade the 27 to accept May's request, despite its questionable legal basis. May's problem was that although her customs union reduced the need for controls across the Irish Sea (some would still be necessary, to check for compliance with single market rules), in an unsuccessful attempt to win over the DUP, she alienated her party's right wing, since the customs union would make FTAs with other countries nigh on impossible. Never mind that every serious piece of economic analysis, including the government's own, puts the benefits of FTAs with the BRICS countries and the 'Anglosphere' as minimal, compared with the costs of leaving the single market and the customs union.

The biggest lesson of the Brexit process is that any effort to leave the EU will turn out to be much more complicated, time-consuming, expensive and damaging than its advocates ever suggested. Even Brexiteers have to admit that the opportunity costs are enormous: the UK's top officials and politicians (not to mention thinkers and journalists) have been focused on Brexit, rather than on the many other serious challenges the country faces – such as the housing shortage, knife-crime, poor infrastructure and a shocking record on productivity. If any good comes out of the Brexit drama, it may be the inoculation of other European countries against any attempt to leave the Union.



Charles Grant
Director, CER



The CER in 2018

In our 20th anniversary year, the icing on the cake was being named Think-Tank of the Year at the annual *Prospect* awards. We celebrated our birthday with parties in London, where the guest of honour was David Lidington, the de facto deputy prime minister, and in Brussels, where we heard from Frans Timmermans, the European Commission's First Vice-President.

Inevitably, Brexit was a major focus of our work, and we cemented our reputation as a think-tank that is second-to-none on its analysis of the exit process and of the future relationship. Some of our proposals proved influential. But we also examined a broad range of other important subjects, ranging from eurozone reform to migration and transatlantic relations under Donald Trump. We embarked on new strands of research on cyber security and the future of the European economy. We also strengthened our European presence by opening a new office in Berlin.

Some people assume that the Brexit referendum will require the CER to change radically. But although the referendum has been an earthquake for the EU, it has not altered the CER's *raison d'être*. We have always had two core missions: to put forward ideas and policies that will make the EU more effective, and to improve Britain's relationship with the Union. Those two

missions remain central to our work, whatever the outcome of the Brexit process.

The EU is still badly in need of reform. We will continue to come up with practical and evidence-led solutions to its most pressing problems. Meanwhile the EU-UK relationship will continue to be of profound importance to the whole of Europe – and beyond – post-Brexit. Assuming that the UK leaves the EU, our task will be to look for policies that are as beneficial as possible to both sides, while remaining compatible with the new political realities.

The CER's emphasis is and will remain on sober, rigorous and realistic analysis, combined with constructive proposals for reform. Our tried and trusted approach to research remains unchanged. Rather than sit in an ivory tower, we go and talk to people, all over Europe and in other continents. The high quality of our contacts helps us to generate research that is

ABOVE:
*Frans
Timmermans*

*20th birthday
party, hosted
by Microsoft,
Brussels*

well-sourced, original and timely – which makes it invaluable to policy-makers, our corporate members, the media and the public.

We have always been a European think-tank, with more than half our researchers coming from countries other than the UK. What is changing is

that we are extending our geographical reach. We launched an office in Berlin in October, after opening one in Brussels in January 2017. Each is staffed by two researchers. These offices help us to keep our finger on the European pulse and to engage in policy debates with leading officials and politicians.

The CER and Brexit

Brexit kept us busy in 2018. Our most substantive publication came in June: a report on a strand of the Brexit talks that is hugely important but has been to a large degree neglected in the public debate. 'Plugging in the British: Completing the circuit', by Sophia Besch, Ian Bond and Camino Mortera-Martinez, examined options for the future UK-EU relationship in foreign policy, defence and security. The report was the final product of a joint project with the Konrad-Adenauer-Stiftung, involving seminars in London, Brussels and Berlin that looked at relations between the EU and like-minded countries such as Canada, Norway and the US in these areas.

“The 'Chequers plan' for the future relationship, which Theresa May unveiled in June, was similar to our Jersey model.”

We launched the final report at a major conference with speakers including Yvette Cooper MP, chair of the House of Commons' Home Affairs Select Committee; Simon Fraser, former head of the foreign office; Claude Moraes MEP, chair of the European Parliament's Committee on Civil Liberties, Justice and Home Affairs; Kori Schake, deputy director of the International Institute of Strategic Studies; and Nick Westcott, formerly the top Briton in the European External Action Service.

The Galileo project for a satellite positioning system illustrates the problems ahead in UK-EU security co-operation, as Sophia argued in several 'insights'. Both the EU and the UK could benefit from keeping the British closely involved in Galileo. The EU, however, is unwilling to offer the UK greater access than other third countries, leading the British government to think seriously about building a national system of its own.

