The UK’s surprise 52:48 vote to leave the European Union in the 23 June 2016 referendum has sent the country, for the first time in its history, stumbling onto a new foreign-policy course against the wishes of its ruling class, not to mention its intelligentsia and much of its youth. It also represents a signal defeat for the EU, a reversal of the Union’s sixty-year run of expansion and integration. In London, the immediate response was at once solipsistic and civilizational, the event cast in epochal terms. ‘After the initial numbed shock has come sadness, alarm and, at times, despair’, wrote Jonathan Freedland in the Guardian. ‘The saddest of hours,’ agreed Martin Wolf in the Financial Times, for whom the vote was ‘probably the most disastrous single event in British history since the Second World War.’ For Timothy Garton Ash, it was ‘a body blow to the West, and to the ideals of international cooperation, liberal order and open societies.’ Facebook, in one account, had become a Wailing Wall, where nightmares of xenophobia reigned—Britons having ‘voted to make foreigner-hunting legal, if not an actual duty.’ Popular responses on the Continent were more sanguine; only a third of Germans and a quarter of the French were at all unhappy about Brexit.1

The prevailing explanation, as heads have cooled, is that Cameron lost his gamble on the referendum because he underestimated the ressentiment of globalization’s losers. Though other factors were involved, the Brexit vote was above all ‘a revolt against globalization’ for Philip Stephens in the Financial Times. For the Economist, it revealed ‘a sharply polarized country, with a metropolitan elite that likes globalization and an angry working class that does not’—‘Britain’s decision to leave the
European Union has been the anti-globalists’ biggest prize’. As such, it was part of the same phenomenon as support for Trump: on both sides of the Atlantic, voters were revolting against the same economic policies, opined Lawrence Summers. For the FT, ‘Trump and Brexit feed off the same anger’. The political lesson was boiled down to immigration. ‘The Brexit vote gave us a very clear message, that we couldn’t allow freedom of movement to continue as it had done hitherto’, Theresa May announced, ten days before she replaced Cameron as Prime Minister. A chorus of New Labour voices agreed. From farther left, Paul Mason concurred: ‘Free movement is over.’

Immigration was a central theme in the referendum, and that globalization creates ‘winners and losers’, as the euphemism has it, is beyond dispute. Yet the globalization thesis as it stands is inadequate as an explanation. For one thing, ‘globalization’—or ‘openness’, as the Economist now prefers to say—bleaches out the crisis-ridden turbulence of contemporary capitalism; a vote held during the equally ‘open’ bubble years could have had a different outcome. For another, it conceals important differences between, say, British, German, Polish and Italian growth models. It is also suspiciously self-serving: neither the decisions of the EU’s political leaders nor the course set by UK rulers comes in for scrutiny—just as in the US version, the ‘globalization’s losers’ explanation for Trump’s support absolves the candidacy of Hillary Rodham Clinton from criticism. Analytically, globalization is an inadequate proxy for European integration, which in some respects runs against it: the EU represents a regional concentration of wealth and power, outstripping


3 Theresa May, Peston on Sunday, ITV, 3 July 2016; Paul Mason, ‘Britain is not a rainy, fascist island—here’s my plan for ProgrExit’, Guardian, 25 June 2016.
the US in GDP and population, while holding open the possibility of a multi-polar world, in contrast to the ‘flat earth’ of unipolar globalization—even if it is today a secondary empire to Washington’s. Finally, the globalization thesis misses the ways in which the Brexit referendum was shaped by contingent decisions, responding to a narrow party-political logic, which interacted with sharpening social and economic polarizations across the European continent. Between solipsisms and global abstractions, mid-range conceptual tools may be more useful for a proportionate understanding of the UK’s vote and the outcomes both for Britain and for Europe; nationalisms, classes, political parties and interstate relations are all in play.

Then and now

Party alignments, national identities and class conflict were very differently configured when the country joined the European Economic Community in 1973. Class struggles were at their height, with militant miners, engineering workers and Clydeside shipbuilders setting the temper of the times, against a backdrop of recession and inflation. In Northern Ireland, English soldiers confronted the civil-rights movement. For Heath’s Conservative government, battling to impose wage controls, EEC entry offered a path to liberal modernization, a new sense of purpose. For Labour, trying to rally its troops in the aftermath of its dismal 1964–70 experience in office, opposing a ‘sell-out’ to Brussels was an easy option, even if Wilson’s government had pursued entry itself in the 1960s. Analysing this conjuncture in a special number of New Left Review, Tom Nairn contrasted Britain’s position as sick man of Europe to investment-led French modernization and German industrial growth. The exception was the UK’s financial sector: having cornered the business for offshore-dollar trades, the City of London enjoyed, as the Economist then put it, a ‘giant-pigmy relationship’ to Europe’s capital markets, its stock exchange worth as much as those of the six EEC member states put together.4

Internationally, the catalyst for the UK’s entry was Nixon’s declaration of the fiat-dollar system; for France, the strategic leader of the Six, America’s move towards ‘economic nationalism’ needed to be met by an autonomous European alternative, for which the City would provide

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ballast. De Gaulle, with his implacable ‘Non’ to UK entry, had departed the stage. In May 1971, Pompidou gave Heath the green light. While Labour railed at the threat to British parliamentary sovereignty, the Tory party conference—‘backwoods squires, retired businessmen, flogging colonels, flower-hatted ladies from the Women’s Institutes—united in frenzied applause for Heath’s historic “success” in Brussels.’

For English elites, Europe seemed to promise not only a pathway out of economic and diplomatic decline, but escape from the claustrophobic sense of ‘frustration and littleness’ felt by an ex-imperialist class. At the same time, Nairn argued that the British left was wrong to regard the European Community as ‘more capitalist’ than its own society. That the EEC was the product and servant of the European capitalist system went without saying, but it should be treated in the same fashion as, say, the agricultural revolution or industrialization—an aspect of capitalist development with contradictory features, both cruel and progressive, rather than a pathological one, like fascism or ultra-imperialism: ‘We know the EEC is intended to strengthen the sinews and world-position of European capitalism and its ruling classes. We don’t know whether or how it may also strengthen the position and enlarge the real possibilities of the European working classes.’

The contrasts with 2016 are stark enough. The Europe of the Six, with its finely calibrated cultural and economic equilibria, hedged by the ‘enabling constraints’ of the Cold War, has been replaced by a skewed pyramid of 27 highly unequal states, wielding disproportionate powers, of whom a majority have their monetary policy set externally by a non-accountable central bank. The level of funding that had been allocated to Ireland and the poorer Mediterranean states in the 1980s was pared back when it came to integrating the ex-Comecon countries. In 2004, Polish median wages were only 25 per cent of those in the UK, Germany or France.

