WHITHER SOCIAL RIGHTS IN (POST-) BREXIT EUROPE?

Edited by Matthew Donoghue and Mikko Kuisma

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Matthew Donoghue and Mikko Kuisma
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Foreword

By President Michael D. Higgins, President of the Republic of Ireland

With the United Kingdom's departure from the European Union, it is appropriate to reflect on the future social pathways now open to the European Union, made more possible perhaps by the UK's exit. For example, could Brexit result in an EU in which considerations of social citizenship and rights are elevated up the agenda in Brussels? Could the EU's focus hitherto on ever-closer economic union and international competitiveness be shifted towards the European Pillar of Social Rights so as to strengthen it, make it more tangible in citizens' lives and central to a renewed EU agenda? A reinvigorated social Europe may yet arise from the Covid-19 pandemic and its tragic consequences owing to a widespread, recovered recognition, not only of the state's positive role in managing such crises, but of how it can play a decisive, transformative role in our lives for the better.

This book correctly emphasises the need to place the future of social rights in Europe front and centre in the post-Brexit debate, to move on from the economistic bias that has obscured our vision of a progressive social Europe. I welcome, too, the inclusion of chapters examining the consequences of Brexit on Irish-British relations, as well as its socio-economic implications for households and families, and the complexities of migration within and beyond the EU—all issues that were regrettably overlooked in the pre-Brexit, rancorous debate.

New ideas are now available—ideas based on equality, universal public services, equity of access, sufficiency, sustainability—that will allow for a social Europe embedded in an alternative paradigm of social economy within ecological responsibility, now so urgently desired across the streets of Europe. Out of the wreckage and tragedy of Covid-19, let us all work together with an enhanced spirit of commitment to the delivery of social rights for all Europeans.

Introduction

By Matthew Donoghue and Mikko Kuisma

To say that 2020 has been a turbulent year would be an understatement. Our societies and economies worldwide have been dominated by the Covid-19 crisis. All of us—not least policy-makers and politicians—have a lot to learn from the successes and failures of the management of the pandemic. Yet even a crisis of this magnitude has not stopped other crucially important political processes and events from happening. Implementation of the UK's withdrawal from the European Union has loomed large and, although the lead-up to December 31st has been overshadowed by the coronavirus, the European continent and the EU were, at time of writing, about to feel the consequences of 'Brexit'—deal or no deal.

There has been no shortage of coverage, journalistic and academic, of the causes and effects of Brexit. The overwhelming focus has been on international trade, international relations and debates—arguments even—around 'national sovereignty'. The major sticking-point in EU-UK negotiations has been customs arrangements and access to markets. The UK has attempted to play a mercantilist game, for which it is underpowered and underequipped—although the position of London as a global financial centre does pose problems for the EU, more so than the loss of markets for goods.

Impact on citizens

What has largely been missing from these very public narratives and debates is the lasting impact on individual citizens and their families across Europe. The most visibly discussed impact of Brexit at this level has been the limbo in which European citizens in the UK, and *vice versa*, have found themselves. This has been compounded in Northern Ireland due to uncertainty over the border, the *de facto* redrawing of European jurisdictions necessitated to sustain the north-south arrangements introduced by the 1998 Belfast agreement and the longstanding ability of residents of the region to claim UK or Irish citizenship. Yet at issue are not only formal membership of a polity and the benefits this brings but also how the rights and, crucially, the ability to *act upon and claim these rights* of citizens in both the UK and across Europe will be redrawn *within* borders, not just for those who migrate.

The 'golden age' of the welfare state was defined in the public consciousness by comparatively high levels of 'decommodification' of labour, of generosity and coverage: support was to be from the cradle to the grave, and one was not to be left entirely dependent on one's labour to survive. The long period of retrenchment set in motion in the late 1970s—complemented by parallel discourses of 'deservingness' and conditionality—has eroded these securities, leading to a *recommodification* of citizens who must now, in an age of crises, find ever more innovative ways to make ends meet while states extol the virtues of prudence and restraint.

The UK is only one important part of the story of Brexit. Even where the UK's withdrawal from the EU does not have obvious direct consequences for other states, Brexit instigates a change in the social, political and economic context of European politics. With a change of context comes a potential change in the rules of the game. Some of these rules—notably those related to the process of withdrawal and the 'future relationship'—are already written. But many others are more informal, tied up with the soft power wielded in intra-EU negotiations and political manoeuvring.

Social Europe

With the removal of a big veto player, could the reins be loosened on 'social Europe'? Might we begin to see an EU in which considerations of social citizenship and rights climb up the agenda? Could the European Pillar of Social Rights be more than just a (weak) counterbalance to closer economic union and international 'competitiveness'? It is too early to tell but, as the chapters in this volume demonstrate, the need for a more explicitly _social _ Europe is acute.

The book, product of a workshop in 2019 at the Department of Social Policy and Intervention at the University of Oxford, funded by the OUP John Fell Fund, contributes to the case for a renewed and reinvigorated social Europe, adding a forum for debate and a call for greater public engagement on social rights. This is crucial when governments claim they must focus so carefully on balancing public health with economic performance. History shows that when public funding and investment are cut social programmes typically suffer first. Crises tend to necessitate short-term thinking—or at least help legitimise short-term approaches to long-term problems.

Countries across Europe have spent unprecedented resources to keep economies afloat in the context of the pandemic. But Keynesian-style measures, such as the 'furlough' scheme in the UK and the Pandemic Unemployment Payment in Ireland—while saving millions from destitution—are short-term fixes. They do not address the significant inequalities deeply embedded in neoliberal economies, brutally exposed by the pandemic. Recovery from the Great Recession has been slow and (in some cases unnecessarily) painful. Choices were made which benefited certain groups and classes above others.

Brexit is perhaps unprecedented as a 'crisis': it can be traced to a very specific set of conditions in a way that exogenous crises such as the Global Financial

Crisis and the pandemic cannot. Although all political decisions are by definition ideological, the ideological basis of decisions around Brexit has been laid bare. This means there is a much clearer opportunity for states—or the EU—to use this crisis as a path-breaking moment. With enough political will, states and the EU can begin to address the deep-seated inequalities and power imbalances which have led to events such as Brexit. Crucial to this is increasing the power and security of citizens across the continent, regardless of age, gender, nationality, ethnicity, social position and so on.

This book, product of a workshop in 2019 at the Department of Social Policy and Intervention at the University of Oxford, funded by the OUP John Fell Fund, emphasises the need to place the future of social rights in Europe front and centre in the (post-)Brexit debate. Social policy across Europe and within the EU has become increasingly subordinated to economic policy over the decades, with a detrimental effect on citizens across the continent. This has indirect impacts on the European project more broadly, especially if bringing the EU closer to its citizens is still considered a central long-term aim. The UK's withdrawal will place pressure on many governments and it is likely that many of us will begin to hear again the language of 'hard choices', *especially* in the post-pandemic world we hope to enter at some point during 2021.

Bigger picture

The book brings together world-renowned experts in European politics, and social and public policy, who bring their expertise to bear on the role and nature of social rights in a (post-)Brexit Europe. The book is split into two sections, engaging first with social rights, social citizenship, Brexit and European futures from a conceptual standpoint. Contributors discuss the prospects for social citizenship and social solidarity across Europe, and how the UK's withdrawal from the EU may affect this. The contested history of welfare-state development and its role in shaping nations is drawn upon to consider how this historical moment will shape citizens' rights within and across borders. This involves thinking about the faultlines of European citizenship and who will emerge as winners and losers if, or when, these faultlines fracture. This requires a critical engagement with debates around states' commitment to, *and delivery of*, social rights, and the vehicles via which these will be delivered.

The second section introduces case studies, focusing on specific policies and countries' experiences, to situate the conceptual debates within real-world examples, including the future of European pension systems, the various fates of Irish-British relations, implications for households and families, the complexities of migration within and beyond the EU (such as post-Brexit UK), the role of big business and the rise of corporate welfare as a potential barrier to a more social Europe. The book presents the bigger picture on the complex relationships among different political, social and economic actors and how these relationships are likely to shape future debates and the development and implementation of social rights across Europe.

We are ultimately yet to see the full impact of the parallel crises of Covid-19 and Brexit on the public, social and economic health of Europe. But one thing is certain: without a robust network of social support, within and across countries, the recovery will be slower and more painful than need be.