Several of our 'policy briefs' – longer research papers – focused on particular angles of Brexit. In March, 'Brexit and the financial services industry', by Mark Boleat, formerly Chairman of the Policy and Resources Committee at the City of London Corporation, analysed the difficulties that Brexit poses for the City of London. He concluded that

although the City would be damaged by the uncertainty as much as by new barriers to doing business with the EU, the major part of it would survive. In the same month, 'Will the unity of the 27 crack?' by John Springford, Sam Lowe and Beth Oppenheim, argued that the member-states would maintain a united front vis-à-vis the UK, in order to increase their leverage over it. This turned out to be exactly the case.

But the CER probably made most impact on the Brexit debate through some of the shorter pieces that we published – in 2018 we produced 18 bulletin articles and 41 insights. In January, John and Sam wrote an article for the CER bulletin suggesting that the UK should go for the 'Jersey model' in its future relationship with the EU – that is to say, it should be in the single market for goods but not services, and in a customs union with the EU.

This made quite an impact on the British government. The 'Chequers plan' for the future relationship, which Theresa May unveiled in June, was similar to our Jersey model. The Chequers proposals on customs – for a complex dual tariff scheme, rather than a proper customs union – were viewed as unworkable by the EU. But the CER continues to believe that if the UK has to leave the EU, some version of the Jersey model is the least bad option for the UK economy that might work politically. The 'Norway model' would be better for the economy, keeping it in the single market for services. But the political price would be too high for many Britons: the UK would become a 'rule-taker', pay substantial sums to the EU budget and have to accept free movement of labour.

The downside of the Chequers plan and of the Jersey model is that they do little for services, which make up 80 per cent of the UK economy. In December, Sam's policy brief 'Brexit and services: How deep can the UK-EU relationship go?' looked at the impact of Brexit on a variety of sectors, including accountancy, banking, insurance and legal services. He concluded that outside the single market, UK-based services providers would inevitably find it more difficult to sell to customers in the EU-27. That would



cause some firms to move operations inside the EU, leading to a drop in UK services exports; he predicted a cut of about 60 per cent for financial services and of 10 per cent for business services.

In June, an insight by John asked 'What is the cost of Brexit so far?' By using a statistical method to identify countries whose economies are most similar to that of the UK, he estimated that by the first quarter of 2018 the British economy had become around 2 per cent smaller than it would have been if the referendum had gone the other way. John updated his estimate for the second quarter in September, and found that the cost of Brexit had risen to 2.5 per cent. These estimates were widely picked up by UK and international media, and were also cited by the Office of Budget Responsibility, the UK's fiscal watchdog.

The CER has kept a close eye on the British Parliament's role in Brexit. We have argued that the government should engage more closely with MPs and that Westminster should have a say on the UK's post-Brexit future. In an insight in May, Agata Gostyńska-Jakubowska examined how Westminster could make a major impact on the British prime minister's negotiating position – and that has turned out to be the case.

At the end of the year, with the fate of May's Brexit deal looking highly uncertain, I wrote an insight that asked 'What happens if Parliament rejects May's Brexit deal?' Downloaded more than 20,000 times, this piece examined the options: May's deal passing the House of Commons after several attempts; May's deal amended to deliver a softer Brexit such as

'Norway'; a no-deal Brexit; a general election; and a second referendum.

That last option had looked implausible in June, when we held a roundtable on whether Brexit could be stopped, with John Kerr, the author of Article 50 and the CER's chairman, and Hugo Dixon, the founder of InFacts and deputy chair of the People's Vote campaign. But by the start of 2019, a second referendum looked a more plausible outcome, even if the strong opposition of the prime minister and the leader of the opposition remained big obstacles.

Some of our most memorable events covered Brexit, such as a dinner with then trade minister Greg Hands, in March, on Britain's trading relationships after leaving the EU; a dinner with then Home Secretary Amber Rudd, in April, on immigration and police co-operation post-Brexit; and a breakfast with Carolyn Fairbairn, director-general of the Confederation of British Industry, in June, on how businesses see the UK's departure from the EU.

As always, we held fringe meetings at the annual conferences of the two largest political parties. With Labour in Liverpool in September, our panel of three leading moderate MPs – Hilary Benn, Yvette Cooper and Keir Starmer – and a man of the radical left, Momentum's John Lansman, proved surprisingly consensual. But a week later at the Conservative conference in Birmingham, sparks flew between leading Brexiteer Bernard Jenkin MP and passionate Remainer Antoinette Sandbach MP, with Vicky Ford MP and *Telegraph* columnist Juliet Samuel caught in the crossfire.

ABOVE:
(L to R)
Carolyn
Fairbairn and
Charles Grant

*Breakfast on
'Business and
Brexit', London*

The CER and the wider world

We have an unwritten rule at the CER: no more than half our work should be about Brexit. In 2018 much of what we published had nothing to do with the UK – including policy briefs on German foreign and economic policy, by Sophia and Christian Odendahl, in February; on the EU's future budget talks, by Noah Gordon, in April; and on the importance of legal migration routes into the EU, by Camino and Beth, in December.