The transnational sinews of working-class solidarity were stronger in the 1930s—or even in the 1860s, at the time of the First International—than within the 500-million strong EU. Meanwhile the claim that it ‘kept the peace in Europe’, under NATO’s armour-plating, was qualified not just by its continuing history of colonial warfare and military occupation (Britain in Ireland, France in Algeria, Turkey in Cyprus, Four Powers in Germany) and its active role in the bloody

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1 Nairn, ‘The Left against Europe?’, pp. 34.
2 Nairn, ‘The Left against Europe?’, pp. 17, 78, 80, 109–11.
dismemberment of Yugoslavia, but by the part played by European arms and meddling in the widening arc of devastation that now surrounds it: Ukraine, the Balkans, southeast Turkey, Mesopotamia, Yemen, Libya, Mali and a broad swathe of the Sahel.

Beneath the EU’s overarching institutions, nationally determined growth models have worsened its imbalances. Faced with rising competition from China, Germany fought to retain its high-end industrial export sector, at the expense of wage growth and domestic consumption, while Italy’s smaller manufacturing firms struggled to stay afloat. Spain, Greece and Ireland relied on credit-driven expansion, the ex-Comecon states on supplying a cheap pool of non-unionized labour and lax environmental controls. As for the UK: once Thatcherism and recession had broken its unions, shut its mines and shipyards and dismantled its smoke-stack industries, the focus fell on pumping up its external trade in financial and business services to cater to the globalization bubble. Higher than average female labour-force participation in the expanding service sector increased demand for cheap, low-end labour, met by workers from the Subcontinent and, after 2004, from Eastern Europe. As a special reward for ‘New Europe’ countries that backed the invasion of Iraq, Blair offered immediate access to UK jobs, overriding agreements for a slower phase-in. When median wages began to stagnate at around the same time, while upper incomes and house prices continued to soar, domestic consumption was propped up by household loans and tax credits.

Since the crisis, these inequalities have sharpened. After 2010 sterling became a haven for capital fleeing the euro debt crisis. London was a low-watt beacon of growth amid the gloom of the Euroland recession, its deregulated labour market offering plentiful zero-hour contracts and anti-social shifts to the Continent’s huddled masses. UK wages weakened further, real earnings dropping over 10 per cent between 2007 and 2015, a fall matched only by Greece.8 Low interest rates helped indebted households to get by, but the benefits of quantitative easing and the asset-price boom were restricted to the South-East. From 2010, the Coalition’s austerity measures—deep cuts to public spending, tax credits, housing and disability benefits—fell disproportionately on the

8 ‘UK workers experience sharpest wage fall of any leading economy, TUC analysis finds’, TUC, 27 July 2016. For under-30s, the fall was 12 per cent: Laura Gardiner, ‘Stagnation Generation’, Resolution Foundation, July 2016, p. ii.
old industrial areas and run-down seaside towns, on tenants in high-rent
boroughs and working parents with dependent children. By 2016, there
were causes enough for a protest vote.

Yet the UK’s problems were only one set of many stresses in the EU. The
tensions inside the Eurozone—double-digit unemployment, evisceration
of family businesses, punishment of ruling politicians and parties, now
overlapping with the arrival of refugees from Middle East war zones the
Western powers had been stoking for decades—were arguably greater.
For the UK’s Exit vote, three further factors were required. First, the
changing party-political valence of EU membership, as Labour warmed
to Europe, while an important Tory faction turned against it. Second, the
London government’s uneasy relations with the other European powers.
And third, the halting, uneven politicization of a hitherto passive elector-
ate, under the strain of accelerating asymmetrical development.

Stepping back

The Tory ardour for Europe that Nairn had observed in the 1970s cooled
under Thatcher, leaving the Conservatives deeply divided on the issue.
Nairn had predicted that, once in, the UK’s long history of dithering
and half-heartedness would somersault into its opposite. The logic of
entry indicated that the only valid course was a fuite en avant, a headlong
assault by City-led capital on its new territory, with London positioning
itself as the ‘financial growth pole’ of Europe. The Economist agreed,
reassuring faint hearts that ‘by the time monetary union gets going,
Britain will be inside; having the strongest financial centre, it will have
a dominant say in what gets done.” As far as ‘rights’ for finance capital
within Europe were concerned, this was correct. But the bureaucrati-
diplomatic ethos of the EU was anathema to Thatcher’s Chicago School
way of thinking. As a late-comer, the UK would never be as at home with
European protocols and practices as the founding Six, who had built
up the Community’s norms and modus operandi over many years as a
combined and negotiated reflection of their own interests and politi-
cultural cultures. New arrivals were confronted by a ready-built structure
to which they had to adapt, each finding its own niche in the existing

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9 Christina Beatty and Steve Fothergill, ‘The Uneven Impact of Welfare Reform:
The Financial Losses to Places and People’, CRESR, Sheffield Hallam University,
March 2016.
set-up. Ireland, entering at the same time as the UK, immediately set about establishing an identity as an eagerly clubbable member state. Denmark, which also joined in 1973, was a pricklier customer. The country was split down the middle on the question of Europe, opposition to it championed from the left as alien to Scandinavian traditions of social solidarity. The Danes held eight referendums on EU questions, opting out of monetary and defence policy.

The UK case was different again. Here the argument for Europe had always been made in British-nationalist terms, under the watchword ‘British influence’—or, as with the Economist above, the UK’s ‘dominant say’. The reality was more discomfiting, as Italy, France and Germany showed they could outwit London’s representatives. Ever-mindful of its historic status as a great off-shore power which had, in its time, dictated terms to each of the others, post-imperial Britain struggled to be part of a project it could never wholly dominate. Though Thatcher could proudly proclaim that she was building a ‘Europe of free enterprise’ with the flows of capital, goods and labour envisioned by the 1986 Single European Act, she feared being outmanoeuvred in negotiations by cunning continentals. Meanwhile Labour was belatedly following in the footsteps of other left parties who had initially read the Common Market as a Cold War project, or a ‘bosses’ union’, but had slowly come round to it: the Italian Communist Party from the mid-60s, the post-dictatorship social-democratic parties in Greece, Spain and Portugal from the 70s. In Britain, after the epochal defeats of the 1980s, trade-union leaders declared the European Commission’s proposed Social Chapter—a minimal gesture intended to sugar-coat the free-market Single European Act—‘the only game in town’. A bemused Jacques Delors was treated to a rousing chorus of Frère Jacques when he presented it to the 1988 TUC conference. Within days, Thatcher hit back in a speech delivered in Bruges: ‘We have not successfully rolled back the frontiers of the state in Britain only to see them re-imposed at a European level, with a European super-state exercising a new dominance from Brussels.’

