

THE BALANCE OF POWER IN THE EUROPEAN UNION AFTER BREXIT

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Abstract

This article is an analysis of the consequences of Britain's withdrawal from the European Union. The outcome of the referendum held in the UK in 2016 will bring about significant changes to the European Union and to the relations between states. This article reviews how Brexit will affect the balance between the countries that will remain in the European Union. The study consists of six parts. It starts with the introduction. Subsequently, it presents a category of balance of power as the foundation for the functioning of the European Union, the role of UK in European Union, the reasons for referendum in 2016 and shows the consequences of Brexit for European countries. The study ends with the summary of the most important conclusions.

Keywords: Referendum in UK, Brexit, Balance of Power, European Integration

Introduction

The referendum campaign in the United Kingdom, which launched the procedure for its exit from the European Union, was an unprecedented event. Following the historic East Enlargement of the European Union in 2004, thanks to which the countries of the former Socialist countries became part of the European family of nations, it seemed that the liberal approach in international relations based on values would be the driving force

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behind the process of European Integration. However, the events that took place at the end of the first decade of the 21st century have quickly revised this approach. Challenged by numerous of issues and crises, the European Union member states have increasingly begun to focus on its own interests, pushing European solidarity to the background. Excessive debt and the risk of bankruptcy of such countries as Greece, Spain, Portugal, Cyprus and Ireland have led to the biggest crisis in the European Union since its inception¹. Many factors and facts suggest that Europe is going to lose its importance internationally, while the Asia-Pacific region is turning to the center of current international relations². The changes also apply to the relations within the European Union itself. The growing number of problems is increasing nationalist and isolationist tendencies in Europe, which was reflected in the outcome of the UK referendum. In addition, the debt crisis in Southern Europe has, on the one hand, underscored the weakness of their economies and the lack of competitiveness in the global market, on the other hand, has strengthened the position of the Federal Republic of Germany as a political and economic leader in Europe³. In addition, the immigration crisis of 2015 has highlighted the divisions in Western Europe and Eastern Europe. The scale of existing challenges and problems often pushes individual European Union states into self-contained solutions, but the paradox of the situation is that only a united Europe can meet the challenges that emerged at the beginning of the 21st century. Politicians in Europe are looking for effective solutions to emerging problems, but their final shape is currently difficult to predict.

At present, the key challenges for the EU Member States are the negotiations with Great Britain and the development of a new balance of power between the Member States. The UK's exit from the European Union will consolidate Germany's position in Europe, but on the other side it will increase the fears of German dominance in Europe. Within European Union Great Britain was a natural counterweight to German power. Also

¹ Martin Dahl, *Niemiecki model społecznej gospodarki rynkowej jako wzór dla polskich przemian systemowych po 1989 roku*, Warszawa: Dom Wydawniczy ELIPSA, 2015, pp. 252-253.

² Agata Ziętek, "Region Azji i Pacyfiku", in Marek Pietraś (ed.), *Międzynarodowe stosunki polityczne*, Lublin: Wydawnictwo UMCS, 2007, p. 259.

³ Krzysztof Garczewski, "Niemcy w stosunkach międzynarodowych na tle kryzysu gospodarczego w Unii Europejskiej", in Marian Guzek (ed.), *Ekonomia i polityka w kryzysie. Kierunki zmian w teoriach*, Warszawa: Uczelnia Łazarskiego i ISPPAN, 2012, pp. 333-343.

for Germany to leave the European Union by the United Kingdom is not a favorable situation. Great Britain is a major outlet for German goods and the UK government in the European Union has been Germany's ally in liberalizing numerous laws or cutting back on expensive European agricultural policy. All these factors cause that after Brexit the European Union will become another organization, while the Member States will be forced to develop new relations with the United Kingdom and one another. This article is an evaluation of consequences and an attempt to analyze the balance of power in the European Union after Brexit.

The balance of power as the Foundation for the functioning of the European Union

European integration should be understood as a set of processes and phenomena aimed at creating a community based on similar cultural heritage and economic, political and social cooperation.⁴ The characteristic feature of European integration is that it began with economic integration in only one field of the economy⁵, and then extended to other areas of the economy and to the political and social sphere. Primarily, The European Union is an economic community but also a political, social, legal and cultural one. The balance of power plays a key role in the relationship between the states, which should be understood as a constant pursuit of consensus and the search for a compromise between the various countries of the European Union.