“The EU did not know what to do when a hacking group or rogue state launched an attack on a country's essential infrastructure and services.”

The migration paper was based partly on a seminar in February of the ‘Amato Group’ – a high-level group of justice and home affairs officials and experts that meets under the patronage of former Italian prime minister Giuliano Amato and is convened by ourselves and the Open Society European Policy Institute. The group includes figures such as Karen AbuZayd, UN special advisor on refugees and migration, Jan Eliasson, former UN deputy secretary-general, Matthias Ruete, the Commission's outgoing director-general for home affairs and António Vitorino, director-general of the International Organization for Migration. The Amato Group met three times in 2018, to talk about migration, cyber security and the EU's security union – and at the third of those meetings, Julian King, the commissioner for the security union, gave an account of what the EU had achieved in that field over the past two years. King had already spoken at a CER dinner on cyber security in May.

Camino's policy brief ‘Game over? Europe's cyber problem’, published in July, marked the start of a new strand of work for the CER. She asked whether the EU was ready to respond to cyber attacks coming from both state and non-state actors. The answer was that the Union had done quite well at tackling cyber crimes like identity theft through legislation; but that it did not know what to do when a hacking group or rogue state launched an attack on a country's essential infrastructure and services. Camino also wrote that in the lead-up to the European elections, online disinformation campaigns were becoming a weapon of choice for some countries. An insight by Sophia underlined the importance of EU-NATO co-operation in the cyber domain.

The CER continues to pay very close attention to Turkey's troubled relationship with Europe and

the West. In October we once again partnered with the Istanbul-based Centre for Economics and Foreign Policy Studies (EDAM), to organise a large conference in Bodrum. Speakers included Carl Bildt, former Swedish prime minister, Faruk Kaymakçi, deputy foreign minister of Turkey, Yuri Kim, the US State Department's Southern Europe supremo, Charles Kupchan, former Europe adviser to Barack Obama and Marietje Schaake MEP.

In July, Luigi Scazzieri's policy brief ‘Europe should keep Turkey close’ argued that even maintaining transactional EU-Turkey co-operation was becoming increasingly difficult. He suggested that, in order to prevent the bilateral relationship deteriorating further, the EU should avoid ending accession negotiations. It should also re-engage Ankara with fresh talks on an updated customs union and consider a longer-term economic partnership that would include participation in Europe's single market.

In 2018 Europeans found Trump even harder to handle than in 2017. He became more confident about following his instincts and was relaxed about losing the ‘adults in the room’ who had moderated his actions during the first phase of his presidency. Trump's hostility to the EU, the World Trade Organisation, multilateralism, free trade and Germany became increasingly evident. His scrapping of the Iran nuclear agreement upset Europeans as much as his threat of tariffs and his planned troop withdrawals from Syria and Afghanistan. In a May insight, Luigi argued that Europe had little choice but to try and stick with the Iran nuclear deal after the US withdrawal.

In a June insight on the Gaza protests Beth argued that Trump's hostility towards the Middle East peace process, as seen in his slashing of US support to UNWRA, meant that the EU had to formulate a strategy of its own. And Ian's policy brief ‘Has the last trump sounded for the transatlantic relationship?’, published in May, took a broader look at the ties between the US and Europe. He concluded that European leaders should keep trying to influence Trump; at the same time they should invest in relations with other US political institutions and American society; and they should remind European publics of why the transatlantic partnership was still essential.

The Daimler Forum, a gathering of officials and thinkers that the CER, the Brookings Institution and the Stiftung Wissenschaft und Politik have



convened for the past 20 years, does its best to help the two sides of the Atlantic to understand each other. The group met in London in April, with speakers including Mark Sedwill, the UK national security adviser, Kurt Volker, the US Ukraine envoy and Simon McDonald, the UK Permanent Under-Secretary. The group met again in December in Washington DC, with speakers from the administration including policy planning chief Kiron Skinner, Iran envoy Brian Hook and National Security Council senior director for Asia Matthew Pottinger, as well as political director Nicolas de Rivi re from the French foreign ministry. At both meetings it was notable that there was more transatlantic convergence on China and Russia than on Iran and Syria; but the discussions also underlined the Trump administration's fundamental contempt for international organisations, and the EU especially.

The 'rules-based global order' is being more strongly challenged than at any time since World War II. But closer to home the EU needs to ensure that its own members respect the rule of law. That subject is becoming an important strand of the CER's work. We organised a rule of law roundtable in June in Brussels, together with the Bingham Centre for the Rule of Law and Middlesex University. This looked at existing and possible future EU mechanisms for improving respect for the rule of law in member-states. Among the speakers were Sandro Gozi, the former Italian Europe minister, Petra Bard of the Central European University and Judith Sargentini MEP. We plan further publications and events on the EU and the rule of law in 2019.