Open divisions within the Conservative government erupted over the moves towards deeper European integration in response to the fall of the Berlin Wall. Thatcher, who had agreed in principle to monetary

Although the letter-of-the-law punctiliousness of the Irish Supreme Court inadvertently created a permanent thorn in Brussels’ side by ruling in 1987 that every change to European treaties must be ratified by an Irish referendum.
union, felt tricked when a timetable for it was tabled in Rome in 1990, with the support of the other Eleven. She angrily denounced her fellow European leaders at a press conference, continuing the attack from the safety of the House of Commons. Two weeks later her former foreign minister, Geoffrey Howe, led the counter-offensive. Howe based himself on the British-nationalist case for Europe made by Macmillan in 1962. It was essential for the UK ‘to place and keep ourselves within the EC’—‘not to cut ourselves off from the realities of power; not to retreat into a ghetto of sentimentality about our past and so diminish our own control over our own destiny in the future.’ Thatcher’s attitude ran ‘serious risks for the future of our nation’, ‘minimizing our influence’, allowing others to set the rules and distribute power ‘to our disadvantage’. Thatcher’s tearful departure from Downing Street came a few weeks later.

Thatcher’s supporters in the Commons would relentlessly harry her successor, Major, as he attempted to lead the country into monetary union. The ‘Maastricht rebels’ were wrong to call the new EU a ‘federal super-state’—the ECB notoriously lacked a fiscal, let alone a social, framework—but they were correct to say it was a completely different polity to the EEC the UK had voted to join. Kohl and Mitterrand had announced as much in April 1990: it was time to ‘transform the totality of relations between the member states into a European Union’. The Maastricht Treaty unavoidably put the question of the electorates’ consent to this new course on the table. Referendums were held on it in Italy, Ireland, Denmark (twice) and France, where the Treaty squeaked through by 1 per cent, the French left opposing it as a neoliberal manifesto, while the centre-right Rassemblement pour la République divided over it on neo-Gaullist, sovereigntist grounds. In the UK, the Major government battened down the hatches, refused to consider a plebiscite on Maastricht and continued to try to treat the EU as an external matter, as in the 1960s and 70s—even though the Brussels legislative process of European Commission, Council and Parliament now generated a steady stream of regulations and directives to be incorporated into member states’ domestic law.

Blair perpetuated this approach: his ‘Strong in Europe, strong with America’ was a foreign-policy slogan, a continuation of Howe’s line. He

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dithered over holding a referendum in 2005 on the Constitutional Treaty, alongside the plebiscites taking place in France, Ireland, Denmark, Luxembourg, the Netherlands, Spain and Portugal, and reneged on a manifesto commitment to put the 2007 Lisbon Treaty to a vote. The absence of a well-grounded left critique of the direction the Union was taking also differentiated British debates on the Maastricht Treaty and its follow-ups from those in neighbouring countries: there was no UK equivalent to the role played in France by the PCF, the far left and ATTAC, in Ireland by Sinn Féin, or in the Netherlands by the post-Maoist Socialist Party. By comparison, critical-Europeanist voices from the left were few and far between in Britain, with no party or institutional backing.\footnote{A prescient exception was Wynne Godley’s ‘Maastricht and All That’, \textit{\textsc{lrb}}, vol. 14, no. 19, 8 October 1992.}

Westminster’s persistent refusal of a popular consultation over successive treaties only served to radicalize the Maastricht rebels, who remained a force to be reckoned with in the local Conservative associations. They were flanked on the right by an array of Eurosceptic ginger groups, mainly funded by maverick financiers. At first, like James Goldsmith’s short-lived Referendum Party, these called for a plebiscite on the direction of the European Union. Later the position hardened to the UK Independence Party’s ‘in or out’. But during the height of the boom the Eurosceptics could gain little traction; if anything they seemed an obstacle to electoral success. Cameron won the Tory leadership in 2006 with a promise to Blairize the party and a warning to ‘stop banging on about Europe’. At the same time, establishment deflection of the EU as an external question began to acquire a \textit{post factum} basis in reality after 2001, with the emergence of the Eurozone as a distinct formation within the larger polity, which the UK did not join—the City’s foreign-exchange traders preferring to keep sterling as an optional hedge in currency markets. Being in the EU but out of the euro was complacently naturalized as the ‘best of both worlds’ by local ideologues.

\textit{Catalysts}

These coordinates were re-set in the wake of the financial crisis. Brown’s New Labour was sent packing in 2010 but, even in such optimum conditions, Cameron’s Conservatives failed to win an overall majority. The Tory right was further alienated by Cameron’s coalition agreement with the Liberal Democrats, pushed through with little consultation, against the
wishes of those Conservatives who wanted a minority government and fresh elections. Instead, Lib Dems occupied plum ministerial positions, while an inner cabinet—Cameron, Osborne, Clegg, Alexander—took all key decisions. Across the Channel, the Eurozone crisis reached a peak in late 2011, Merkel summoning an emergency European Council meeting to ram through the Fiscal Compact. The effect was to galvanize Tory Eurosceptics against the new powers of the ‘super-state’, against which Cameron duly used his veto. At home, the double-dip recession, sharpened by Osborne’s austerity budgets, had eroded the Conservatives’ fragile electoral support. With over 2.5 million unemployed, and Labour still disgraced by the financial crisis and Iraq, UKIP emerged as the only visible home for a protest vote. In 2010, UKIP had barely scraped 3 per cent; three years later it took 22 per cent in the local elections. Tory MPs in marginal seats began to fear for their futures.

In October 2012 an internal memo warned Cameron that success in the 2015 election would depend on winning back three groups of voters. For the first two—‘anxious aspirationalists’, who made up 18 per cent of the potential Tory vote, and the ‘in-play centre’, another 11 per cent—the key issues were the cost of living and the NHS; few mentioned immigrants and even fewer the EU, which regularly featured at the bottom of voters’ concerns. The third group was ‘disaffected Tories’, a bloc of 14 per cent—mostly older voters, for whom immigration and the EU were salient issues, and who were now swinging to UKIP in large enough numbers to allow Labour to take marginal constituencies. Though only a small fraction of the population, they might prove electorally vital. Cameron’s pledge in January 2013 to hold an In–Out EU referendum by 2017—going beyond the Tory right’s demand for a vote on an EU treaty, to grant UKIP’s ultimate wish—was a short-term electoral gambit to secure the ‘disaffected Tory’ vote and finally skewer his internal party opposition. For surely, as polls suggested, if it ever came to a referendum, a majority would vote for the security of the status quo.

Cameron’s careless confidence—not even proposing a quorum or a super-majority for the plebiscite—has been explained as a sense of class

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15 In the May 2013 local elections, Labour won 29 per cent, the Conservatives 25 per cent and UKIP 23 per cent, with the Lib Dems down to 14 per cent.
entitlement. But not every son of the gentry decides he will be prime minister at the age of sixteen—and, having done so, puts so little effort into it. ‘How hard can it be?’ he smirked to a friend, on the eve of entering Number Ten.17 Cameron liked to relax by playing Fruit Ninja on his iPad or chilling out with DVD box-sets. Aides described Osborne as Downing Street’s informal political director—at their morning meetings, the Prime Minister would wait for him to speak. He depended for advice and friendship on Murdoch employees like Andy Coulson and Rebekah Brooks, whose dealings landed them in the dock for phone hacking and perversion of justice. His office was openly cynical about slogans like ‘the big society’ or ‘all in it together’. After an Arctic photoshoot, complete with huskies, Cameron spoke dismissively of ‘green crap’.18 But when it came to the EU referendum, his heedlessness was not merely a personal or sociological feature. It was representative of a wider insouciance among ruling groups who had operated for so long in a vacuum of apathy and voter demoralization and failed to register the slow, still inchoate politicization that had been taking place in the aftermath of the financial crisis.