The concept of balance of power is quite commonly used in research of international relations. The earliest mention of this term has already occurred in the early seventeenth century. Initially, the category of balance of power was primarily concerned with measuring military power and was a mean of guaranteeing peace in Europe. The pursuit of a peaceful balancing of potentials between states was manifested in the policy of alliances, the rise of the importance of diplomacy, and the appointment of

⁴ Józef M. Fiszer, *Unia Europejska a Polska – dziś i jutro*, Warszawa: Wydawnictwo Adam Marszałek, 1994, p. 22.

⁵ Ewa Latoszek, *Integracja europejska. Mechanizmy i wyzwania*, Warszawa: Książka i Wiedza, 2007, p. 63.

institutions regulating disputes⁶. Over the years, the concept of equilibrium has evolved towards a model that also includes variables such as wealth, natural resources, commercial potential, decision center interests, and national aspirations⁷.

Today, the balance of power in international relations is analyzed primarily in the context of the category of international system. From this perspective, its aim is to maintain and safeguard the stability of all processes in international politics. In the opinion of Thomas Pawłuszko, there is no universal concept of balance of power in the science of international relations. In practice, this means that for the purposes of this analysis, we can assume that the balance of power is a state of relations between states in which there is a relative ordering of potentials (military, political or economic one). This should provide states with a non-conflicting implementation of their own political interests. However, it should be borne in mind that this balance doesn't ensure equality of status for all actors⁸.

The position of a certain country in the European Union is determined by its ability to exert effective, and therefore also in accordance with its interests, influence on European Union policies, and its ability to influence the decision-making process⁹. The traditional determinants of a country's ability to influence other countries in the European Union include: country size, demographic potential, quality of human capital, economic and military power, and geopolitical situation¹⁰. The key to realizing one's own interests is active participation in decision-making institutions, including openness to opponents' arguments, ability to work out consensus and conclude coalitions¹¹. However, it should be

⁶ William C. Wohlforth, Richard Little, Stuart J. Kaufman, David Kang, Charles A. Jones, Victoria Tin-Bor Hui, Arthur Eckstein, Daniel Deudney, William L. Brenner, "Testing Balance-of-Power Theory in World History", in *European Journal of International Relations*, Vol.13, Issue 2, 2007, pp. 155-185.

⁷ Tomasz Pawłuszko, *Równowaga sił jako kategoria analityczna w stosunkach międzynarodowych*, available at [www.stosunkimiedzynarodowe.pl], accessed May 2017.

⁸ *Ibidem*.

⁹ Mikołaj Dowgielewicz, "Pozycja Polski w Unii Europejskiej po wejściu w życie Traktatu z Lizbony", in *Sprawy Międzynarodowe*, nr 2(LXIII), 2010, p. 7.

¹⁰ *Ibidem*, p. 7.

¹¹ Józef M. Fiszer, "Polityczne i społeczno-ekonomiczne aspekty wprowadzenia euro w Polsce", in *Studia Polityczne*, no. 24, 2009, p. 126.

remembered that the position of a given European Union country is not a fixed category, but dynamic, changing in time under the influence of political, economic and social processes¹².

The balance of interests in the European Union is guaranteed by the Treaty of Lisbon, which entered into force in 2009. Treaty provisions introduce an institutional balance, understood on the one hand as a classic tribunal of power - the executive, the legislative and the judiciary, and, on the other, the balancing of transnational and state interests within the European Union. The activities of the EU institutions should be characterized by the harmonious implementation of the principles of democracy, economic efficiency and justice as adopted in the Treaty of Lisbon. This was due to the growing problem of democratic deficit in the European Union, a reluctance to strengthen the position of the European Commission, and an ambivalent attitude towards the judicial activity of the EU Court of Justice¹³.