Over the next two years, a large part of the CER's research will focus on the future of the European economy. In October, we launched a two-year programme called 'Growing together: The Angelopoulos project on the future of the European economy'. This will investigate how globalisation, technological change and migration will affect Europeans' incomes and working lives in the future, and the prospects of the poorer regions catching up with the richer ones. We launched the programme at a seminar in Berlin, with speakers including Bloomberg's Stephanie Flanders, the DIW's Marcel Fratzscher, the European Commission's Jos  Leandro and BlackRock's Isabelle Mateos y Lago.

This project will build on the work of two major CER conferences in 2018. One, in Brussels in October, discussed 'Innovation: Is Europe falling behind?', with Antonio Vicente, head of cabinet for innovation commissioner Carlos Moedas, Jemima Kelly of the *Financial Times* and Paweł Świeboda of the Commission's in-house think-tank. The second, our annual economics conference at Ditchley Park in November, considered the political consequences of slow economic growth, with participants including Laurence Boone, OECD chief economist, Marco Buti, European Commission director-general for economics, Jean Pisani-Ferry of Sciences Po, Paul Tucker, former deputy governor of the Bank of England and Jeromin Zettelmeyer of the Peterson Institute.

The CER thinks that without significant reform, the eurozone will face serious pressures during the next economic downturn. That said, we

ABOVE:
 (L to R)
 Jeromin
 Zettelmeyer,
 Claire
 Waysand,
 John
 Springford,
  ngel Ubide
 Jean
 Pisani-Ferry
 and Danae
 Kyriakopoulou

Conference on
 'The politics of
 slow growth
 in Europe',
 Ditchley Park

do not expect the euro to collapse. Emmanuel Macron has ideas for reforming the eurozone, some of which the CER likes; but our seminar in Brussels in September on his European policy, with two of his biographers – *The Economist's* Sophie Pedder and the *Frankfurter Allgemeine Zeitung's* Michaela Wiegel – highlighted his isolation among European leaders.

The second of our annual conferences on the future of the EU, in Brussels in November, entitled 'Democracy under siege', covered issues such as populism and the role of the internet and social media in modern democracy. But the most memorable exchanges were on the single currency and its impact on democratic accountability in Europe. In his keynote address,

Commissioner Pierre Moscovici urged EU governments to give the Commission and the European Parliament a major role in managing the euro. Former Eurogroup president Jeroen Dijsselbloem disagreed, arguing for a more gradual and inter-governmental approach to reform.

Often forgotten in such discussions is the euro's so far unrealised potential to become a major reserve currency. In an insight published in December, Christian (working with economic historian Adam Tooze) set out what the EU would need to do in order to give the euro a larger international role. They concluded that the obstacles were formidable, not least the resistance in Berlin.

Continuity at the CER

We promulgate our ideas through a mixture of old and new methods. All our researchers talk frequently to journalists, which leads to many quotes in print and online, and numerous slots on TV and radio. We make a speciality of writing opinion pieces – 85 of them were published in 2018, including in *The Financial Times*, *The Guardian*, *The Independent*, *The Observer*, *Politico*, *The Telegraph* and *The Times*.

But Twitter has also become a crucial medium for getting our ideas across. The CER and its researchers combined have more than 250,000 followers. We posted 26 podcasts in 2018. Hosted by Sophia and Beth, they serve as a window into our publications, and allow researchers to respond rapidly to political events. Our audio 'guides' to the UK's Brexit White Paper and to the Withdrawal Agreement proved particularly popular.

Sometimes old-fashioned official channels help to give our ideas a broader circulation. We were particularly busy giving evidence to committees of the British and European parliaments in 2018. CER researchers went before the House of Commons' exiting the EU committee six times, the House of Lords' home affairs committee twice, the Lords' EU select committee twice, and once each for the Lords' EU external affairs sub-committee, the European Parliament's subcommittee on security and defence, and the European Parliament's committee on international trade.

The CER's board continues to give valuable strategic advice to the staff. Two new members joined – Tony Gardner, the former US ambassador to the EU, and H el ene Rey, an economics professor at the London Business School. Happily, we lost no research staff in 2018, and we were delighted to welcome Sam, as a new senior research fellow; Leonard Schuette, the fifth of our Clara Marina O'Donnell fellows, to work on security policy; and a new member of our admin team, Peadar   h U b ain, who replaced Lucy Slade.

As already mentioned, we held two 20th birthday parties. At the first, hosted by the Spanish ambassador to the UK in July, David Lidington urged reform of the EU's institutional structure, to accommodate the diversity of its member-states, echoing the CER's calls for a more flexible EU. At the second, in Brussels in September, hosted by Microsoft, Frans Timmermans urged Europeans not to forget their values. We heartily endorse that conclusion, and as the CER enters its third decade we remain committed to doing everything we can to strengthen the EU's commitment to democracy, the rule of law, human rights, pluralism and international co-operation.