The backdrop to this was the intensification of political struggle in the EU itself during the course of the Eurozone crisis: the Movement of the Squares, the rise of Syriza and Podemos. In the UK, the first manifestations came in Scotland, with the local groups animated by debates around the 2014 independence referendum. There it had a broadly social-democratic coloration, opposing the modestly more egalitarian political culture that had sustained itself north of the Tweed, under the auspices of the Scottish Parliament, to the sharpened class politics emanating from Westminster—bailouts for bankers, austerity for the rest. The 2015 mobilizations around Corbyn’s candidacy for the Labour leadership, which crystallized in Momentum, had a similar character. The rise in UKIP support from 2013 had a much more conservative cast and was not articulated to the same extent in local meetings and debates; it was a broader, if shallower, phenomenon. In the 2015 election, uneven regional development was underscored by differential outcomes in each of the UK’s sub-nations—the Tories just ahead in England, Labour in Wales, the DUP in Northern Ireland, an SNP landslide in Scotland—with no party gaining pan-UK support. Back in office in May 2015 with a

17 Tim Shipman, ‘A nod and a wink here, finger-jabbing there, this rebellion is a mess of the Prime Minister’s making’, Daily Mail, 11 July 2012.
18 Cowley and Kavanagh, British General Election of 2015, p. 57.
majority of twelve, Cameron and Osborne planned to get the EU referendum out of the way fast.

*Taking Sides*

The Remain campaign pivoted on Cameron. The plan was, first, to ‘dial up’ immigration, taking ownership of the issue. ‘Control’ was the watchword—‘a strong country is one that controls immigration’.¹⁹ In well-flagged speeches, Cameron boasted that Britain would have ‘the toughest system in the EU for dealing with the abuse of free movement’—a policy of ‘deport first, appeal later’. The lexicon was calculated: ‘relentless drive’, ‘cracking down’, ‘clamping down’, ‘rooting out’, ‘illegal’, ‘crime’ and, repeatedly, ‘control’.²⁰ Like Thatcher with her 1984 rebate, Cameron would demonstrate how tough and prime-ministerial he was by wringing concessions on the free movement of labour from the European Council. He would then lead a three-party ‘Stronger In’ campaign, backed by the international great and good, arguing that Brexit ran a ‘risk not worth taking’ of economic chaos, and reminding voters of the clout the UK enjoyed thanks to its role in the EU—a case that combined the traditional British-nationalist approach to Europe with the Project Fear tactics that had worked so well in Scotland. ‘It will be about jobs and the economy and it won’t even be close’, briefed a Cabinet ally.²¹

In February 2016 this began to come unstuck. A letter from Donald Tusk, European Council President, pouring cold water on Cameron’s special-treatment negotiations, was picked up by the latter’s old friends at the *Sun*: ‘Who do EU think you are kidding, Mr Cameron?’ Three weeks later Boris Johnson, the only top Tory with a popular following, announced he was joining Vote Leave. Instead of a tri-partisan campaign, the fight now seemed polarized between different Tory factions. The strategic intelligence behind Vote Leave was Dominic Cummings, a sharp-edged, independent-minded aide to Michael Gove as shadow, then actual, Education Minister. In his twenties, Cummings had been the 1999–2002 director of a lobby called Business for Sterling—its slogan,

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¹⁹ Prime Minister’s Speech on Immigration, 21 May 2015. For ‘dialling up’ immigration, see Cowley and Kavanagh, *British General Election of 2015*, p. 64.

²⁰ Prime Minister’s Speech on Immigration, 21 May 2015.

‘Europe Yes, Euro No’—aimed at dissuading the Blair government from joining the single currency. A student of Bolshevik campaigns, admiring ‘Land, Peace, Bread’, he coined ‘Vote Leave. Take Back Control’ as the Brexit slogan—taking Cameron’s well-worn theme of ‘control’ and transforming it into an offer of renewed democratic sovereignty to the voters. Cummings would have no truck with UKIP’s Leave.EU group, refused to countenance anti-immigration ads—they would alienate the very people Vote Leave needed to convince—and hammered home a redistributive message: ‘We send the EU £350 million a week. Let’s fund our NHS instead.’

The NHS slogan was emblazoned across Vote Leave’s big red battle bus, which featured every night on the TV news. Vote Leave foot soldiers were thin on the ground; the campaign had only 45,000 on its data base, two-thirds of them Tories and the rest UKIP voters, mainly in the north. The campaign largely consisted of Johnson stepping off the battle bus to engage in cheerfully shambolic encounters with provincial voters. This produced good footage which, to the Remain camp’s fury, got equal billing on the evening news with the big guns wheeled out by Stronger In. The slogan of ‘£350 million for the NHS’ particularly enraged the Remain campaign which, as a strategist explained, ‘didn’t want to get into an argument with Leave on TV about whether the right figure was £350 or £170 or £210 million, because all those figures sound huge.’ As a result, the Remain camp was reduced to bluster about ‘Leave lies’.

But—this was the second problem for Remain—hectoring from Clinton and Obama, who instructed Britons to take a more optimistic view of history, seemed only to alienate the electorate, building up momentum for a protest vote. Escalating warnings from the IMF, the OECD, Soros, the Governor of the Bank of England and assorted CEOs of FTSE 100 companies had the same effect. A week before the referendum Osborne,

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23 Andrew Cooper speaking on ‘Brexit: the inside story of how the Leave campaign won’, Newsnight, BBC TV, 24 July 2016. The actual figure, after the British rebate and including EU disbursals to the UK, sums to around £8.5 billion annually or £163 million a week—peanuts for a state whose annual budget is £772 billion.
with former New Labour chancellor Alastair Darling by his side, threatened that he would be obliged to impose a ‘punishment budget’ in the event of a Leave vote, hiking income tax, alcohol and petrol prices, slashing funds for hospitals and schools. This only served to create a backlash against an arrogant establishment. As one of their tribe bitterly recalled, the *galère* of New Labour, Lib Dem and Tory leaders assembled under the Stronger In banner meant that the referendum gave voters a unique opportunity for punishing a generation of politicians, regardless of party allegiance.\(^{24}\)

Overshadowed by Johnson and Vote Leave, UKIP’s Nigel Farage, a bibulous, Punchinello-like figure, organized a smaller campaign under the auspices of Leave.EU. Financed by the South African-raised insurance broker-cum-diamond millionaire Arron Banks, Leave.EU played the same themes as Vote Leave, but in a darker key. Banks hired the Washington DC firm Goddard Gunster, which in its time had run campaigns for Yeltsin, Jimmy Carter, Bruce Babbitt and Jesse Jackson, and which claimed a million social media followers for online videos asking—for example—over portentous music, ‘Are you concerned about the amount of crime being committed in the UK by foreign criminals?’ and then, switching to a more upbeat tune, ‘Isn’t it time to take back control?’\(^{25}\) A week before the vote, Farage notched this up with a scaremongering poster of Middle Eastern refugees queuing in a Slovenian field, taken in the summer of 2015, under the heading ‘Breaking Point’.\(^{26}\) The poster’s unveiling coincided with the killing of a Labour MP by a mentally deranged supporter of a hard-right splinter group, which overshadowed the final days of the campaign.