Imagined Solidarities: Brexit, Welfare, States, Nations and the EU

By Daniel Wincott

Even before the Covid-19 pandemic, the National Health Service had a status akin to a shared secular religion in the UK. To borrow Benedict Anderson's evocative phrase, the NHS is a focus for 'imagined community'. For Anderson (1991: 6), every nation is an *imagined* community 'because the members of even the smallest nation will never know most of their fellow-members, meet them, or hear of them—yet in the mind of each lives the image of their communion'. Of course, the particular values, institutions, laws and symbols of imagined community differ across nations.

The nation is however not the only political frame or scale in and at which community might be imagined—from the local to the European. Nation and state are different concepts. More clearly than some other states, the United Kingdom has a pluri-national character. How does the UK state relate to the imagined national communities attached to Britishness or those of its other constituent territories: English, Irish, Scottish and Welsh?

The welfare state features powerfully in public discourse within many European countries, often conceived as a contract between citizen and state. It might also be understood as an imagined national solidarity, perhaps even as a solidaristic aspect its national communities shared across Europe. Of course, imagined solidarities can also be imagined exclusions. Taken together these elements might reframe our understanding of 'social Europe' and the prospects for the European Pillar of Social Rights.

How did the NHS become a cross-UK focus for imagined community, perhaps in place of wider welfare-state ideas? Traditionally, it has been strong political ground for the Labour Party. Labour claimed credit for the NHS: Aneurin Bevan, a totemic figure on the party's left, was feted as its postwar creator. On losing power shortly afterwards, Bevan (1952) saw the 'free National Health Service' as 'much-disputed'. Yet decades later, as Conservative prime minister, Margaret Thatcher declared the NHS to be 'safe in our hands'.

Even so, the NHS experienced waves of reform under Thatcher and every subsequent prime minister. Throughout, health care being 'free at the point of use' remained critical. 'Dispute' largely vanished from the NHS, at least as an imagined symbol of the UK. Equally, it became increasingly hard to identify what, exactly, the NHS now signified.

Why is the NHS so highly valued across the UK? Are UK health outcomes superior to those of comparable European countries? Is NHS health care of remarkably

high quality? The point here is emphatically not to denigrate the NHS. But both Danny Boyle's NHS celebration for the opening ceremony of the 2012 London Olympics and the bewildered response of many international onlookers were striking. They illustrate the peculiar significance of the NHS as a shared national symbol: by 2012 it was firmly established as the vessel, *par excellence*, of imagined community in and across the UK. As a symbol and an imagined embodiment of values, the NHS became available to a diverse range of political projects.

Brexit and the NHS

'Take back control' was the Leave campaign's key slogan in the UK's 2016 referendum on European Union membership. More or less grudgingly, even Brexit's opponents have acknowledged the brilliance of this mantra. For many individuals—perhaps it articulated a sense of a *lack of control* in daily life: the idea that many people and places had been 'left behind' became a staple of post-referendum public debate. It certainly captured the idea that *we* had *lost control* to someone and somewhere *else*. The brilliance of 'take back control' lay partly in its emptiness, its lack of substance. Various frustrations and irritations could be projected on to this slogan, be articulated by it. But it would be a mistake to draw the conclusion that Brexit was only motivated by an inchoate, vapid cloud of frustrations. The Leave campaign also offered a clear positive focus for voters, painted on the side of a big red bus—'our NHS', for which projected additional funding was the cutting edge of the sharp knife of anti-EU sentiments.

By the time Covid-19 hit, the Leave campaign's leaders occupied the top elected positions in the UK state. Boris Johnson had just won a resounding victory for the Tories in the 2019 general election. Despite a twisted personal relationship with him—marked by a very public betrayal—Michael Gove had taken on the role of Johnson's key lieutenant, at the heart of government in the Cabinet Office.

Two of the three major offices of the UK state were now held by MPs from the 2010 intake: the foreign secretary, Dominic Raab, and the home secretary, Priti Patel. Shortly after their initial election as MPs, Patel and Raab had been among five authors of a flamboyantly and revealingly entitled volume, *Britannia Unchained* (Kwarteng *et al*, 2012). Hostility to the EU was a strong element of Patel's political credo—her membership of the Conservative Party was broken between 1995 and 1997 by a spell in the Eurosceptic Referendum Party.

Yet leaving the EU was not a major theme of *Britannia Unchained*. Instead it gained notoriety for its critique of lazy Britons, parsed, in a Conservative Home website article marking its publication, as a 'disturbing rise in welfare dependency'. The article concluded: 'We are convinced that Britain's best days are not behind us. We cannot afford to listen to the siren voices of the statists who are happy for Britain to become a second rate power in Europe, and a third rate power in the world. Decline is not inevitable.'

Into the second decade of the 21st-century, then, these Conservatives associated welfare with a negative dependency culture rather than with a social dimension of citizenship or, like the NHS, with a positively imagined shared community of solidarity. Less than a decade before Johnson and Gove invoked Franklin D Roosevelt's New Deal recovery plan from the Great Depression, Patel and Raab had lasered in on 'statists' as the arch-villains of Britain's relative international decline.

Covid-19 strengthened the status of the NHS and shone a blindingly bright light on how politicians and opinion leaders made use of it as a symbol. When the pandemic hit the UK, the government in London seemed willing to imbibe a variety of social, political and economic ideas. Anti-statist libertarianism, including the nostrum that the British—or perhaps the English—were particularly attached to their liberties, was an important element of this liquid draft. Better known for his flamboyant rhetoric than *Britannia Unchained*-style ideological positioning, Johnson appeared to place particular emphasis on freedom to go to the pub.

When faced with the decision over lockdown, his administration seemed concerned that Britons might not forgo their liberties. Its members seemed surprised that lockdown was implemented relatively smoothly. Perhaps part of the reason for this outcome was that citizens were enjoined to 'protect the NHS'. The exemplary symbol of 'us' who 'we', the populace of the UK state, are was arguably almost accidentally deployed. There was a real fear that hospitals might be overwhelmed, potentially with horrendous consequences. In early July, as the lockdown was eased in England—including by reopening pubs—the health minister, Matt Hancock, claimed credit for the government having succeeded in protecting the NHS. Yet in effect the general public had been summoned into protective service for an NHS whose rationale was protecting public health.

Imagined communities, nations and states

Anderson's imagined communities are nations. But his questions 'who are we?' and 'why and how, if at all, do we support one another?' are not asked only of nations. First, we should consider institutions, particularly state institutions. Our political language tends to suture the nation to the state—a form of methodological nationalism or national-statism. The state provides (many of the key) institutions that make nations imaginable. And if we do owe one another obligations or feel solidarity with one another—states have played a pre-eminent role in making that solidarity real. Across Europe, these imagined solidarities are often deeply bound up with social protection and redistribution.

Secondly, nations (or nation-states) are not the only spatial scales at which communities are imagined. When describing levels of analysis other than the nation-state—sub_national_, inter-*national* and supra_national_—our language remains saturated with the idea of the *nation*. For precisely this reason, it is sometimes imprecise. For example, self-defining nations exist within (Scotland, Wales) and across (Catalonia, the Basque country) existing states. The

words are (revealingly?) awkward, but it would be more accurate to talk of sub-state/state/supra-state levels, entities and institutions, at least for the UK. (In federal systems, such as Germany and the US, the word state refers also to the units that make up the federation.)

Moreover, lived experience of community is in places. Each lived life is a vector through time and space, in a series of particular locations. As the analysis of English community studies by Jon Lawrence (2019) shows, localities are also imagined. Anderson's imagined community is also relevant at more local levels.

Perhaps more obviously, spatial scales above the nation-state also have an imagined existence. European solidarities have often been canvassed. The EU is engaged in significant redistribution of resources across its spaces and places. Effort has been invested in the Pillar of Social Rights. Yet, the EU seems to have struggled to weave a powerful and inclusive imaginary of 'social Europe'. How widely, and for whom, is Europe imagined as a community or a place of solidarity? It seems to have been built around and avoids impinging on imagined national solidarities.

Forgetfulness, anachronism and imagined solidarity

Imagining any national community involves huge feats of forgetfulness. Typically, things are forgotten about the imagined nation's imagined past—think of Black Lives Matter in, and beyond, the United States. At its metropolitan centre, the UK state seems to have a permanent partial amnesia about its own peripheries. That centre has often taken a peculiarly relaxed view of the possibility of secession by, say, Scotland or Northern Ireland. But this is matched by forgetfulness about, neglect of and occasional synthetic outrage over devolved perspectives. Covid-19 has revealed a similar view of provincial England.