Charles Grant and colleagues

CER events 2018

8 February

CER/Kreab breakfast on 'German priorities in Europe' with Reinhard Silberberg, Brussels (top, right)

27 February

Sixth meeting of the Amato Group on 'Does Europe speak cyber?' speakers included: Cristina Barrios, Annegret Bendiek, Matthias Ruete and António Vitorino, Brussels

1 March

CER/Kreab breakfast on 'Why the Arctic matters for Europe' with Karmenu Vella, Brussels

1 March

CER/DGAP launch of 'Can EU funds promote the rule of law in Europe?' speakers included: Franziska Brantner, Carl Dolan, Heather Grabbe and Milan Nič, Berlin

7 March

Dinner on 'The future of the EU banking union' with Elke König, London

15 March

CER/KAS roundtable on 'Plugging in the British: EU justice and home affairs' speakers included: Jason Biros, David Hannay and Christiane Hoehn, Brussels

21 March

CER/SWP expert exchange on 'Brexit – the shape of things to come: Transition and the framework for the future relationship' with Alex Barker, Stefaan de Rynck and Nicolai von Ondarza, Brussels

28 March

Roundtable on 'Modern Belarus and its place in Europe' with Vladimir Makei, London

29 March

Dinner on 'The future of Britain's trade policy' with Greg Hands, London (second from top, right)

11 April

Dinner on 'The future UK-EU relationship: A Home Office perspective' with Amber Rudd, London

2-3 May

Brookings/CER/SWP Daimler US-European Forum on Global Issues speakers included: Simon McDonald, Mark Sedwell and Kurk Volker, London

16 May

Dinner on 'Is Europe cyber-ready? How to improve Europe's cyber security' with Julian King, London

22 May

CER/Kreab breakfast on 'The state of the digital single market' with Roberto Viola, Brussels

6 June

Bingham Centre/CER/Middlesex University roundtable on 'Enhancing the rule of law in the EU' speakers included: Emmanuel Crabit, Sandro Gozi, Hanne Juncher and Judith Sargentini, Brussels (middle, right)

7 June

CER/Kreab breakfast on 'What can China and the EU do to save globalisation?' with Zhang Ming, Brussels (second from bottom, right)

13 June

Seventh meeting of the Amato Group on 'Which 'legal pathways'? Proposals for workable migration schemes' speakers included: Michael Clemens, Elizabeth Collett and Matthias Ruete, Brussels

14 June

Breakfast on 'Business and Brexit' with Carolyn Fairbairn, London

20 June

Lunch on 'Is Brexit inevitable?' with Hugo Dixon and John Kerr, London

22 June

CER/KAS conference on 'Plugging in the British: Completing the circuit' speakers included: Yvette Cooper, Simon Fraser, Paul Johnston, Claude Moraes, Kori Schake, Peter Storr and Nick Westcott, London (bottom, right)



29 June

CER/Kreab breakfast on 'The 2018 NATO summit: European defence investment, burden sharing and addressing new hybrid threats'
with *Camille Grand, Brussels*



10 July

CER/UK Trade Forum roundtable on 'Transatlantic trade relations and the UK: The way forward'
with *Anna Fielder, Dan Mullaney and Allie Renison, London*



11 July

CER/Kreab breakfast on 'Is the EU's Common Foreign and Security Policy making Europe more secure?'
with *David McAllister, Brussels*

19 July

20th birthday party
with a keynote speech by *David Lidington*, hosted by *Ambassador Carlos Bastarache*, London (top, left)



18 September

20th birthday party
with a keynote speech by *Frans Timmermans*, hosted by *Microsoft*, Brussels

19 September

Roundtable on 'Will Macron change Europe?'
with *Sophie Pedder and Michaela Wiegel*, Brussels (second from top, left)



25 September

CER/Clifford Chance roundtable on 'Competition policy for the digital age'
with *Massimiliano Kadar and Katrin Schallenberg*, Brussels

25 September

Labour Party Conference fringe event on 'What will be the outcome of Brexit?'
with *Hilary Benn, Yvette Cooper, Jon Lansman, Keir Starmer and Heather Stewart*, Liverpool



1 October

Conservative Party Conference fringe event on 'What will be the outcome of Brexit?'
with *Vicky Ford, Bernard Jenkin, Juliet Samuel and Antoinette Sandbach*, Birmingham

12-14 October

CER/EDAM 14th Bodrum Roundtable
speakers included: *Carl Bildt, Faruk*

Kaymakçı, Yuri Kim, James Kolbe, Charles Kupchan and Marietje Schaake, Bodrum

16 October

Conference on 'Innovation: Is Europe falling behind?'
speakers included: *Jemima Kelly, Reza Korshidi, Alexander Mahnke, Pierre Meulien, Martin Siegert, Paweł Świeboda, and Antonio Vicente, Brussels* (middle, left)