For his part, Corbyn refused to join the tri-partisan Stronger In campaign, but travelled the country presenting his arguments for staying in Europe ‘in order to be able to work with others to bring about greater social justice across the continent’—the only UK party leader to attempt to make a Europeanist, as opposed to a British-nationalist case. Problems like insecurity, the lack of decent jobs, the high cost of living, uneven

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\(^{24}\) Behr, ‘How Remain failed’.


\(^{26}\) Entirely opportunistic on this question, Farage had pressed Cameron to allow Syrian refugees entry the year before, and never failed to point out that his German wife was an ‘EU immigrant’.
regional development, the deregulation of the banking system and the labour market were the fault of UK governments, Corbyn contended, not of migrant workers or the EU. It was in Britain that zero-hour contracts flourished and the share of wealth going to workers had collapsed. Migrants weren’t driving down wages; unscrupulous employers were, because the government allowed them to. Rather than put up borders, Britain should introduce a Migrant Impact Fund to pump extra cash into local areas where large-scale migration was putting a strain on public services, schools, doctors’ surgeries and housing.27

As for the refugee crisis, Corbyn argued, the mainly Western-led wars of the last two decades had left more people displaced and distressed than at any point in recorded history. The problem would not be solved by barbed wire, surveillance and CS gas but by a large-scale humanitarian response, in which every EU government should play its part, and by political solutions in Syria, Libya and elsewhere. All this meant that the EU had to change dramatically into something much more democratic and accountable, ending austerity, sharing wealth and improving working conditions across the whole continent. To the argument that EU competition and anti-subsidy rules on state aid prevented public ownership, he replied that national governments had to be more assertive on these matters: ‘When the French government decides what it wants to do about its agricultural policy, it does it, and the rest of Europe falls in behind.’ Against Stronger In’s claim that leaving the EU would mean a damaging exclusion from the Transatlantic Trade and Investment Partnership, Corbyn argued for opposition to TTIP—a charter for ‘the enfranchisement of global corporations against democratic governments’—within the EU. But with over 50 per cent of the UK’s trade going to Europe, Brexit would be too costly in terms of investment and jobs.28 This patiently reiterated line was greeted by relentless—and self-defeating—jeering from the rest of the Remain campaign, who claimed Corbyn did nothing but criticize the EU.

In less critical form, ‘remain and reform’ was also the message of the Greens, although they, like the other parties, were split on the

27 Jeremy Corbyn, ‘Don’t blame migrants or the EU for Britain’s problems’, speech in Sheffield, 16 June 2016; ‘Corbyn: EU has got to change dramatically’, webcast of ‘EU: In or Out?’, Sky News, 20 June 2016, in which Corbyn answered questions from a studio of 18–35 year olds.
28 ‘EU: In or Out?’, Sky News.
referendum.29 The left—a penumbra of erstwhile far-left cadre, marxisant intellectuals, trade-union militants, left-Labour activists and the former alter-globo milieu—was also divided, mainly along generational lines. The Brexit referendum was tabled just as the Eurozone crisis was putting Tom Nairn’s ‘not worse’ formula to the test. The life-chances of large swathes of its population were being mortgaged to a misbegotten monetary experiment under the autocratic direction of the Berlin-Frankfurt-Brussels nexus. There could be no illusions of frictionless post-nationalism after the deliberately humiliating punishment of Greece, nor complacency about free travel within EU member states when brown bodies were washing up on its southern shores. Exit from the Union had not been on the left’s agenda. The pressing question in Europe was escape from the single-currency system, not the EU30—and, since Britain was not subject to ECB rule, the vote against it would be essentially symbolic. It might nevertheless deliver the ‘salutary shock’31 of a popular protest against the EU directorate, as well as Cameron and the UK establishment—while a vote to remain would function as an endorsement of the Eurozone’s handling of the crisis, as well as support for the Westminster status quo.

Against this, the left case for Remain turned on a lesser-evil approach: the Leave campaign was being led by the far right, which had successfully blamed deteriorating living standards on immigrants in order to push Cameron into calling the referendum. The same forces would call the shots in a Brexit government.32 Like the right Leave case, the left Remain one made immigration the central issue, though from the opposite side, rightly stressing that opposition to racism and xenophobia

29 Caroline Lucas, the lone Green MP, joined Stronger In’s board, while Jenny Jones, former Green mayoral candidate for London, argued that the EU’s treatment of Greece and the Europarliment’s provisional approval of TTIP showed it had become an obstacle to Green goals: Jenny Jones, ‘Something rotten in the state of Europe’, The Ecologist, 13 July 2015.
was non-negotiable. Although there were hard positions at each end of the spectrum—Lexit for leave, Another Europe is Possible for remain—many on the left were decidedly ambivalent, something like 52:48, or 48:52, within themselves. Most voted negatively, ‘against’ rather than ‘for’: anti-Leave—against Farage and xenophobia—or anti-Remain: against the UK establishment, the concentration of unaccountable power at the summits of the Eurozone, the political impunity of those who rule.

*Rising of the North*

As the results came in, the scale of the upset became apparent: a decisive 52:48 defeat for the government and its array of international allies, on a 72.2 per cent turnout that broke all recent records. In social terms, nearly two-thirds of the working class (C2, D, E), which overall makes up some 46 per cent of the population, voted Leave, on a turnout six or seven points above recent general elections. They were joined by a bare majority (51 per cent) of the middle- and lower-middle-class, the clerical or ‘junior managerial’ strata (‘C1’), who make up nearly a third of the population. In both cases, it was the older sectors—over-45s—who voted in the largest numbers for Leave. Of the professional and managerial classes (‘ABs’), who make up about a fifth of the population, 43 per cent were for Brexit, again predominantly over-45s. In geographical terms, taking population, turnout and voting levels into account, Southern and Eastern England contributed around 40 per cent of the Leave vote, while 60 per cent came from the North, the Midlands and Wales.