More than eight years after the entry into force of the Treaty of Lisbon, it can be said that the provisions contained therein did not protect the European Union from the threat of differences in national interests and the disparities resulting from their potential. It clearly shows such events as the debt crisis of euro zone countries or the immigration crisis after 2015¹⁴. The difficulties faced by the European Union, for many populists and extremists, have been a convenient pretext to raise objections, whether it is about the hegemonic tendencies, as in Germany, or the lack of solidarity, in relation to the countries of Central and Eastern Europe. Falsely drawn conclusions and inadequate assessment of the problems encountered by the European Union in the second decade of the 21st century have led to a delicate balance between the states provoking at the same time isolationist tendencies. This in turn led to a referendum campaign in Britain, the

¹² Jan Borkowski, "Nowe cele i zadania polskiej polityki integracyjnej po przystąpieniu do Unii Europejskiej", in J.M. Fiszer (ed.), *Polska polityka integracyjna po przystąpieniu do Unii Europejskiej*, Warszawa: ISPPAN, 2006, p. 145.

¹³ Dominique Ritleng (ed.), *Independence and Legitimacy in the Institutional System of the European Union*, Oxford: Oxford University Press, 2016.

¹⁴ Martin Dahl, "The European Immigration Crisis and Its Consequences for the Federal Republic of Germany: Political, Social and Economic Aspects", in *Studia Polityczne*, no. 4/44, 2016, pp. 241-262.

radicalization of the attitudes of numerous political circles, and the drift of some Eastern European states towards authoritarian regimes.

The Role of United Kingdom in the European Union

The European Union, which till Brexit consisted of 28 full member states, has always promoted the equality and unique importance of each of the participant. However, has it always been done on practice?

Despite the fact that Britain is quite isolated from other countries on the continent due to its geographical location, the United Kingdom was always one of the most important players not only in the European Union, but in the whole world in general. The sixth largest economy in the world; the fifth largest military power in the world; the second largest net contributor to the European Union's budget. The United Kingdom's population was as 12,8% percent of the whole population of the European Union (for 2015), and it had 73 seats in European Parliament, which is one of the largest indicators among all countries in the European Union.

Historically, from the very beginning of the seventeenth century, the United Kingdom was only growing and expanding all over the world. With time, Britain had colonies on each continent and in each ocean. Such a political and military power of country undoubtedly shaped the attitude of the British politicians and its citizens towards the position of Britain in the world politics. As a result, Britain put a considerable amount of efforts towards reaching the high level of importance within the European Union along with such countries as France, Germany and Italy after the decline of the United Kingdom's power in the beginning of the twentieth century. Nevertheless, for the former empire being constrained and limited by the Union's laws meant a loss of its power and influence. It resulted in difficult relations between the United Kingdom and the European Union over the span of the last 45 years.

Thus, from the very beginning of the history of the European Union the United Kingdom has always had uneasy relations with it. Winston Churchill, who called for the creation of a "United States of Europe" highlighted in 1953 that Britain would always be supportive but would remain independent in such a unity. He notably said "We are with Europe but not of it". It seems that his prediction was absolutely true.

The first difficulty occurred in 1967, when Charles de Gaulle, the 18th President of France, said “non” towards the British application to join the European Economic Community, the predecessor of the European Union. His “non” became the symbol of the French position towards Britain for many years afterwards.

Finally, the United Kingdom joined the European Economic Community, but only in 1973, 15 years later after the Treaty of Rome was signed. The reasons for the accession were, unlike in case of France and Germany, primarily economic. Moreover, the United Kingdom has never signed up to the Monetary Union and Schengen Agreement. It illustrates the extent to which the United Kingdom was always ready to be the part of continental Europe and to share the common borders.

In 1975, just 2 years after the United Kingdom joined the European Economic Community, the question of its necessity arised for the first time. At that time the nation held a referendum “Do you think the UK should stay in the European Community (Common Market)?”. The outcome was that “just over 67% of voters supported the Labor government's campaign to stay in the EEC, or Common Market, despite several cabinet ministers having come out in favor of British withdrawal”¹⁵. After the time of voting till the 1984 relations between two sides were quite peaceful, without any escalations. In 1984, tensions between the United Kingdom and the European Economic Community started to develop again. Margaret Thatcher at the summit in Fontainebleau said “We are not asking the Community or anyone else for money. We are simply asking to have our own money back”¹⁶. During 80s, the United Kingdom was relatively poor country in the Union, but stepped on the course to become the biggest net contributor to the Europe’s budget.