22 October

Launch of 'Growing together: The Angelopoulos project on the future of the European economy'
with *Stephanie Flanders, Marcel Fratzscher, José Leandro and Isabelle Mateos y Lago, Berlin* (second from bottom, left)

23 October

CER/Kreab breakfast on 'Should the eurozone be less intergovernmental?'
with *Marco Buti, Brussels*

16 November

Conference on 'The politics of slow growth in Europe'
speakers included: *Agnès Bénassy-Quéré, Laurence Boone, Marco Buti, Charles Goodhart, Stephen King, Reza Moghadam, Jean Pisani-Ferry, Brad Setser, Gemma Tetlow, Paul Tucker, Shahin Vallée, Claire Waysand and Jeromin Zettelmeyer, Ditchley Park*

20 November

CER/Kreab breakfast on 'Have we completed euro area reform?'
with *Mário Centeno, Brussels*

27 November

Eighth meeting of the Amato Group on 'The Security Union: A bill of health'
with a keynote speech by *Julian King*, Brussels

28 November

Conference on 'The future of the EU: Democracy under siege'
with a keynote speech by *Pierre Moscovici*.
Speakers included: *Agnès Bénassy-Quéré, Maria Demertzis, Jeroen Dijsselbloem, Sandro Gozi, Merle Maigre and György Schöpflin, Brussels* (bottom, left)

6-7 December

Brookings/CER/SWP Daimler US-European Forum on Global Issues
speakers included: *Brian Hook, Matthew Pottinger, Liane Saunders, Kiron Skinner and Nicolas de Rivièrè, Washington*



(L to R) Agata Gostyńska-Jakubowska and Ian Bond, when the CER won the 2018 Prospect Award for 'Think Tank of the Year', July 2018



(L to R) Hilary Benn, Yvette Cooper, Heather Stewart and Keir Starmer, Labour Party Conference fringe event on 'What will be the outcome of Brexit?', September 2018



(L to R) Bernard Jenkin, Juliet Samuel, Charles Grant, Antoinette Sandbach and Vicky Ford, Conservative Party Conference fringe event on 'What will be the outcome of Brexit?', October 2018



(L to R) Charles Grant, Gianna Angelopoulos-Daskalaki, Nick Butler and John Springford, launch of 'Growing together: The Angelopoulos project on the future of the European economy', October 2018



(L to R) Agata Gostyńska-Jakubowska, Hugo Dixon, John Kerr and Charles Grant, lunch on 'Is Brexit inevitable?', June 2018



(L to R) Camille Grand and Sophia Besch, CER/Kreab breakfast on 'The 2018 NATO summit: European defence investment, burden sharing and addressing new hybrid threats', June 2018



(L to R) Agata Gostyńska-Jakubowska, Emmanuel Crabit, Murray Hunt, Ian Bond and Sandro Gozi, Bingham Centre/CER/Middlesex University roundtable on 'Enhancing the rule of law in the EU', June 2018



(L to R) Charles Grant and Frans Timmermans, CER 20th birthday party, Brussels, September 2018

CER publications 2018



Nord Stream 2: More hot air than gas?

insight by Noah Gordon *January 2018*

Of transition and trade deals

insight by Sam Lowe *January 2018*

'Canada', 'Norway' or something in between?

insight by Charles Grant *January 2018*

Italy after the election: From partner to spoiler?

insight by Luigi Scazzieri *January 2018*

The good European? Why Germany's policy ambitions must match its power

policy brief by Sophia Besch and Christian Odendahl *February 2018*

Britain's services firms can't defy gravity, alas

insight by John Springford and Sam Lowe *February 2018*

Macron's plans for the euro

insight by Charles Grant *February 2018*

The Ukraine model for Brexit: Is dissociation just like association?

insight by Beth Oppenheim *February 2018*

Plugging in the British: EU foreign policy

policy brief by Ian Bond *March 2018*

Theresa May's Irish trilemma

insight by John Springford *March 2018*

Brexit and rules of origin: Why free trade agreements \neq free trade

insight by Sam Lowe *March 2018*

Will the unity of the 27 crack?

policy brief by John Springford, Sam Lowe and Beth Oppenheim *March 2018*

No shock in Russian election: But can Europe surprise Putin?

insight by Ian Bond *March 2018*

Brexit and the financial services industry: The story so far

policy brief by Mark Boleat *March 2018*

Is Labour selling the UK a Turkey?

insight by Sam Lowe *March 2018*

What the Italian election means for the EU

insight by Luigi Scazzieri *April 2018*

The EU budget after Brexit: Reform not revolution

policy brief by Noah Gordon *April 2018*

Plugging in the British: EU defence policy

policy brief by Sophia Besch *April 2018*

The German wage puzzle

insight by John Springford *May 2018*

A hitchhiker's guide to Galileo and Brexit

insight by Sophia Besch *May 2018*

Has the last trump sounded for the transatlantic partnership?