The exceptions in these regions were the wealthier spots in the densely settled South (Winchester, Guildford, Windsor, Tunbridge Wells) which all delivered majorities for Remain, as did the richer university

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33 Michael Ashcroft, ‘How the United Kingdom voted on Thursday . . . and why’, Lord Ashcroft Polls, 24 June 2016; Daniel Dunford and Ashley Kirk, ‘How did turnout affect the EU referendum result?’, *Daily Telegraph*, 1 July 2016; Tom Clark, ‘EU voting map lays bare depth of division across Britain’, *Guardian*, 24 June 2016. The north-south voting weights are proportionate to population. Excluding Greater London, the south-east, south-west and eastern regions are home to 20.3m, around a third of the UK population; the Midlands, north-west, north-east, Yorkshire, Humberside and Wales to 28.5m. The Remain regions, London (8.5m), Scotland (5.3m) and Northern Ireland (1.8m) make up 25 per cent of the overall population.
towns (Oxford, Cambridge, Bristol, York) and the major northern cities (Manchester, Liverpool, Newcastle). By contrast, support for Brexit ran at over 60 per cent in the middle-class coastal retirement zones, from Eastbourne up to East Anglia; in the ex-Cockney working-class and lower-middle-class suburbs of Essex and the Thames Estuary; and in depressed Midlands towns and cities—Nottingham, Coventry, Wolverhampton and Birmingham all had Brexit majorities. In the deindustrialized North, turnout was five or ten points up on the general-election norm; Hull and Doncaster, Rotherham and Barnsley, Middlesbrough and Hartlepool voted by over 65 per cent for Leave; Sunderland, Rochdale, Burnley and Carlisle by over 60 per cent. Politically, the Leave vote was far from homogeneous. Over a third of it was made up by voters from the centre or left of the political spectrum—Labour, but also break-away Greens, Scottish Nationalists, Plaid Cymru and West Country Liberal Democrat supporters.

Was this primarily a vote against immigration? There are deep racist pockets in the East Midlands, the Thames Estuary and the flanks of the Pennines. Over-55s, who make up just over a quarter of the population and voted 60:40 for Leave, rank immigration control as an important issue. Yet only 33 per cent of Leavers gave this as the main reason for their vote. While this may need qualifying to reflect ‘right-wing reticence’, the legitimation of ‘talking tough’ on migrants by the Prime Minister, building on New Labour’s declaration of ‘war on illegal immigrants’, and the general permissiveness of the campaign, suggest the figure may be relatively accurate. Many more may be casually racist, or generally in favour of tighter immigration controls. But for them, as for the 18–54 year olds who make up the majority of the electorate, this was not the determining issue. Instead, the main reason given by the bulk of Leave voters—49 per cent—was the notion that ‘decisions about the UK should be taken in the UK’, a more ambiguous formulation that could include democratic, sovereign and nationalist perspectives. Of the electorate as a whole, 37 per cent said that they would prefer to stay in a single market even if it entailed the free movement of labour, compared to 33 per cent who wanted to end free movement of labour even if it meant losing the single market—with a marked age and gender gap:

34 Dunford and Kirk, ‘How did turnout affect the EU referendum result?’.
35 Ashcroft, ‘How the United Kingdom voted’.
36 Ashcroft, ‘How the United Kingdom voted’.
men were distinctly more agitated about controlling immigration, perhaps because they’ve suffered most from the deterioration of working conditions.\textsuperscript{37} Notably, the areas with the densest concentrations of ‘immigrants’ had lower votes for Leave: in Manchester 25 per cent of the population (including students) is foreign-born; in London, 36 per cent.\textsuperscript{38} The anger of the former industrial regions seemed in good part directed against the London and EU establishments; as a Sunderland voter explained to a Newsnight reporter: ‘It’s all sewn up by them big banks and that bloody Juncker.’

The most striking difference between Leave and Remain voters was their views on their own economic outlook and the risks posed to it by a UK exit. Leave voters were markedly more pessimistic about their prospects and those of their children—and nearly 70 per cent thought Brexit couldn’t make things any worse. By contrast, the larger part of Remain voters were more hopeful about the future and gave the economic risks of leaving the EU as their main reason to stay in.\textsuperscript{39} For years now, fear that systemic change would only bring more misery has kept Europe’s voters pinned to a widely detested socio-economic status quo—most recently, Greek qualms about leaving the euro for a new drachma. But in the Leave districts that have been depressed since the 1970s, with GDP per capita less than half inner-London levels, and now hardest hit by cutbacks in services and benefits, bleakness and desperation appear to have trumped economic fear.\textsuperscript{40} Anti-globalization, then? Of a sort, if globalization means not just deindustrialization and low pay but

\textsuperscript{38} Fear of immigration was most intense where this was a recent phenomenon, in particular rural regions like Lincolnshire and Northamptonshire, with low median wages and stretched public services, where an ageing, largely homogeneous population had seen the slow strangulation of small industry, and recruitment agencies have brought in workforces from central Europe to toil in the agricultural sector. The non-UK born population in depressed Peterborough has jumped to 21 per cent in a decade, compared to a figure of 13 per cent for the UK as a whole, and only 5–10 per cent in most of the Leave-voting South-East.
\textsuperscript{39} Ashcroft, ‘How the United Kingdom voted’.
\textsuperscript{40} Since the 1990s, their electoral protests have been all but invalidated by New Labour’s ensconcing in the first-past-the-post system—Blair, Mandelson and the Milibands all assigned themselves safe seats in the North-East. The 100 per cent representation of the referendum vote and the North’s high turnout were reminders of the social mass excluded by the Westminster system.
disenfranchisement and politically targeted austerity.\textsuperscript{41} The ‘anti-globo’ of the southern retirees was a different matter. Their economic interests had been carefully nurtured by the Cameron-Osborne governments and their vote was more purely ideological: fear of change overcome by reassertion of ex-imperial national identity. Britain had never been conquered by Germany, so why was it ceding powers to Brussels?

Finally, differential turnout played a critical role in the result. While voters in parts of the North came out for the first time in years, turnout in Remain’s major reservoirs was below the 72 per cent national average: 69 per cent in London, 67 per cent in Scotland, 63 per cent in Northern Ireland. It was the same story in the big regional cities: turnout in Newcastle, Liverpool and Manchester was, respectively, 67, 64 and 60 per cent. The ‘In’ vote included two-thirds of 18–45 year olds and around 70 per cent of ‘black and minority ethnic’ voters, but turnout for both groups has been running ten points below the national average.\textsuperscript{42} What explains the lack of enthusiasm on the ‘In’ side, compared to the unusual energy of the ‘Outs’? There were specific deterrents in play for each of the sectors that voted most solidly more for Remain: Scotland, Northern Ireland, under-35s. For the first two, Cameron’s monolithic British-nationalist case may have served to cool Europhile ardour. Neither Sinn Féin nor SNP voters would be mobilized for a ‘stronger’ London-led country. Sinn Féin was also still recovering from a bruising stand-off over the Cameron-Osborne austerity edicts for Northern Ireland. Besides, both electorates had only just been to the polls for the Holyrood Parliament and Stormont Assembly a few weeks before; party activists would have exhausted their energies for that. Only in England did an energetic, broad-based Leave campaign create much noise about the election (the Democratic Unionist Party’s case would have convinced few outside its own ranks).