The United Kingdom has been always the member of the European Union with the most special exceptions. Taking into account sometimes partial participation of the United Kingdom in common European policies, such as monetary policy and Schengen area, nevertheless, the United Kingdom played a crucial role in the European Union’s foreign and

¹⁵ Richard Nelsson, *Archive: how the Guardian reported the 1975 EEC referendum*, 2015, available at [<https://www.theguardian.com/politics/from-the-archive-blog/2015/jun/05/referendum-eec-europe-1975>], accessed April 2017.

¹⁶ “Britain’s 40 year relationship with the EU”, in *The Telegraph*, 16 July, 2016.

security policies. It was the United Kingdom the one who pushed towards the negotiations between E3+3, which includes China, France, Germany, Russia, the United Kingdom and the United States on the one side, and Iran on another side concerning the Iranian nuclear program. Furthermore, as Will Straw claims in his article "Why Is Britain Running Away from Europe?", "Britain was instrumental in pushing for a European External Action Service. In difficult circumstances, Commission Vice-President Catherine Ashton helped to shape that institution"¹⁷. Indeed, Catherine Ashton, who served as the High Representative of the Union for Foreign Affairs and Security Policy at the time of creating the European External Action Service, was the one responsible for creating the structure of the new powerful European organization. Even during the very early period of the establishment of the institution mentioned above, the world has already observed an enormous efforts from the European External Action Service in order to reduce the destructive consequences of the earthquake in Haiti in January of 2010. Lutz Guellner, Ms Ashton's Spokesman, declared that "it's the first time in such a situation that we have brought all these various actors together. I wouldn't call it the first act of the External Action Service, because that doesn't exist yet, but this has never been done before"¹⁸.

Another aspect in terms of the role of the United Kingdom in the European Union is that after the biggest enlargement of the European Union in 2004, which included Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia, and Slovenia, the first country who opened its labor market for the workers from new countries of the Union was the United Kingdom. Despite the significant benefits for the British economy, such policy after a while resulted in the division of the population in two opposite teams – "for" and "against" the United Kingdom's withdrawal from the European Union, Brexit. Negative consequences of the opened labor market were one of the main arguments "for" Brexit. Indeed, as Oliver Hawkins writes in his "Migration Statistics" about labor force in the United Kingdom, in 2015 "around 3.16 million

¹⁷ Will Straw, "Why Is Britain Running Away from Europe?", in *Spiegel Online*, 28.02.2014, [<http://www.spiegel.de/international/europe/will-straw-essay-on-the-role-of-britain-in-the-european-union-a-956230.html>], accessed April 2017.

¹⁸ Andrew Rettman, "EU foreign relations chief tests new powers in earthquake response", in *EUobserver*, 14.01.2010, available at <https://euobserver.com/foreign/29266>, accessed April 2017.

people who were nationals of other EU countries living in the UK”¹⁹. Ultimately, fear of the immigration was driving force of the leaving campaign during the referendum.

The United Kingdom started to lose its power steadily within the European Union starting from 2010. According to the numbers given by Vote Watch Europe, in the period from 2009 to 2011 Britain lost the biggest amount of votes in the European Council than throughout the whole history of relations between the European Union and the United Kingdom.

The reasons for the referendum in the UK in 2016

After the announcement of the results of the referendum on 24 of June of 2016 everyone who was to some extent aware of its political background started to comment on the reasons of an issue. Generally, they can be limited to: Euroscepticism, racism, inaccurate and ambiguous Leave campaign, and simple protest against contemporary policies. While some of them are quite up to the point, these reasons are still not enough to discuss the problem to its fullest.

Angus Campbell in his book *The American Voter* provides a graphic explanation to the structure of reasons which might affect peoples’ political choices. This scheme is usually called as “funnel of causality”²⁰. Not only historical, social and economic reasons are crucial, but also influence of family, friends, and media should be considered. Moreover, latter is might be the most important in terms of people’s trust towards the European Union.