Shocked and fitful awareness of the border on the island of Ireland has marked the tortured story of UK Brexit processes. The motivations of Nicola Sturgeon as Scottish first minister throughout Brexit and the pandemic have been read as wholly independence-focused, not as those of a leader with governmental responsibilities. The patience of Wales' Labour-led governments—traditionally strongly committed to the UK union—has been stretched almost to breaking point. Hancock has practical policy responsibility for health (and social care) only in England. Yet, for a Welsh audience, in April he wrote: 'In the end it's not a Welsh Health Service or an English Health Service but a National Health Service. We are all on the same team and we will all get through this together, as one United Kingdom.'

Hancock, it seems, understands the power of the NHS as a political symbol. It is, of course, as politically legitimate for him to hold this view of the UK as for Sturgeon, leader of the Scottish National Party, to call for Scottish independence. But Hancock's statement, made at the height of the emergency, was a basic misdirection about the realities of health policy and provision in Wales.

Historical forgetfulness is also important. The academy is deeply implicated in the construction of a mistaken national history of the UK welfare state, which in

turn became a shared artefact for western Europe. This story revolves around a putative golden age, which, it says, began in 1945 and continued until the mid-1970s. British postwar social reforms, made in the name of the nation, play the pivotal role in this narrative. Distinctively alert to welfare's boundaries, Maurizio Ferrera (2005) nevertheless articulates a conventional view: 'British reforms introduced between 1945 and 1948 designed the first coherent and systematic architecture of a universalistic welfare state.'

Yet these reforms were *not* made in the name of the welfare state. They were completed before TH Marshall delivered his signal 1949 lecture on social citizenship in Cambridge. The welfare-state term is absent from this lecture. Three years later Bevan published *In Place of Fear*. His single mention of the welfare state is revealing: 'The National Health Service and the Welfare State have come to be used as interchangeable terms, and in the mouths of some people as terms of reproach.' Bevan was at least as likely to refer to the 'British' as the 'National' Health Service in this volume.

Labour's postwar reforms were certainly pathbreaking. Narrating them as if intended to found the welfare state is however anachronistic, projecting subsequent concepts inappropriately back on to an earlier historical moment. Doing so exaggerates the historical reach of the idea of the welfare state.

Bevan's words recall divisions of seven decades ago. As the NHS is celebrated today, those early years now bask in the golden glow of an enduringly significant founding moment. After Brexit and through Covid-19, however, change to the territorial and social governance of this north Atlantic archipelago is unavoidable. If read as an achievement which can never again be matched, the NHS' imagined golden history could prove delibilitating. A nostalgic postwar mythology might limit what can be imagined now.

The notion of les _trente glorieuses _suggests similar ideas grip other parts of Europe. They may overshadow the whole EU project.

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The UK and the EU After Brexit – How Hard or Soft a Landing?

By Vivien Schmidt

The future of both the United Kingdom and the European Union are in question, and not just because of Brexit. The eurozone crisis, the refugee crisis, the ongoing security crisis and now the Covid-19 pandemic have been equally problematic. How Brexit happens, whether very hard or somewhat soft, will certainly have a significant impact on the EU. But, equally importantly, the future of European integration—its form and content—will also have an impact on the UK, not just in terms of economics and trade but also with regard to social rights.

For optimal results, the future of the EU is best conceived as differentiated with a 'soft' rather than hard core, constituted by different clusters of members in overlapping policy communities. But the EU has to change not only the conceptualisation of its form, by becoming more open to greater differentiation of membership in its many policy communities. It must also rethink the application of the rules in such communities. Only by becoming more flexible in policy implementation, to allow for greater national political sovereignty along with greater decentralisation of economic decision-making, will the EU most optimally manage its own future and its relationship with the UK. To succeed with such differentiated integration, the EU at the same time needs to guarantee citizens' social rights across Europe.

The EU's policy crises

The EU today has too many members with too many diverging interests and ideas to be able to reach optimal agreements on deeper integration across policy areas, in particular given EU unanimity rules for treaties. Although many such divergences have long existed, the problems have become more acute as a result of the concatenating crises in key areas over the past decade, such as money (the euro crisis), borders (the immigration and refugee crisis), security (terrorism and the neighbourhood) and the continuing integrity of the EU itself (Brexit).

Eurozone governance went too far in deepening integration in the wrong way, by 'governing by rules and ruling by numbers' (Schmidt, 2020a) while failing to institute the mutual risk-sharing instruments necessary for any fixed-currency zone to flourish. Austerity and structural-reform programmes reduced worker protections and welfare benefits while contributing to rising inequalities and poverty across Europe, but in particular southern Europe.

In other areas, integration has not gone far enough. In security and defence policy, deeper integration is needed along with continued differentiation, with more co-operation and targeted investment through any of the many recently created instruments. Refugee and migrant policy also requires deeper integration through EU-wide agreement on principles of treatment, accompanied by more differentiated integration regarding the modalities of implementation—for example with positive incentives in place of imposed quotas and with a variety of refugee-support and EU mobility-adjustment funds.

The Covid-19 pandemic has, surprisingly, intensified these policy problems yet pointed towards possible solutions. The crisis response has broken with past orthodoxies: on eurozone rules, by suspending requirements on debt and deficit; on competition policy, by relaxing state-aid rules; on Schengen border controls, through nationally imposed border closings across Europe; and on migration and refugee policy, with migrant flows ended through border closures.

At the same time, after an initial delay resembling a '*déjà vu* all over again' reprise of the eurozone crisis, the member states agreed to EU-level initiatives and co-ordination in an unprecedented range of areas. These targeted not only overall liquidity, through the European Central Bank's major pandemic bond-buying programmes, but also social rights via SURE, a short-term in-work job-support programme to reinforce member states' own efforts. They included a new health agency, EU4Health, and a major new European recovery fund, the Resilience and Recovery Facility (RFF)—financed through EU-level bonds, made up of grants (€390 billion) and loans (€360 million) to go to member states most affected by the crisis.

Such a fund is essential to combat the coming economic recession while addressing the rising inequalities between northern Europe, which was able to inject massive amounts of money to stem job losses and business closures, and southern Europe, unable to do as much—being economically weakened by the eurozone crisis and most affected by the pandemic, and therefore desperately in need of grant-based funding. Moreover, on social rights specifically, not only is the RFF to provide funding for education and reskilling and digital infrastructure. In her 'State of the Union' speech, the European Commission president, Ursula von der Leyen, specifically promised a framework for minimum wages through collective agreements or statutory minimum wages, a new pact on migration and robust action against climate change.

One silver lining from Brexit is that British leaders are no longer able to impose their usual veto on innovations leading to deeper integration. It is useful to recall that Britain is itself partly responsible for the state of the EU today: UK membership involved active resistance to any quasi-federal ambitions, energetic pursuit of neoliberal deregulation and enthusiastic support for enlargement to the east (as further market opportunities). In large measure, the UK succeeded in turning the EU into a force for supply-side economics and minimal political authority.

Moreover, while the watchword of the Brexiters was 'take back control', the ironic truth is that, through its opt-outs, London never relinquished control over any significant aspect of sovereignty: money, borders or defence (Schmidt, 2020b). Whatever the economic impact of the pandemic, the UK will not take part in this EU solidarity and the boost to social rights across Europe.

The EU's political crisis

In conjunction with these policy-related crises has come an overarching political crisis. It results not only from the EU's failure to resolve its multiple policy crises but also from the impact of the very existence of the EU on national democracies. As policy-making has moved up to the European level, politics has remained national. Citizen concerns about their loss of political control along with opposition to particular EU policies have translated into increasing electoral support for populist anti-system parties, the election of populist governments prone to illiberal practices regarding the rule of law (primarily in central and eastern Europe) and, of course, Brexit.

For the political dangers of populism to be fully put to rest, the EU needs to recognise its own failures, not only in terms of its policies and politics but also in terms of its procedures and organisation. National populism on the extreme right, economic populism on the extreme left and indeed Brexit are all signs that a lot has gone wrong with the EU. Something needs to be done to address citizens' rising concerns about the EU undermining national identity and sovereignty through its immigration and refugee policies, or about the EU increasing socio-economic inequalities while weakening national economies through eurozone austerity and structural-reform policies. The answer must be found not only in improving the policies in view of ensuring European citizens' social rights across the EU but also by re-envisioning the EU's own organisational structure and procedures through more differentiated integration.

The state of differentiated integration

The EU's organisational structure is actually already highly differentiated. While all member-states are part of the single market, membership in other policy areas is variable, including Schengen borders, common security and defence policy, the Charter of Fundamental Rights, and the single currency. Differentiated integration is also increased by the presence in the EU of 'outside insiders', such as Norway, Iceland and Switzerland, which participate in the single market as well as in a range of other EU policy communities, including Schengen and common security and defence policy, but don't have a vote. Once the UK has negotiated its future relationship with the EU, it is likely to constitute another kind of differentiated integration, the form of which remains unclear at the moment.