policy brief by Ian Bond *May 2018*



Theresa May's meaningless meaningful vote?

insight by Agata Gostyńska-Jakubowska *May 2018*

EU has little choice but to try to keep the Iran deal alive

insight by Luigi Scazzieri *May 2018*

The UK must swallow the unpalatable Irish backstop

insight by Sam Lowe *May 2018*

To manage migration, the EU needs to rethink its neighbourhood policy

insight by Luigi Scazzieri *May 2018*

Plugging in the British: EU justice and home affairs

policy brief by Camino Mortera-Martinez *May 2018*

Why Italy will confront the EU, but stay in the euro

insight by Luigi Scazzieri and John Springford *June 2018*

Is Macron becoming isolated in Europe?

insight by Charles Grant *June 2018*

Plugging in the British: Completing the circuit

report by Sophia Besch, Ian Bond and Camino Mortera-Martinez *June 2018*

What's the cost of Brexit so far?

insight by John Springford *June 2018*

Moving on after Galileo – lessons (to be) learnt

insight by Sophia Besch *June 2018*

Beyond firefighting: An EU strategy for Gaza

insight by Beth Oppenheim *June 2018*

Trump's two summits: Can NATO navigate the dangers?

insight by Ian Bond *July 2018*

Merkel's migration deal: Less than the sum of its parts

insight by Sophia Besch, Camino Mortera-Martinez and Luigi Scazzieri *July 2018*

Game over? Europe's cyber problem

policy brief by Camino Mortera-Martinez *July 2018*

Defence spending in NATO: Stop convincing Trump, start convincing Europeans

insight by Sophia Besch *July 2018*

Inching our way towards Jersey

insight by Sam Lowe *July 2018*

Time to let the rule of law in Poland have its day in court

insight by Agata Gostyńska-Jakubowska *July 2018*

The accidental prime minister: What Spain's new government means for the EU

insight by Camino Mortera-Martinez *July 2018*

Europe should keep Turkey close

policy brief by Luigi Scazzieri *July 2018*

After Salzburg: How to salvage the Brexit negotiations

insight by Sam Lowe and John Springford *September 2018*

The cost of Brexit to June 2018

insight by John Springford *September 2018*

Premature elections won't stabilise Libya

insight by Luigi Scazzieri *October 2018*

One year since Macron's Sorbonne speech: Plus ça change?

insight by Leonard Schuette *October 2018*





Protecting European networks: What can NATO do?

insight by Sophia Besch *October 2018*

Is Trump right to nuke the INF Treaty?

insight by Ian Bond *November 2018*

Why a woolly political declaration might help Theresa May get her Brexit deal through Parliament

insight by Agata Gostyńska-Jakubowska and Sam Lowe *November 2018*

Brexit deal done – now for the hard part

insight by John Springford *November 2018*

What happens if Parliament rejects May's Brexit deal?

insight by Charles Grant *November 2018*

Can the euro rival the dollar?

insight by Adam Tooze and Christian Odendahl *December 2018*

Brexit and services: How deep can the UK-EU relationship go?

policy brief by Sam Lowe *December 2018*

Trump's Iran policy leaves the EU few options

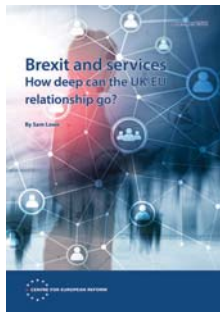
insight by Luigi Scazzieri *December 2018*

The politics of slow growth in Europe

conference report by John Springford, Christian Odendahl and Nick Winning *December 2018*

Why Europe needs legal migration and how to sell it

policy brief by Camino Mortera-Martinez and Beth Oppenheim *December 2018*



CER staff 2018

Charles Grant is the director.
His interests include Britain's relationship with the EU, European institutions, European foreign and defence policy, Russia and China.



John Springford is the deputy director.
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Christian Odendahl is the chief economist.
He focuses on macroeconomics, the eurozone, the European Central Bank and Germany. He also covers trade and financial markets.



Agata Gostyńska-Jakubowska is a senior research fellow.
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Camino Mortera-Martinez is a senior research fellow.
She specialises in justice and home affairs, migration, internal security, privacy, criminal law and police and judicial co-operation.



Sam Lowe is a senior research fellow.
He specialises in international trade, European trade policy, rules of origin, the single market, Brexit, environmental co-operation and investor-state dispute settlement.



Sophia Besch is a research fellow.
She specialises in NATO, European defence and German foreign policy.



Luigi Scazzieri is a research fellow.
He specialises in European foreign and security policy, the Middle East and Russia.



Beth Oppenheim is a researcher.
She focuses on Britain's future relationship with the EU, and EU foreign policy in the Middle East.



Noah Gordon was the Clara Marina O'Donnell fellow (2017-18).
The fellowship is aimed at those at the start of their careers who are interested in foreign, defence and security policy.