A survey of 2015 made by European Commission “Public Opinion in the European Union” clearly shows that the image of the European Union although stays mostly positive (41% for September of 2015), but the percentage of those who see it as ‘total negative’ also raised slightly (from 15% in 2006 to 19% in 2015). If consider only results of the United Kingdom’s respondents, the outcome was following: 32% of respondents claimed they see the European Union as “total positive”, 37% of respondents – “neutral”, 28% of respondents – “total negative”. The main conclusion which might be drawn from these results is that overall mood of

¹⁹ Oliver Hawkins, *Migration Statistics*, London: House of Commons Library, 2017, p. 23.

²⁰ Angus Campbell, Philip Converse, Warren Miller, Donald Stokes, *The American Voter*, New York: Wiley, 1960.

the population of Britain was always on the edge. One weighty argument could change the outcome of the entire referendum and the whole future of the European Union.

Starting already from 2013, when the Prime-Minister of the United Kingdom David Cameron proposed to hold the referendum in the nearest future, till the end of 2017 to be precise, the ground for it started to form. In November of 2015 David Cameron delivered his famous speech on Europe. He argued that the future of Britain as a member of the European Union is only possible after certain reforms, including economic governance, competitiveness, sovereignty, and immigration²¹. In addition, he highlighted that an in-out referendum will be held till the end of 2017, as he promised before. Promises were made.

For the time of the referendum in June of 2016, proponents of the UK's withdrawal from the Union loudly claimed a number of advantages for Britain and its citizens in case of such scenario. They highlighted that the United Kingdom as a member of the European Union was losing its power and importance on political arena dramatically. Generally, these advantages included but were not limited to:

- leaving the Union would allow the United Kingdom to diversify its international links regardless of what Europe thinks about it;
- "too many of Britain's laws are made overseas by dictates passed down from Brussels and rulings upheld by the European Court of Justice. UK courts must become sovereign again"²²;
- the British Parliament will gain its independence and importance right after the Brexit again. As it turned out, arguments were strong enough to persuade more than 17 million voters (51,9% of the total amount of voters) to support the exit of the United Kingdom from the European Union.

²¹ David Cameron, *Prime Minister's speech on Europe*, 10.11.2015, available at <https://www.gov.uk/government/speeches/prime-ministers-speech-on-europe>, accessed May 2017.

²² Ben Riley-Smith, "Leave or Remain in the EU? The arguments for and against Brexit", in *The Telegraph*, 20.06.2016.

Consequences of Brexit referendum – new balance of power in European Union

At this moment, the consequences of Brexit are very difficult to estimate, as they largely depend on the final outcome of the negotiations between the European Union and Great Britain. If there is a positive and satisfactory agreement for both parties, significant turbulence is not expected. Great Britain would then be able to establish relations with European Union states in the shape of the states of the European Economic Area. Situation will look completely different in case of “hard” Brexit (without agreement between the parties), which automatically means an output of the UK from the EU after two years from the submission of the application for leave of the EU by the United Kingdom.

The United Kingdom was from the very beginning a "difficult" partner in the European Community. The UK's attitude to the European Union has always been more instrumental than in other Member States, which was reflected in the refusal to join the euro zone or the Schengen zone. Taking in a referendum decision about leaving the European Union means a completely new situation for both sides - The United Kingdom and the rest of the European Union. One should agree with Almut Moeller, who in early June 2016 stated that the first consequence of the referendum on leaving the UK from the European Union would be a period of uncertainty that could last for years²³.

If we discuss the results of the British referendum, first of all, we think about economic, political and social consequences. Leaving the European Union by the United Kingdom means losing the second largest net payer to the EU budget and the country with the third largest population in the EU. That will shift the balance between states. The withdrawal of a country of such great potential means, on the one hand, changes in the structure of the European budget and, on the other, a new distribution of power in decision-making process at the EU forum.