The EU was never going to become the federal 'super-state' the British in particular feared or the United States of Europe federalists had long envisioned. But does differentiated integration entail a two-speed Europe: a Europe with a 'hard

core' centered around the eurozone, as evoked by successive French leaders, or even a Europe completely *à la carte*?

The fear with a multi-speed Europe is that it will become Europe *à la carte*, and will fall apart as member states pick and choose the communities into which they opt in or out. The problem with a hard-core Europe is that there is no guarantee that the core players, France and Germany, would be able to reach the necessary productive agreement across policy areas. They certainly did not in the euro area, up until the Covid-19 pandemic.

Such a hard core might also create a deeper rift between the core and the rest. And why assume that a cluster of member states which takes the lead in one policy area (the eurozone) would have the ability, let alone the will or imagination, to lead in the others (such as security or migration)? What is more, a hard-core EU would be likely to alienate the post-Brexit UK, which might very well ask 'why deal with the EU at all?' if insiders, led by the Franco-German duo, were to set the trajectory for the remaining outsiders.

Re-envisioning the EU as 'soft-core' Europe

Rather than conceiving of EU differentiation as coming at multiple speeds or by way of a hard core, the EU would do better to see its future as consisting of a 'soft-core' Europe. A soft-core EU is made up of the overlapping participation of different clusters of member states in the EU's many policy communities—all administered by a single set of EU institutions, all with voice across communities but with a vote only in those areas in which they participate. In this context, the decision-making rules would also require revision, with the unanimity rule abandoned in favor of 'constitutional' treaties amendable by two-thirds or four-fifths majorities, and with treaty-based laws becoming ordinary legislation, amendable through the co-decision mode of EU governance (Schmidt, 2019).

Seeing the future of EU differentiated integration as consisting of a soft core of multiple clusters of member states, participating in overlapping policy communities, would allow for any duo or trio of member states to exercise leadership in any given community. But while some policy areas, as discussed earlier, would require more co-ordinated integration, such as security and defence or immigration and refugee policy, others would demand greater decentralisation, such as management of the eurozone.

Moreover, were some members to engage in deeper integration, such as pledging their own resources to a common eurozone budget, their representatives would be the only ones to vote, although everyone would exercise voice. In addition, where non-EU countries opted into certain policy communities, such as the Schengen border-free zone in the cases of Norway and Switzerland, they should have voice and vote. This could equally apply to their participation in the single market.

In such a soft-core Europe, the UK could productively join some policy communities while staying out of others. Although it would certainly choose to stay outside the eurozone or Schengen borders, it could reclaim a leadership role in

common security and defence policy, as one of two European nuclear powers. As for the single market and concerns about freedom of movement, a migration 'brake' combined with a mobility fund could address the Brexiters' fears about EU freedom of movement—especially during this time of pandemic when the UK has been feeling the pinch of lack of workers for essential services, such as in healthcare and seasonal agriculture.

But soft-core differentiation also has certain common requirements—including one set of laws, overseen by the European Court of Justice and affirmed by national courts, and one set of overarching institutions, including the European Commission, Council and Parliament. In other words, there can be no differentiation in the EU's core commitments to the rule of law and democratic principles, free and fair elections, independence of the judiciary and freedom of the press. But any number of specialised institutions may be fit for purpose in any given policy community. As for the UK, some form of negotiated equivalences would be necessary to accommodate demands for continued British regulatory autonomy and legal authority.

Conclusion

In sum, the future of EU governance is very open. It is best conceived not as a hard-core Europe centred around the eurozone—let alone a future 'superstate'—but as made up of a soft core of overlapping clusters of member states in the EU's many policy communities. In this context, increasing flexibility in the EU's legislative and policy processes, along with decentralisation to the benefit of the member states, would enhance policy effectiveness as well as democratic legitimacy. And it would likely make the EU more attractive even to a Brexiting UK. The EU's recent initiatives in response to the Covid-19 pandemic also suggest that it is finally willing to address the erosion of citizens' social rights over the past decade, not only by suspending some of the most deleterious rules but also by creating space for member states to reinforce national solidarities in labour and welfare while promising to reform migration.

For the UK to flourish in such an EU, it would need not just to internalise such a soft-core vision of the EU's future but also engage with it through softer, consensus-seeking deliberation. Although British policy-makers might very well want to maintain their special status with regard to money and borders, they might not with regard to the other challenges facing the EU, including security, energy, the environment and, of course, Covid-19.

The UK cannot exist in isolation. At the same time, the EU needs effective leadership across its many policy communities. And it also needs the UK, if only as an active member in some of those communities.

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Reconceptualising and Delivering Social Policy: Competing Challenges in (Post-)Brexit and Pandemic Europe

By Linda Hantrais

Before the installation of the new European Commission in December 2019 and the conclusion of the Withdrawal Agreement in January 2020, social scientists speculated about the implications that Brexit might have for EU and UK social policy (Hantrais, 2019). Ursula von der Leyen's commission assumed office at the same time as the Conservative government led by Boris Johnson opened a new parliament with a substantially increased majority. These leadership changes created the conditions needed for the Withdrawal Agreement to be ratified on January 31st. The post-Brexit transitional phase in the negotiations could then begin. Workers' rights, freedom of movement and state aid were identified at the outset as areas for potential disagreement between the UK and EU institutions. Neither side anticipated the global threat that would be posed by the Covid-19 pandemic nor its longer-term impact on EU and UK social policy, as the crisis temporarily eclipsed the Brexit negotiations.

As with many other areas of EU social policy, healthcare systems remain a national competence, whereas public health is shared between national and EU governing bodies (article 168 of the Lisbon treaty). On the one hand, EU-level action is directed towards preventing physical and mental illnesses and dangers to health, including 'the fight against major health scourges'. On the other, member states remain responsible for the definition of their public-health policy and the organisation and delivery of health services and medical care. This distribution of powers created a fertile environment in which competing and conflicting policy objectives quickly surfaced at EU and national levels.

Social rights during the Brexit negotiations

The UK referendum in 2016 served as a wake-up call and a trigger for EU institutions to review and modernise European social policy. The vote to leave provided an opportunity for the commission to promote social integration in the knowledge that UK-led opposition would no longer be able to block proposals for enhancing social rights. The then commission president, Jean-Claude Juncker, exploited the occasion to prepare his own legacy by launching the European Pillar of Social Rights to counter growing populism and disillusionment with the European project.

A major difference between the Withdrawal Agreement proposed by Theresa May (rejected by the UK Parliament in 2019) and Boris Johnson's tweaked version (ratified in January 2020) lay in the removal of May's commitment to respect EU social standards. The Johnson government explicitly excluded the close regulatory alignment advocated by May. The UK refused to operate the level playing field—the new commission's mantra in 2020 under von der Leyen's presidency—by following EU rules on government subsidies to industry, workers' rights and environmental protection. The EU27 negotiators were intent on preventing the UK from gaining an unfair advantage if its regulations diverged from those of the EU.

In recognition of national diversity in social-protection systems, the commission established a Social Scoreboard to accompany Juncker's EPSR. The scoreboard served as a 'screening device' and monitoring tool for tracking the comparative performance of member states and assessing the social situation in individual countries. The area of public support / social protection and inclusion in the Scoreboard compares data about self-reported unmet need for medical care, healthy life years and out-of-pocket expenditure on healthcare. In addition, the commission has long been developing a series of 88 European Core Health Indicators (ECHI), providing comparative information on health status, health determinants and healthcare interventions. Although the ECHI did not document the preparedness of individual member states for a pandemic on the scale of Covid-19, they indicated the readiness of different regions to respond to challenges the public health sector would face, specifically by providing services to meet the demands of an ageing population.

Signs of social fragmentation in member states

The unity displayed among the EU27 during the withdrawal negotiations concealed signs of fragmentation in the social arena. A consultation in 2017 about Juncker's proposals for the EPSR revealed differing degrees of resistance among member states to centralised regulatory powers and associated keenness to retain control over the social-policy domain.

These underlying tensions resurfaced during the 2021-27 EU budget discussions in 2018, foreshadowing subsequent reactions to the coronavirus outbreak and the risks it would pose to European integration. The commission was proposing further strengthening of the EU's social dimension through a more flexible and simplified version of the European Social Fund (a European Social Fund Plus), together with a more effective European Globalisation Adjustment Fund. By pooling resources, the aim was to allow more integrated and targeted support in response to the social and, more particularly, labour-market challenges highlighted in the Social Scoreboard.