Leonard Schuette is the Clara Marina O'Donnell fellow (2018-19).



Kate Mullineux is the publications manager and website editor. She designs CER publications and organises their production and is responsible for managing all website content.



Nick Winning is the media officer and editor. He is responsible for the CER's media coverage and strategy and edits research.



Sophie Horsford is the fundraising and operations manager. She is responsible for the day-to-day management of the CER, particularly finance and fundraising.



Jordan Orsler is the events manager. She is responsible for the planning and execution of the CER's conferences and roundtables.



Bea Dunscombe is the administrative assistant and PA to Charles Grant. She is the first point of contact for visitors to the CER and supports the work of researchers.



Peadar Ó hÚbáin is the events co-ordinator. He assists with the co-ordination and administration of CER events.



Lucy Slade was the events intern (2017-18). She assisted with the co-ordination and administration of CER events.



Advisory board 2018

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Senior counselor, Institut français des relations internationales

Lord Monks

Former general secretary, Trades Union Congress and European Trade Union Confederation

Mario Monti

President, Bocconi University and former prime minister of Italy

Christine Ockrent

Commentator and writer, and producer, *Affaires Étrangères*, France Culture

Michel Petite

Of Counsel, Clifford Chance, Paris

Hélène Rey

Lord Bagri Professor of Economics, London Business School

Lord Robertson

Deputy chairman, TNK-BP and former secretary-general, NATO

Roland Rudd

Chairman, Finsbury and Open Britain

Dev Sanyal

Chief executive, alternative energy, and executive vice president, regions, BP plc

Kori Schake

Deputy director-general, International Institute for Strategic Studies

Sir Nigel Sheinwald

Non-executive director, Royal Dutch Shell plc and visiting professor, King's College London

Lord Simon

Senior advisor, MWM and chairman of the advisory board, Montrose

Lord Turner

Chairman, Institute for New Economic Thinking

Pierre Vimont

Former executive secretary-general, European External Action Service

Sir Nigel Wicks

Former chairman, British Bankers' Association

Igor Yurgens

Chairman, Institute for Contemporary Development, Moscow

Financial support 2018

In addition to our corporate members, numerous other companies have supported specific publications, projects and events.

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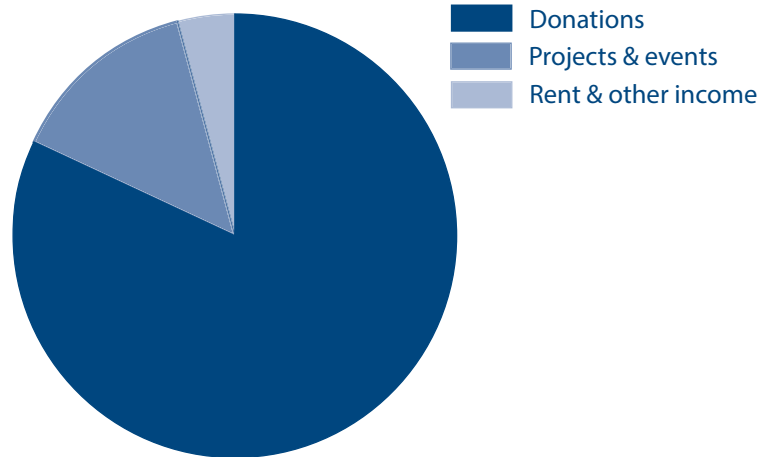
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Financial information

Audited accounts for year ending 31.12.2017

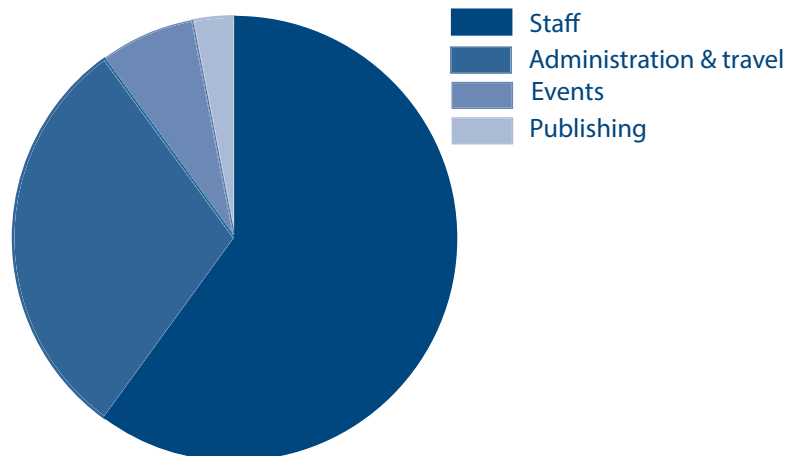
Income for 2017:

Total £1,402,291



Expenditure for 2017:

Total £1,506,332



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