As for youth: the UK turnout for 18–24 year olds has been dramatically low by European standards for the last four elections; having run at

\textsuperscript{41} For Leave thinkers of the right, like Douglas Carswell and Daniel Hannan, Brexit was always seen as an embrace of globalization and free trade with the wider world, not a revolt against it. The UK would become a North Sea Singapore, selling financial advice to China, driving corporation tax down to Irish or Bulgarian levels.

\textsuperscript{42} The 18–45 year old cohort makes up 34 per cent of the overall population. The main ONS categories for ‘black and ethnic minorities’, who make up some 12 per cent of the population, are Asian/Asian British (7 per cent, mainly from the Subcontinent), Black/Black British (3 per cent, mainly ex-Caribbean) and British Mixed (2 per cent).
50–60 per cent in the 1990s, it plunged to little more than 40 per cent in 2001. There are no official data for their turnout in 2016, but it’s been estimated at 47 per cent for 18–24s and 59 per cent for 25–34s. In one survey, the unprompted reason given by a third of under-35 respondents for not voting in the EU referendum was ‘too busy, not enough time’—though polls were open from 7am to 10pm—followed by ‘unwell’ (15 per cent), ‘no point in voting’ (15 per cent), ‘not registered to vote’ (15 per cent) and ‘didn’t want to’. After the referendum, a series of Love EU demonstrations, the vast majority of the participants under 35, offered a western echo of the 2014 Euro-camp in Kiev: young Europhiles shut out on the EU’s other periphery. Many, however, had not cast a vote. It’s been argued that Stronger In’s approach may have been a damper: analysis of media coverage showed that ‘Cameron’ was one of the words that appeared most frequently in headlines about the referendum on social media, alongside negative terms like ‘warns’, ‘risk’, ‘fear’ and ‘immigration’, none of them likely to galvanize the young. But there were objective reasons for Stronger In’s failure to provide a sunlit picture of the EU, after the debacles of the Eurozone crisis. Nor could the UK establishment simply magic the broad acceptance of a Europeanist case out of the air, after insisting for decades that it was merely a foreign-policy matter (English school-children may be the only ones in Europe not to learn about the EU in the standard curriculum). The energy that lifted the Leave side over the bar was that of a multi-class protest, both cultural and socio-economic. From the other side, youth abstention might be understood as another facet of that same revolt—a generation’s withdrawal from a political system that barely recognizes its existence.

A shrinking Europe

Though its causes run deeper, the Exit vote would not have happened without the financial crisis and skewed, class-based recovery. It should be counted as another post-2008 political casualty for the Atlantic system,

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43 By contrast, youth turnout averages 54 per cent in France, 60 per cent in Spain, 64 per cent in Germany and 65 per cent in Italy: Katy Owen and Caroline Macfarland, ‘A Generation Apart: Were younger people left behind by the EU referendum?’ covi, July 2016, pp. 41–3. The fall-off in UK youth voting coincides with the onset of Blair’s War on Terror.


45 Nearly 80 per cent of UK youth agree that the current political system ‘doesn’t represent their generation’s needs’: Owen and Macfarland, ‘A Generation Apart’, p. 40.
the gravest to date. Up to now, tumult in the streets, rise of outsider candidates, electoral pummelling of incumbents, erosion of support for mainstream parties, deposition of Papandreou and Berlusconi, humiliation of Greece, deadlock in Spain, have had few structural implications for the existing order. Brexit does. Inside the EU, the US loses a reliable, heavyweight supporter of its economic priorities—tax breaks, financial guarantees, TTIP—and its foreign-policy interests: a hard line on Ukraine, militarization of the Baltic states, integration of Turkey, confrontation with Russia. London has always helped solder the EU to the US, blocking any drift towards a Union version of an Ostpolitik. Within the EU, Britain has acted as an offshore, extra-Eurozone balancer, tilting to the German side on economic questions and to what was traditionally the French side on political-constitutional issues. The Baltics, Sweden, Denmark, Ireland lose their biggest ally. The Mediterranean states are potentially the winners: Italy becomes the EU’s third largest power, with Spain close behind; the spectre of a Latin alliance, led by France, hovers before Berlin’s brittle directorship.

Due to its single currency, the EU remains the weakest link in the post-2008 international order. Here, as in the US, oppositions take weak left-wing and stronger right-wing forms. Within the Eurozone, the non-accountable, extra-constitutional officials who dictate parliamentary agendas to the deficit countries have squandered faith in the supranational bodies. The constraints of the euro have meant permanent slump and debt-logged banks for Italy and Portugal, public and private credit crises for Greece and Spain. The Eurozone crisis—intensifying the flows of hot capital and cheap labour to the UK, where they amplified the effects of Westminster’s bailouts for banks and stock markets, combined with public-spending cuts—was a proximate cause of the Brexit vote: the 2011 Fiscal Compact spurring Tory Eurosceptics to pile pressure on Cameron. The single currency now threatens to reverse the project of European integration itself.

From 1949 to 2010, that project was jolted forward by a series of exogenous shocks, to which Europe’s leaders responded by further steps towards closer union and outward expansion, the two dynamics increasingly intertwined. During the high Cold War, Acheson’s demand for a French policy towards Germany was the catalyst for Schuman and Monnet’s European Coal and Steel Community. Eisenhower’s veto
of the Suez invasion prompted the 1957 Treaty of Rome. Nixon’s fiat-dollar system triggered the recruitments of 1973. The demise of the Southern dictatorships brought the expansion of the 1980s and a passport-free Schengen zone. The fall of the Wall and collapse of the Soviet bloc brought a two-step intensification and extension of the pattern: Maastricht and the 2004–07 entry of the eastern states. Since 2010, however, the dynamic has switched direction. Greece was (irrationally and extra-constitutionally) threatened by Merkel with expulsion from the EU and, more constructively, offered help by Schäuble to shift back to its own monetary system. The Tsipras government buckled to Brussels, but a taboo was broken. In early 2016 Schengen arrangements were suspended by France, Germany, Austria, Sweden, Denmark, Hungary, Slovenia and (non-EU) Norway, and border controls were re-imposed—a reaction to the millions displaced from NATO’s arc of war and fleeing, among other things, French and British bombs.

The departure of the EU’s second-largest state is a more serious blow. At a stroke, it loses an eighth of its population, a sixth of its GDP, half its nuclear-arms cache and a seat on the UN Security Council—its diminution mocked in the Chinese media as the decline of the West. More alarming for the custodians of the Union is the example the English vote sets to other dissident electorates. In France, Marine Le Pen immediately called for a Frexit referendum. Up till now, member-state plebiscites have been brushed aside by EU rulers, most tellingly the Dutch and French rejections of the Constitutional Treaty—Merkel was universally praised by her peers for steering the same package through two years later. The UK referendum sets a precedent as a popular nay-saying—fear of change trumped by anger and frustration—that cannot simply be ignored. For the European Council and the Commission, who have a big stake in reasserting the rationale of voter caution, this means a countervailing political logic will operate against purely economic interests in the Brexit negotiations. Meanwhile, in tacit recognition of the depths of discontent, the Commission has pulled back from imposing deficit fines on Spain and Portugal, where the Bloco de Esquerda was calling for a referendum on the Fiscal Compact. The ructions of 2016 may signal a pivot from punitive to compensatory neoliberalism, as spending cuts and monetary policy reach their political and economic limits, and fiscal measures regain a degree of legitimacy. With elections looming, France and Germany are considering new regulations to brake migration ‘surges’. 