By February 2020, with the UK having formally left the EU, the loss of its 10 per cent contribution to the total budget was acknowledged as a significant factor constraining its size. Social (qua workers') rights were no longer a priority for the commission. Yet it was clear that any cuts in funding would have serious

implications for the social arena, hampering redistribution of resources from wealthier member states to the cohesion countries. The European Council's failure to reach agreement over the budget at its meeting in February further evidenced underlying divisions. The 'frugal' member states—Austria, Denmark, Finland, Germany, the Netherlands and Sweden (later to become the 'frugal four' when Finland and Germany changed their approach)—advocated capping the budget at 1 per cent of EU gross domestic product and focusing on more 'modern' (economic) policy priorities. By contrast, the 17 'friends of cohesion' group of countries (essentially the southern and eastern member states) sought reassurances that they would not be left on the periphery, as implied in Juncker's proposal. They argued for continuing support for cohesion policy if the EU were to achieve greater economic and social convergence among member states (Boucart, 2020).

The challenge of the coronavirus shock

With the commission reluctant to acknowledge the seriousness of the outbreak and the European Council unable to agree on a concerted collective approach, governments initially reacted unilaterally and at different speeds to the Covid-19 crisis with protective and preventative measures (Hantrais and Letablier, 2021). One of the core conditions for EU membership, free movement of citizens—on which the EU's Brexit negotiators remained adamant—was the first red line to be widely crossed. Without waiting for instructions from Brussels, by mid-March 2020 member states seized the initiative and closed their borders to prevent the spread of the virus. The UK kept its borders open.

Other measures—bans on public events and gatherings, closure of workplaces and schools, social and physical distancing, the wearing of face coverings and personal protective equipment—were introduced progressively and differentially as the pandemic progressed. On March 10th, EU heads of state and government collectively recognised the situation as a policy crisis emergency, severely testing EU solidarity and justifying a co-ordinated response. Despite the apparent unity expressed in the summit's conclusions, national leaders disagreed over how to contain the pandemic without causing irreparable damage to economic and social life.

Amid growing criticism of its lack of EU leadership, on March 16th the commission began unveiling its own proposals based on the summit's conclusions. Citizens of non-Schengen EU countries, including the UK, were invited to apply restrictions on non-essential travel from non-EU countries in the hope that they would ease bans within the EU. Throughout the pandemic, in formulating recommendations for implementing and easing protective measures, the commission drew on carefully argued risk assessments provided by the European Centre for Disease Prevention and Control, an EU agency based in Sweden. The ECDC's March 23rd edition offered the commission a timely reminder: 'Restrictive public health measures must always respect existing national legislation, as well as international legal and ethical principles.'

In subsequent weeks, commission pronouncements came with increasing frequency as deaths from the virus spiked in several member states. Following actions taken by national governments, state aid—another of those EU red lines—was recognised as an essential source of social support for furloughed workers and their families at risk of poverty. On April 2nd, von der Leyen announced an EU-backed scheme, SURE, deploying the structural funds to support short-time workers in member states. The scheme relaxed rules on state aid and suspended strict regulations on budget deficits in the eurozone countries.

The commission used its shared public-health competence to advocate direct emergency support for national healthcare sectors and for the manufacturing capacity of industry through fiscal incentives, state aid and flexibility in public procurement. While the commission was finalising guidelines on medicines, its lockdown exit plan was circulated to national officials, before being made public on April 7th. Within governments, ministers of finance and health were struggling with conflicting interests and pressures in planning their own exit strategies and did not want their plans to be co-ordinated by Brussels. Heads of state and government reacted angrily, forcing the commission into another U-turn (Bayer, 2020).

The Next Generation EU economic recovery fund, negotiated alongside the budget settlement, was eventually agreed on July 21st, after further acrimonious summits. This compromise involved full flexibility in budgetary and state-aid rules to repair the damage from the crisis. A few weeks later, the way was tentatively opened in the negotiations over the UK-EU future relationship for compromise and agreement on regulatory coherence and non-regression for labour standards.

Conclusion

Throughout the history of the European Union, the social dimension played a relatively minor, though necessary, role in shaping the European project. Entrenched positions over social rights during the Brexit negotiations indicated that they would be contentious issues. The negotiators did not however predict that an existential global crisis would put social issues centre-stage.

As Europe became the epicentre of the coronavirus pandemic, EU institutions and societies were confronted with unprecedented political, economic and societal challenges, which threatened the very foundations of the European project. The unity demonstrated at EU level during the first stage in the Brexit negotiations concealed latent tensions and divisions over social issues, within and between EU member states, and underlying hostility to creeping EU control over the social domain. Member states exercised their treaty responsibility to define their health policies and organise and deliver health services and medical care in accordance with their own resources and political priorities, rather than EU regulations. True to the principle of subsidiarity, social-policy responses to Covid-19 were shaped primarily by national and local socio-demographic, economic and political conditions (Hantrais and Letablier, 2021). The

European Commission signalled its complicity by relaxing hitherto constraining rules, notably on freedom of movement and state aid.

The differential responses to the crisis suggest that the challenges and opportunities created in all areas of economic, political and social life in the EU and the UK were shaped to a much greater extent by the pandemic shock than by the UK's withdrawal from the EU. It might even have brought the EU and UK closer to agreeing a mutually acceptable post-Brexit deal, though tensions were to persist as the negotiations wore on. Whether the longer-term impacts of the shock will prove to be more influential than Brexit in bringing European social integration any closer remains an open question for future generations of social scientists.

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Faultlines of EU Social Citizenship in the Course of Brexit

By Stefanie Börner

The Brexit vote can be seen as 'the most vivid and dramatic expression of Euroscepticism' (Room, 2020: 111). The vote-leave campaign's successful 'take-back-control' slogan secured a victory for identity politics, ending the freedom of movement (FoM) between the United Kingdom and the European Union and thus turning 'mobile' EU citizens into 'migrants' (Antonucci and Varriale, 2020: 49). Yet, its narrative of 'take back control' also pointed to how European integration had generated extremely uneven experiences. Many Brexiters experienced the Europe-wide economic, political and social interdependencies triggered by European integration as an unbalanced relationship of exploitation. Social scientists must thus critically reassess such cherished certainties as Karl Deutsch's transactional-ist paradigm. For Deutsch, and legions of researchers following in his footsteps, thriving common-market transactions and increasing transnational interactions and communication among Europeans were a promising indicator of the success of such regional-integration projects. Mutual economic interdependence and the resulting social interrelationships were however unable to prevent 52 per cent of UK voters in the 2016 referendum from preferring to leave the European Union after 44 years of membership. Has European social integration failed?

The Brexit vote and the subsequent withdrawal process have exposed the fragility of the EU's already weak social architecture, a fragility which stems from the imbalances and unequal distribution of burdens in the EU. Although in many respects the UK's EU membership was an outlier, Brexit teaches us some lessons with respect to these general weaknesses. In what follows, Brexit's explosive power will be considered from a social-rights perspective in order to uncover the faultlines and vulnerabilities of EU social citizenship.

Social rights have a stabilising function

Social rights in the Marshallian sense comprise 'the whole range from the right to a modicum of economic welfare and security to the right to share to the full in the social heritage and to live the life of a civilised being according to the standards prevailing in the society' (Marshall, 1950: 11). Social citizenship extends within national contexts, institutionalised in the national welfare state. Compared with civil and political rights, social rights especially constitute 'a unifying force for the body of citizenry' (Soysal, 2012: 2). Therefore, social rights operate as 'institutional stabilizers' (Ferrera, 2005: 14). At the European level, Marshall's modicum involves the right to social welfare for those who leave the secure national membership space and migrate to another member state benefiting from the host country's non-contributory basic provisions or the accumulation or transfer of previously acquired social-security entitlements. This is how EU social citizenship is embedded.

European integration, and the dawn of EU social citizenship with the Maastricht treaty in 1992 in particular, brought an unprecedented interconnectedness among citizens in Europe. Such political and social interdependence, and the resulting mutual responsibilities, long past exceeded the UK's idea of a joint European venture. The basic tension between interdependence and independence, fundamental to the integration process (de Witte, 2018: 478), has become explosive during times of crisis. Brexit has revealed the existing deficiencies and stratification inherent in European integration.

