The price of closer ties

Catherine Day on what Britain must be prepared to accept if it wants a closer relationship with the EU.

Although the warning signs were there, the Brexit vote came as a shock to the EU. After more than four decades of working together, the UK's decision to leave felt like a death in the family – and a rejection of the union's basic principles of pooling sovereignty to deliver peace and well-being as well as benefits such as economic and social cohesion. Yet Brussels did not spend long crying over spilt milk. It quickly concluded that the UK could not choose an *à la carte* menu of options in the exit negotiations and set out its terms accordingly. The EU was open to different forms of post-Brexit relationship. In the end, the British government chose a relatively distant one.

Views will always differ across European countries about what the EU is and what it should be. But Brexit has clarified the benefits of membership and exposed the enduring costs of leaving. No other member-state is today seriously considering exit. The EU, meanwhile, has moved on quickly with its own agenda. In some respects, collective decision-making has become easier without the UK, particularly on initiatives with major budgetary implications: the common purchase of vaccines during Covid, the post-pandemic economic support for member-states funded through common borrowing, and more recent steps on security and defence. Some of these are measures that British governments would probably have found hard to support and might well have resisted.

This is not to say that the EU has not suffered from Britain's departure. The UK's political worldview, and the technical expertise of its officials, are genuinely missed in Brussels. London's constant challenge to each and every Commission proposal – forensic, sometimes infuriating – more often than not improved the quality of the final outcome. It forced other member-states to be very precise about what they actually wanted.

Ten years on from the referendum, the world looks very different from how it looked in 2016. Russia's invasion of Ukraine has highlighted Europe's inability to defend itself, while America's assault on the global trading order has pushed both the EU and the UK to diversify relations with countries around the world. The challenge to democratic values from autocratic powers, and the growing assertion of might over right, has also reminded the EU of the importance of its rules-based system, grounded in rights and equality principles. Against that backdrop, the UK's history, geography and shared values make it a natural partner for the EU. Both sides know that they need closer co-operation to be able to secure the future for their citizens. It is not surprising, then, that there is growing talk about closer ties – and even calls in the UK to rejoin.

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Is it time for a rethink on both sides? I would leave aside the question of future British membership. The UK has not changed enough to be ready to accept the EU as it is: a system where the member-states work closely together in key areas to deepen solidarity between them while respecting each other's history and traditions. This integration is likely to continue in certain areas even though the

union is already heavily stretched on a range of priorities, not least future enlargement. But the appetite for a closer relationship is growing in many areas – from trade, energy, AI and technology, to security and defence.

Building new ties will be easier in some areas than in others. In many fields, the UK has retained the common rules under which it operated as a member-state, which should facilitate agreement. But as the larger partner, the EU is unlikely to extend many of the benefits of membership unless the UK accepts the accompanying constraints. The concern about selective participation – or British 'cherry-picking' – is real. An *à la carte* approach could erode the common base built over decades and quickly undermine the single market. The UK will have to accept that the more it wants, the more conditions will be attached.

There is likely to be a degree of flexibility within the range of the various arrangements that the EU has with other countries – such as the customs union, the European Economic Area and others. But it is hard to see the EU offering full access to the single market without free movement of people. The ability to live freely in another EU country goes hand in hand with the right to do business, trade and invest across EU borders, thus bringing all the aspects of economic life together in one single market.

In 2026, relations between the EU and the UK have calmed and are increasingly shaped by the upheavals elsewhere in the world. The EU is a political as well as an economic project. Brussels will be open to building a new relationship with Britain, but it will not be in a hurry. It will watch the British political debate closely and seek an agreement that offers lasting benefits to both sides. The more Britain wants from that relationship, the more it will have to accept in return.

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