The single currency remains the biggest single threat to the EU’s future. But immensely powerful financial, political and inertial interests stand behind it, while organized pressure for reform is very weak. Syriza pledged allegiance to the euro before entering office. In Italy, Cinque Stelle have abandoned their demand for an Italian referendum on it. The Eurozone remains locked in a deflationary logic, alienating all but its upper-middle classes from the project of continued integration. Further exogenous shocks are all but guaranteed. If Clinton is elected, the US will have its most hawkish president since Reagan. A slow downturn in the PRC could be just as disruptive as its long boom. Both sky-high and rock-bottom oil prices are politically destabilizing. Upsets in the Middle East, Russian borderlands or South China Sea could short-circuit tense geo-political relations and strained domestic economies. In these conditions, EU leaders’ continuing impulse towards multi-speed integration under non-accountable rule risks further unintended consequences.

Towards the door?

For the UK, the immediate political result of the Leave vote has been to shore up the Conservatives. After a three-week hiatus Theresa May, Cameron’s tight-lipped, hard-line Home Secretary, was ushered into Number Ten. The media, from Sun and Mail to Guardian and Daily Mirror, immediately closed ranks around her, as the establishment scrambled to assure the world that the UK had a functioning government in place to see it through the crisis. Concurrently, the Labour right rose in orchestrated revolt against Corbyn, claiming his mild criticisms of the EU had lost the referendum. He became the whipping boy for the result, accused by the BBC and the Guardian of ‘deliberate sabotage’ for refusing to join Stronger In—‘He never wanted Remain to win, and every gutless performance showed that’—while his MPs waged open war against him.46 Like Cameron, the New Labour gratin has failed to understand the warning signals of incipient politicization. Instead of smothering Corbyn with helpfulness and tying him up in compromises until he duly lost an election and was dismissed, they have consistently radicalized the struggle against him. Post-Blairite attempts to reclaim

the party have sown so many dragon’s teeth, as further tens of thousands of Corbynistas have sprung up to join its ranks. For all this, a month after the referendum Labour was still around 30 per cent in the polls, just as it was under Miliband in the 2015 election—though now double digits behind the Tories.

The economic consequences of the referendum have yet to make themselves felt, but no immediate chaos has ensued. The stock market has recovered and sterling steadied against the dollar and the euro. Business confidence has been sustained by a further 0.25 per cent cut in interest rates. The UK economy remains highly vulnerable to external shocks—freighted with household debt, a gaping current account, stagnant productivity and earnings, with no leeway for interest-rate rises to defend the pound—but it can still appear comparatively healthy in a European context. It would be remarkable, though, if rising prices and hesitant investment did not take their toll over the next few years. The 48 per cent’s dismay at feeling cut off from wider and more varied cultural horizons is understandable. But feelings are also shaped by material realities, still to unfold. A rise in reported anti-migrant abuse, following the referendum—though also, anecdotally, a rise in contestation of it—has levelled off, without becoming comparable in scale to the maltreatment of blacks and Asians. British racism starts at the top, with Home Office detention centres, policing patterns and neo-imperial wars.

Politically, the Tories are still riding high, benefiting from Labour’s internal battles. UKIP is in post-referendum disarray, embroiled in factional struggle. The Liberal Democrats are still being punished by voters for their role in the 2010–15 coalition. With New Labour also dethroned, the social-liberal tendency in British politics—the natural home of the English intelligentsia—is at a low ebb. But the contradictions for the Conservatives of becoming the party of Brexit should not be underestimated. Labour has a long history of hammering the class it is supposed to represent. The Tories have generally been truer to their supporters. But that base itself is now divided between a pro-Leave electoral mass and a pro-Remain financial-business lobby, backed by international capital. The May government is faced with a vast project of legal disentanglement, with ramifying contractual implications, grinding against the

47 Larry Elliott, ‘Brexit Armageddon was a terrifying vision—but it simply hasn’t happened’, Guardian, 20 August 2016.
inertial interests of Whitehall and entailing huge headaches and years
of thankless work to produce an outcome probably not so very different
to today’s. Trade negotiations are notoriously long drawn-out and bad
tempered; no less so in a cartelized world economy, glutted with over-
capacity and surplus labour, and sliding into a China-led slowdown. The
UK has no unified strategy, no agreed negotiating priorities to help steer
between the many, highly technical trade and immigration options—
customs union, single market, EEA, à la carte—nor any fully legitimate
constitutional process: government diktat, parliamentary sovereignty,
second referendum?

All this will be argued over in Parliament, which has a cross-bench
majority for Remain of around 75 per cent. The press is divided, the
Guardian, Independent and Financial Times leaping on differences within
the Cabinet, the Telegraph and Times preparing their readers for a com-
promise, the Mail and Express lambasting procrastinators. May has
divided responsibilities for Brexit between three ministers—Johnson
at the Foreign Office, Liam Fox for International Trade, David Davis to
head a new department to engage with the Commission—which means
that, in reality, she will decide herself. That also makes her the uni-
versal target. Brigading Tokyo’s support, Obama threatened her that US-UK
business links could ‘unravel’ if UK-based Japanese and American firms
were denied access to the EU’s single market. The City has lobbied
behind closed doors and seems sanguine about the outlook for its big
firms and banks.

Whether or not Britain does finally leave the EU, the ironies of the referen-
dum will remain. Culturally and ideologically, the victory of British (read:
English) nationalism has revealed the emptiness of its symbols: Rule
Britannia, Mother of Parliaments, Royal Navy, Going It Alone, Dunkirk
Spirit—all that has gone. The UK has grown accustomed to serving as a
semi-sovereign state, its foreign policy dispensed from Washington, its
domestic regulations sketched in Brussels. Sub-national fissures have
been deepened, with the wishes of Scotland and, most acutely, Northern
Ireland, pitted against the course steered from London. May’s first visit
was to Edinburgh, to obtain some still-unrevealed agreement from the
Scottish leader Nicola Sturgeon. With greater fiscal powers since the
2014 independence referendum, the SNP is edging its social compact in
a more social-democratic direction, with the option of another independ-
ence vote still on the table. Northern Ireland may be pushed to weigh
up its relations with the Republic as against those with Great Britain. The Brexit vote doesn’t mean state break-up, yet. Still less the downfall of Brussels. For now, though, it is plain that Blairized Britain has taken a hit, as has the Hayekianized EU. Critics of the neoliberal order have no reason to regret these knocks to it, against which the entire global establishment—Obama to Abe, Merkel to Modi, Juncker to Xi—has inveighed. Which will ultimately prove more important, and what the side-effects of each will be, remains to be seen.