In 2015, the amount that Germany paid to the European Union budget was 14.3 billion euros, the United Kingdom - 11.5 billion euros, and

²³ Almut Möller, *Die EU ohne Großbritannien: Politische Folgefragen*, Bundeszentrale für politische Bildung, 2016, available at [<http://www.bpb.de/internationales/europa/brexit/228804/politische-folgen>], accessed May 2017.

the third largest net payer - France - paid 5.5 billion euros²⁴. In the case of hard Brexit, this means that in the years 2019-2020 only Germany will have additional costs to the European Union's budget of EUR 4.5 billion per year. In addition, the absence of Great Britain in the European Union means the dissolution of a coalition of states consisting of Germany, the United Kingdom, the Netherlands, Austria, Finland and the Baltic states, which advocates redistribution of funds at European level. These countries had a population exceeding the threshold of 35%, which, according to the Lisbon Treaty, allows the blocking of decisions within the European Union²⁵. Brexit means that Germany loses an important partner who has been a supporter of liberal economic policies and budget discipline in European Union. British pragmatism was particularly valued by German politicians who frequently collaborated with politicians in the UK within areas such as subsidy reduction, free trade, the restriction of monopoly practices, and the development of digitization. Lack of British support in European institutions will weaken Germany's position as a supporter of the liberal course in economic policy, but will strengthen the position of Southern European states in favor of loosening fiscal discipline and increasing public spending.

Also for Great Britain, parting with the European Union will be neither an easy undertaking nor a beneficial one. European Union countries are the largest recipient of UK exports - over 40% of UK goods and services are targeted at European countries. In addition, the UK was a backdrop for the financial sector of the European Union. Over one third of financial transactions in the European Union take place via the UK financial sector²⁶. Nevertheless, it cannot be forgotten that Great Britain is the largest importer of goods from the continent, which is particularly important for companies from Germany. According to Clemens Fuesta, President of the *Wirtschaftsforschungsinstitut Ifo*, Germany after Great Britain will be the second biggest loss of the Brexit. In the long run, the German economy is

²⁴ Hendrik Kafsack, "EU-Haushalt: Deutschland überweist das meiste Geld an Brüssel", in *Frankfurter Allgemeine Zeitung*, 8.08.2016.

²⁵ Klaus Köster, "Deutschland ohne Briten", in *Stuttgarter Nachrichten*, 28.03.2017.

²⁶ Marcus Theurer, *Mögliche wirtschaftliche Folgen des Brexit*, Bundeszentrale für politische Bildung, 2016, available at [<https://www.bpb.de/internationales/europa/brexit/228809/wirtschaftliche-folgen>], accessed May 2017.

likely to lose as much as 3% of its economic performance, because UK has always been the biggest trade partner for Europe's third largest economy. German companies export to UK goods and services worth more than 120 billion euros per year. That means that about 750,000 jobs in Germany depend on exports to the United Kingdom. In this situation, Brexit can mean trade hindrances, increased bureaucracy, and longer delivery terms, which in turn will lead to higher costs. The consequence may be a decline in trade, mainly in the automotive industry, but also in the pharmaceutical and chemical industries²⁷. Only the German financial sector will probably benefit from Brexit, because most financial institutions active on European market are likely to move to this country.

Economic – against other countries – Germany's position and potential will be strengthened. However, it should be borne in mind that such reinforcement is not in Germany's interest. On the one hand, this will raise fears of German domination in Europe, and, on the other hand, it will imply the need for it to assume greater responsibility for European policy. Also in financial terms.

All these factors show how strong and deep are the economic connections between the United Kingdom and Europe, and why economic issues of Brexit are the subject of numerous analyzes. However, it should be noted that most economists, first of all, point to the negative consequences of leaving the European Union by Great Britain. According to the British employers' association, CBI, Brexit can cost Britain even 100 billion £ and the loss of even a million jobs by the end of the second decade of the 21st century²⁸. PwC estimates that, as a result of the Brexit, UK's GDP to 2020 may be lower than 3% to even 5.5%²⁹. Even less optimistic are forecasts done by the German Bertelsmann Foundation, according to which Brexit can cost the UK a loss of wellbeing of up to 300 billion euros in the long run³⁰. However, it should be stressed, that not only the United Kingdom, but also all EU Member States, will suffer economic losses.

²⁷ Carla Neuhaus, Tilmann Warnecke, Marcus Grabitz, "Was der Brexit für uns bedeutet", in *Der Tagesspiegel*, 24.06.2016.