The Brexit vote did not only call into question the position of British citizens living in the EU but also the situation of EU citizens residing in the UK. According to the UK Office for National Statistics (ONS, 2018), around 785,000 British citizens live in the EU27 while 3.6 million European citizens live in the UK. Since the Brexit vote, these citizens have faced an uncertain future not only with respect to their residency status but also their social status, given the sudden unpredictability of future entitlements. To regain stability, both groups have sought lawful status in their country of residence or pursued alternative strategies, such as exit. Yet, depending on their social status, the persons concerned have been having very different experiences.

For some EU migrants living in the UK—such as low-skilled migrants from eastern Europe or women working in the care sector—Brexit has entailed much more dramatic consequences than for others (Antonucci and Varriale, 2020). Migrants in precarious labour-market positions or without work find it extremely difficult to prove their residency status when trying to settle their situation. Brexit has thus created a situation in which formerly mobile EU citizens are divided into 'deserving' and 'undeserving' Europeans.

Moreover, for British citizens living in another member state, Brexit abruptly jeopardised the taken-for-granted claims tied to FoM and EU citizenship and, as with their counterparts in the UK, they face unequal opportunities to secure their future position. The Brexit process has exposed intra-European divisions and 'hierarchies of belonging' and these are being reproduced or even rein-

forced as national law and administrative procedures replace what was once governed by EU regulations, as Benson (2019: 13) has shown in her study of British citizens resident in France.

The imbalances of EU social citizenship

The uneven exposure to Brexit-related imponderables for those directly affected by the UK's exit strategy also uncovers general flaws and built-in inequalities of EU social citizenship. Crises such as Brexit, but also the financial crisis and the most recent Covid-19 crisis, shed light on the unequally distributed burdens and responsibilities member states face. For example, while some are affected by excessive emigration of medical and care staff, others are confronted with high numbers of immigrants often perceived as a threat to social systems. So far, there is no compensation mechanism to counterbalance these asymmetries. Existing EU social policies, such as the redistributive regional policies, the 'open method of co-ordination' or more recently the European Pillar of Social Rights, are very limited in impact (Börner, 2020). This leaves us with the European social rights established via social-security co-ordination.

The importance of this supranational social-citizenship regime cannot be overestimated. However, during Brexit the member states' strategic selectivity became especially obvious, which indicates that the governance of EU social rights has failed. This failure results from two mechanisms which also apply when the EU is in normal operation.

First of all, despite the fact that FoM is a 'fundamental right' (judgment of the Court of Justice of the EU, September 20th 2001, C-184/99) tied to the status of EU citizenship, FoM and the social rights it entails remain conditional. This conditionality is ingrained in the citizenship directive (2004/38/EC) and restricts the (freedom of) 'mobility of the poor' (Lafleur and Mescoli, 2018: 481), who are denied access to the rights and entitlements granted to the more *deserving* mobile EU citizens—the economically active or those in training. After an initial period in which the Court of Justice emphasised the universality and importance of European citizenship rights, a recent shift towards a more restrictive legal interpretation, which emphasises the economic status of the respective migrants, has even reinforced this conditionality (see the 2014 cases of *Alimanovic* and *Dano*).

The second mechanism which intensifies the inequalities inherent in European integration is related to the question of governance. Even though the EU is a supranational *co-ordination* regime, access to particular social rights is still contingent upon the responsible national (or local) authority. This leaves many EU migrants at the mercy of discrimination by public authorities and national legislators. Studies on free movement and social rights show that it is not only the unemployed who are unable to prove their residency rights to gain access to non-contributory social benefits but indeed migrants with part-time or zero-hour contracts and those employed in female-dominated sectors (Shutes and Walker, 2018).

Although even before the financial crisis the citizenship directive made sure that FoM within the EU was conditional upon one's economic position, subsequently member states came increasingly to use welfare policies to limit the free movement of EU migrants and annul their residence permits. For example in Belgium, between 2010 and 2014, more than 8,000 EU citizens, from member states such as Romania, France, the Netherlands, Italy and Spain, received from their municipalities an *ordre de quitter le territoire*. These letters go back to a new measure which classifies EU migrants as undeserving Europeans because they have been receiving non-contributory benefits for too long or are deemed to have 'no reasonable chance of finding employment' (Lafleur and Mescoli, 2018: 486).

So instead of protecting the most vulnerable, both member states and the Court of Justice have taken actions which have weakened the position of poor, unemployed or under-employed EU migrants, thus forcing them into illegality and precarity and restricting their FoM. The co-ordination regime is governed, and controversial articles of EU directions and regulations formulated, in ways that force citizens into national systems of classification, thus creating hierarchies of deservingness. For example, such vague concepts as 'habitual residence', the status of 'employment' or 'unreasonable burden' tend to be turned into instruments of exclusion when implemented at the member-state level.

Resolving the inherent contradictions

The EU has some way to go to achieve a universal social-citizenship regime which grants all mobile EU citizens a modicum of social security. This has prompted some observers to speak of *market* instead of social citizenship. Brexit demonstrates the inherent contradictions between universal freedoms and the particularity of residence-based social rights, which result from the division of labour between supranational liberties on the one hand and national social provisions on the other. This leaves deprived migrants facing new boundaries of welfare which do not exist for better-off EU citizens. The imbalances and asymmetries addressed have high potential to imperil solidarity, which is why they should no longer be ignored.

Only an unconditional and truly universal social-citizenship regime can remedy the inequities and disparities accruing from European integration, which have become even more visible through the lens of Brexit. Such a citizenship status needs to be linked to an EU-wide compensation mechanism for member states suffering from severe imbalances—both crises-driven and stemming from FoM—to protect member states from excessive demands and prevent future strain. This might comprise oft-discussed measures, such as European unemployment and minimum-income schemes, as well as remuneration mechanisms for member states which face excessive costs.

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Solidarity for Whom? Selective Social Rights in a Post-Brexit Welfare Settlement

By Daniel Edmiston

We are, once again, at an important juncture in the European project and the mainstreaming of social priorities through European integration. Often described as 'the last chance for social Europe', the 2017 European Pillar of Social Rights presents an opportunity to transform the reach and impact of European Union social policy. It remains to be seen, however, whether its broad (and at times vague) ambitions will amount to substantive progress in the fulfillment of social rights or the more usual co-option of EU social priorities by macroeconomic agendas.

Indeed, many have expressed concern that the pillar is suffering the same fate as prior activities and funding instruments, with instrumentalisation and poor implementation compromising its potential to protect and extend the social rights of European citizens. Moreover, inherent ambiguities emerge from the pillar's focus and framing: the capacity for the *principles* laid out to be claimed as *rights* remains an aspiration with little consistent specification as to *who* would be responsible for their enforcement or realisation. As ever, a tension is in play between national and EU citizenship and their respective jurisdictional claims. Meanwhile, Covid-19, welfare-state disinvestment and the rise of far-right, nationalistic politics are all undermining social rights across Europe.

Within the United Kingdom, Brexit is routinely presented as a further threat to antecedent conditions safeguarding rights to social citizenship. For example, some underline the regulatory, normative and substantive benefits of the 'European social model', which the UK stands to miss out on without a progressive, post-Brexit agenda. Others argue that Brexit increases the likelihood of a 'race to the bottom' *vis-à-vis* workplace protections, revenue generation and workers' rights.

Some have speculated, more optimistically, that Brexit *could* engender popular support for *national* policies that reinvigorate the redistributive power of the welfare state and its capacity to respond to longer-term, global challenges. Overwhelmingly though, in a post-Brexit welfare settlement there are more reasons to be doubtful than hopeful about the resourcing and justiciability of social rights.

National solidarity and 'flexible citizenship'

After a decade of highly regressive cuts to public services in the UK, social and political movements are seeking to reconfigure welfare politics in a manner which responds to but also counters the underlying causes of Brexit. Emerging from this is a renewed sense of political urgency to safeguard and extend the social rights of legal citizens (as opposed to resident subjects). Indeed, the stated desire of the prime minister, Boris Johnson, to 'unite and level up' is a clear attempt to tap into this sentiment and 'bring people together'. Here, national solidarities are being stirred up to enliven the status and practice of social citizenship.

From above, this trend has been characterised as a rejection of global financialised capitalism in favour of nationalist populism, with borders protecting sovereignty and social or self-interest. From below, it has been explained as a protest against technocratic 'elites' who have ignored the interests of 'left-behind' communities, battered by poverty, precarity and austerity. Both accounts—which have proven alluring to commentators and analysts—tend to sidestep the racial antagonism and xenophobic politics which nurtured this Brexit moment. Failure to recognise this risks characterising social citizenship (and the national solidarities that underpin it) as a somewhat benign feature of democratic welfare capitalism, underplaying its highly disciplinary and selective tendencies.

In reality, the terms and functions of national citizenship are actively engaged in the making of exclusionary relations on a global stage, that border the status and rights it affords. This underlines the need to consider whose interests national solidarities serve and which 'people' a post-Brexit welfare settlement hopes to 'bring together'. Answers to these questions have significant implications for the scope and nature of social rights envisaged and who comes to be recognised as entitled and deserving.

Within Europe, legal and regulatory mechanisms centred on social and economic integration have led to increasingly transnational forms of entitlement and belonging. As a result, European citizens and denizens are routinely granted particular civil, political and social rights, across multiple sites and scales. Crucially, the benefits of this are not evenly applied or apparent. Aiwa Ong (2006) argues it is helpful to think of this process as formations of 'flexible citizenship', where the parameters and conditions of membership shift in ways that privilege some relative to others. Looking across European welfare regimes, we can see that nation states are granting exceptional status or rights to entrepreneurial global elites, chequered entitlements and conditional access to markets for low-paid migrant workers and protection from the financial duties of residence for denizen 'wealth creators'.

This splintering of citizenship, in terms of the security and opportunities it affords, presents challenges for galvanising national solidarities in the defence of social rights, as their integrative potential remains obscure or illusory for many. Fuzzy perceptions of relative privilege have been used to explain the rise

of Brexit politics, where right-wing populism is acting as a kind of remedial glue holding together a fractured welfare settlement, with citizens mobilised to protect their subjective position and worldview over 'others'. Significantly, attempts to 'take back control' and 'level up' have principally been framed in terms of 'White working class', male grievance, which only amplifies the exclusionary features of citizenship, questioning entitlements for some and denying belonging to others.

In reality, grievances arising from 'flexible citizenship' are heavily raced and gendered in ways that profoundly complicate the possibility for national solidarity, at least in its current, 'imperial' form (Benson, 2019). The uneven entitlements and application of civic duties which characterise 'flexible citizenship' make social rights—as an aspiration and reality—a contested arena in which it is hard to identify, let alone mobilise around, inclusive categories of collective association rooted in a genuine equality of status between political agents.

Categories of welfare

In this latest period of political disturbance and socio-economic uncertainty, many have called for 'greater social solidarity' to safeguard the social rights of citizenship. If the current content of social citizenship is experienced or perceived as privileging some at the expense of 'others', however, how is it possible to mobilise around solidarities that defend or advance the terms of such entitlements? This may be possible, but in ways that risk consolidating the inequalities that have emerged out of and sustained the last ten years of austerity. In thinking through the possibilities for national solidarity and its relationship to welfare revisioning, the conditions under which forms of social solidarity operate then become particularly important to understand.

At its most basic level, social solidarity requires a sense of collective identity and purpose, resting on categorisations of the self and our relationship to others. These categories have the capacity to form, dissolve and galvanise collectivities of association—particularly when it comes to the defence or advancement of social rights. How we talk and think about welfare and social rights will determine the nature of solidarities possible and the ends towards which they are put. With that in mind, it's helpful to reflect on the category of 'welfare' and the modes of collective identity and purpose it tends to invoke. Doing so gives a sense of the direction of travel for social rights in post-Brexit Britain.

After ten years of fiscal consolidation, some have suggested that the UK public have 'had enough' of austerity: insurgent forms of political disaffection have surfaced to defend the resourcing and delivery of public services. Ostensibly, this could be seen as an ascendant form of collective association, even solidarity, around the protection of social rights and the resources they demand of us all. Perhaps the most recent expression of this has been the 'clap for our carers' campaign in response to the pandemic. Alongside this, there has been a powerful shift in recasting key workers and those at the frontline of public services as 'heroes' within the wider civic imaginary.

Unfortunately though, the potential this presents for social rights rest on an overly optimistic reading of recent shifts in public opinion and the forms of collective identity and purpose underlying them. While there has been an apparent 'softening' of public attitudes towards welfare and reduced support for cuts to government spending, we should nonetheless be cautious about characterising this as a thermostatic 'backlash' against austerity or, indeed, a renewed zeal for social rights.

Criticism of the adequacy of public spending has principally arisen from a concern for the integrity of 'universal' services, such as education and healthcare, rather than the (re-) distributive or integrative functions of social security. Looking at the British Social Attitudes survey, support for increased public spending remains partial and tempered. When asked about the government's top spending priorities, the majority believe health should come first, then education and housing. Despite the drastic cuts made to it, a very small proportion of respondents support increased spending on social security (Hudson *et al*, 2020).

Where a softening of public attitudes is observable and directed towards low-income groups, this appears to be more conditional than encompassing. Scepticism towards those claiming benefits has fallen: the proportion of the public believing that most people 'on the dole are fiddling' has fallen from 35 per cent to 22 per cent (a 30-year low) since 2010 (Baumberg Geiger *et al*, 2017). Yet the public remains relatively indifferent to increased spending on benefits for those in poverty, with an even split between those who believe benefits for unemployed people are 'too low and cause hardship' or 'too high and discourage them from finding jobs' (Hudson *et al*, 2020). Underlying this contradiction or selective weariness with austerity is a fading but stubborn distinction between 'deserving' and 'undeserving' citizens, which has fuelled the austerity agenda since the Conservative accession to power in 2010.

Within this context, the subjugation or denial of low-income citizens as legitimate claimants of justice and social rights is entirely reconcilable with growing support for and concern about the integrity of universal services. Even if the tide is turning on public hostility towards welfare spending, such shifts are nonetheless qualified, distinguishing between worthy and unworthy claimants of social rights. This is unlikely to help those most vulnerable to poverty and socio-economic restructuring in the wake of Brexit.

There is some suggestion that the national solidarities emerging through Covid-19 present a window of opportunity for reimagining welfare politics: there has been increased support for public services and a softening of attitudes towards unemployed benefit recipients in recent months. While this is true, it is however likely that political leaders will fall back on the same familiar classificatory distinctions to justify a recuperation of monies expended in dealing with the pandemic.

In light of this, the category of 'welfare' has and will continue to be deployed in ways that corrupt progressive possibilities for collective identity and purpose

to advance social rights *for all*. It continues to be misrecognised as the reserve of those reliant on low-income social security. Here, a false distinction is made between ostensibly universal public services on the one hand and social-security entitlements on the other.

Within discourses surrounding 'welfare', the latter is assumed a contingent provision, the former an inalienable right of worthy citizens. Even if national solidarities manage to speak to class-based inequalities during and beyond Brexit, these will be increasingly grounded in a xenophobic politics which denies rights to low-paid migrant workers, European residents and those deemed to lack the social markers of (White) Britishness.

Reflecting on this within the current Brexit moment, it is clear that there are pockets of inclusive and emancipatory politics that offer reasons to be hopeful. However, these lack the means of collective identification that might sustain a meaningful progression or expansion of welfare for all. More extensive forms of solidarity that appear centred on advancing social rights actually emerge from and consolidate social divisions, that continue to destabilise an equality of entitlement and status between political agents. Any attempt to galvanise solidarities that contribute towards welfare revisioning and a defence of social rights has to engage with this reality. Without doing so, attempts to foster seemingly progressive solidarities are likely to reinforce inequalities and further foreclose possibilities for *inclusive* belonging and recognition.

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The Rising Invisible Majority in Need of New Social Rights

By Emanuele Ferragina and Alessandro Arrigoni

Only 15 years ago it would have been difficult to envisage the current European political landscape: the decline of mainstream political parties, the rise of new challengers on the right and left, the crisis of European Union institutions in the wake of austerity policies and centrifugal tendencies such as Brexit. The consequences of the 2008 financial crisis have strongly affected the continent and are often invoked to explain the challenges traversing Europe at the political and social levels. Despite the relevance of this crisis, however, one has also to examine the long-term challenges posed by the transformation of European societies.

To do so, we have developed the notion of the 'rising invisible majority' to explore the interconnections between the political economy and the changing composition of society. This concept charts a similar if differently paced transformation across Europe throughout the neoliberal phase of capitalism. We suggest that this transformation can affect the political and social context (for a more detailed analysis, see Ferragina *et al*, 2020).

Deregulation and retrenchment

The neoliberal agenda became influential from the early 1970s and affected the European integration process. The demise of the Bretton Woods agreement prompted the creation of the European Monetary System, which became a monetary straitjacket for the continent and conditioned institutional dynamics across countries. Labour-market deregulation and welfare-state retrenchment redefined the connections between the political economy, the composition of society and citizens' social rights. Wages and welfare-state benefits constitute on average three-quarters of household income in Europe and their prominence illustrates how labour-market and welfare-state transformations are likely to affect the material and social basis of society.