²⁸ CBI, available at [www.cbi.org.uk], accessed May 2017.

²⁹ *Leaving the EU: Implications for the UK economy*, PwC Report, March 2016, p. 3.

³⁰ Marcus Theurer, *op. cit.*

Therefore, it is expected that economic negotiations will be a fundamental issue during the talks.

If we want to analyze the consequences of Britain's departure from the European Union at political level, it is expected that the role of France within EU will be strengthened. Where the European Union leaves one of the two nuclear powers that are a permanent member of the UN Security Council, France will remain the only military force in the European Union with nuclear weapons. This, in turn, means that the state will have a greater impact on European security policy. In addition, it will be possible to have a greater impact on the policy pursued by Germany. Already in 2012, French President François Hollande spoke in favor of strengthening European security and defense cooperation, increasing investment in new jobs, and harmonizing tax law. It is expected that the new pro-European president of France, Emmanuel Macron, will continue the policy.

The outcome of the referendum in the UK also made European politicians aware of the necessity of taking the necessary reforms. The difficulty in implementing them lies in the fact that the majority of the old EU Member States think that European problems can be solved by deepening of the European integration process, while the countries centered around the Visegrad Group think that the cause of many problems is the excessive role of national states in the European forum. Britain's position in this area was closer to the countries of Central Europe. The departure of the United Kingdom means that, in situations of divergent views among the European Union countries, the European Union grouping of two or more speeds will be strengthened. The implementation of this scenario means that the Eastern European states will be marginalized in the European forum. On the one hand, they oppose deepening the process of European integration, and, on the other, they are the biggest beneficiaries of EU funding. In the situation of the emergence of a two-speed Europe, these countries will probably have less influence on the decisions taken by the states in favor of closer cooperation. In addition to the Visegrad Group countries, Brexit means uncertainty about the fate of many of their citizens living in the UK³¹.

³¹ Claire Demesmay, Stefan Meister, Jana Puglierin, Julian Rappold, Henning Riecke, Eberhard Sandschneider, Gereon Schuch, *Der Brexit und das EU-Machtgefüge*, Deutsche Gesellschaft für Auswärtige Politik e.V., available at [www.dgap.org], accessed May 2017.

Conclusions

In conclusion, it can be said that the highest price for Brexit is likely to be paid paradoxically by the United Kingdom, although all EU Member States will lose during the process. This is the price that European nations will have to pay for succumbing to populism and the temptation of isolationism as a way to tackle Europe's problems.

The fundamental consequence of Britain's decision to leave the European Union will be the loss of its influence on Europe's policies, but also in the world. In a globalized world, the power of individual European states depends on the degree of their influence on decisions taken in the European Union. This also applies to the UK. In addition, the United Kingdom, after leaving the European Union, will be forced to deal with the escalating separatist processes in its own country. Contrary to British politicians' announcements, Brexit means restricting Britain's role internationally.

Another Brexit losses seem to be the Visegrad Group countries, whose societies have in a similar level succumbed to populist and nationalist slogans. National-conservative governments in these states have seen in the United Kingdom an ally hampering the process of deepening European integration. In the situation of Britain's departure from the European Union and in the absence of a revision of their European policies, we can expect that those countries will be marginalized in the European forum.

Germany can also be counted among the losers of the Brexit because this state, with the departure of Great Britain, will lose a valuable ally in matters of economic liberalism. From the European Union countries, Germany will also bear the largest costs associated with Brexit, but in general, comparing to other European countries, its strength and potential in the European Union will increase. However, this is not a welcome scenario for German politicians, because despite the growing importance of this state in the European Union, Germany is forced to lead even more cautious and restrained policies towards its partners in Europe.

Brexit seems to be beneficial in some points to Southern European countries, who can expect more tolerance of their ideas for solving economic and social problems if the European Union countries decide to keep the EU budget unchanged after Brexit.

The outcome of the referendum seems to be the most favorable for France, as it offers the opportunity to rebuild the role and importance of this country in the European Union. In the situation of leaving the European structures by Great Britain and numerous Eurosceptic governments in the east of the European Union, France, in cooperation with Germany, can again become the driving force of the European Union and thus have a greater impact on the course of European integration.

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