The material basis of what we define as 'invisibility' manifests itself in a structural increase of unemployment, labour market precarisation and poverty. Such 'invisibility' makes growing segments of the population less likely to participate in the institutions that regulate social life and defend/expand their social rights, while mainstream parties and trade unions do not represent them adequately in the public arena. We suggest this trend goes well beyond the conjunctural effect of the 2008 crisis and will concern a majority of the population, unless the neoliberal mechanisms of regulation are slowed or reversed.

The transformation of the social composition which we capture with the 'rising invisible majority' concept is a complex phenomenon which needs to be evaluated in the long-run and therefore any measurement at one point is by definition incomplete. We consider invisibles those who are unemployed, in atypical contracts, at risk of poverty and inactive, and we limit the analysis to the working-age population (16-65). In Europe we witness an overall rise in the share of invisibles, with the cross-country average going from 35 per cent in 2002 to 49 per cent in 2016 (Table 1).

Table 1: the rise of the invisible majority in Europe

Source: European Social Survey (2002, 2004, 2012, 2016 iterations)

Cross-country variation in the share of invisibles and its increase however invites caution. Austria (35 per cent), Denmark (35.4 per cent) and Sweden (32.6 per cent) display the smallest share. Austria has witnessed also the lowest increase since 2002 in the country sample (2.8 percentage points), while the rise in Denmark (7.7) and especially in Sweden (10.6) is more pronounced. Excluding these countries, the share of invisibles is always above 40 per cent of the working-age population. Even countries which have led the pack in terms of economic growth in recent decades, such as Germany (43.2 per cent) and Finland (44.9 per cent), have observed a considerable increase in the share of invisibles in 2016 (7.1 and 15.7 percentage points respectively).

With still higher shares stand Belgium (46.3 per cent, an increase of 11.8), Italy (46.7 per cent, +8.4), the UK (46.9 per cent, +11.8) and the Netherlands (49.6 per cent, +7.9). Finally, France (51.1 per cent, +20.5), Ireland (69.2 per cent, +31), Greece (67.6 per cent, +21.8), Portugal (59.2 per cent, +21.5) and Spain (59.5 per cent, +10.6) have crossed the 50 per cent threshold.

Although suggesting a common trend, these aggregate data hide the fact that in certain countries (such as the Mediterranean countries and Ireland), material hardship is more intense than in others (France and the Netherlands, for example), as the share of people experiencing simultaneously poverty and precarious labour-market conditions varies considerably. Being a temporary worker, having a part-time contract and being unemployed and/or poor can also entail different degrees of hardship across countries. This relates to income levels but also to social rights and welfare entitlements, which, despite overall welfare-state retrenchment, vary greatly.

Lower confidence

The invisibles are less likely to vote or be members of trade unions. They have less confidence than the rest of the population in the political system's ability to enable participation in political life and grant social rights, and they are less inclined to express their opinion on government decisions. This lower confidence is displayed also when they reflect on their individual capacity to participate in the political process and their ability to take an active role in a political group.

Overall the invisibles are less trusting than the rest of the population, but trust differences are smaller when it comes to party politics and the political system and several countries do not display any differences at all. This pattern is striking in France (also partially in Germany and the UK) where there is almost no difference between the invisibles and the rest of the population, and where absolute levels of trust are the lowest in Europe—perhaps a large majority of the population feels highly threatened by change in the political economy, beyond their own objective material conditions.

Political volatility

The pattern of social and political participation of the invisibles can be further explored by looking at recent electoral dynamics. Rising political volatility across Europe is leading to a decline of mainstream parties and the rise of political challengers.

Taking Italy as an example, the centre-left and centre-right mainstream parties are much in retreat. The Democratic Party (PD) and the People of Freedom (PdL/FI), which together polled 70.6 per cent of the vote in 2008, secured only 32.8 per cent in 2018 (a loss of 15 million votes over ten years). By then, the PD could be considered a party for 'insiders', receiving only 14 per cent of precarious workers' preferences and 8 per cent of those of the unemployed (the PD obtained 18.7 per cent of preferences across the entire population).

We can observe similar trends across Europe, where there is a connection between non-standard employment and a vote against mainstream parties. In Spain the People's Party (PP) and the Socialist Party (PSOE) gathered between them 84 per cent of the votes in 2008 but only 49 per cent in 2018. In France the vote hoarded by the centre-right, centre and centre-left parties—the Union for a Popular Movement (UMP), the Republicans (LR), France Arise (DLF), the Union for French Democracy (UDF), the Democratic Movement (MoDem), Forward (EM) and the Socialist Party (PS)—declined from 75 per cent in 2007 to 55 per cent in 2017. In Germany the vote secured by the CDU-CSU conservative union, the Socialist Party of Germany (SPD) and the Free Democratic Party (FDP) went down from 79 per cent combined in 2005 to 64 per cent in 2017.

The rise of new political challengers has mirrored the decline of the mainstream parties. In the 2013 Italian elections, the Five Stars Movement (5SM) received 25.5 per cent of the vote ; it ranked as the first party of choice among the unemployed (34.8 per cent) and atypical workers (52.6 per cent). In the 2018

electoral campaign, concerns for the labour market and attitudes toward migration played prominent roles and this favoured the 5SM (which proposed a universal income support) and the emergent (Northern) League (which sublimated its anti-southern Italian rhetoric into an anti-immigration policy). The 5SM obtained 32.7 per cent of the popular vote and performed well in areas with high unemployment and also in the south, where it attained 43.4 per cent of the vote. The League witnessed a dramatic increase in its vote share, from 4.1 per cent in 2013 to 17.4 per cent, with a strong performance in areas with higher immigration ; the party accrued electoral support also among the economically vulnerable. Together, the 5SM and the League obtained 58 per cent of atypical workers votes and 66 per cent of those of the unemployed. This dwarfed the mainstream parties' share (PD and FI), comprising 25 per cent of the atypical vote tally and 18 per cent of that of the unemployed.

Elsewhere in Europe, challenger parties including the radical left, the far right, populists and other non-mainstream parties have increased their electoral support, with anti-euro, anti-austerity and/or anti-immigration policies. In Spain, Unidas Podemos and Vox have entered the political arena, gathering 28 per cent of the votes in 2018 (13 and 15 per cent respectively). In France, the *Insoumises* and the *Rassemblement National* reached in 2017 almost 40 per cent of the vote at the first round of the presidential election (19.6 and 21.3 per cent respectively) and in Germany in 2017 the Alternative for Germany (AfD) entered the parliament with 12.6 per cent. In the UK, we have witnessed polarisation *within* the main parties—a partial exception in comparison with other major European countries, connected to the nature of the political system through the rise (and decline) of 'Corbynism' within Labour and the growth of Euroscepticism among the Conservatives, which progressively led to Brexit.

Mainstream parties' dilemma

Increasingly, the 'invisibles' seems to vote much less for mainstream parties than the rest of the population. Therefore, a continuous increase in their share of the total could further delegitimise traditional political forces. The leaders of mainstream parties thus face a dilemma, which had for some time been partially offset by financialisation and the acquisition of debt to sustain consumption. How political parties across Europe conceive the future of social rights, and more broadly social protection, will determine how they address this dilemma.

Governing parties can continue to expand the arena of market mechanisms, yet this would further commodify and impoverish the rising invisible majority, whose distrust in the system is then heightened. Financialisation promised to integrate future income through private pensions funds and offered easy access to assets in the property market—a 'privatised Keynesianism', as Colin Crouch (2009) put it. The 2008 crisis however showed the negative consequences of such a strategy, including for the weakest segments of the population. The 'quantitative easing' put in place by the European Central Bank seems to follow

the same logic, as it further contributes to increased house prices and has the potential to add to inflation without contributing to real wages. Credit expansion cannot replace collective welfare provision nor compensate for stagnant household income stemming from labour-market precarisation.

If mainstream parties sought to take into account the economic malaise of the rising invisible majority, they might enact protective measures, partially or radically, to constrain self-adjusting market mechanisms. By doing so, however, they could jeopardise the position of their country, in an international political economy context characterised by neoliberal rules, and upset the international actors who advanced the neoliberal turn. Moreover, we can only speculate about the potential effects of the recession following the Covid-19 crisis.

While this dilemma has constrained mainstream parties, some political forces and social movements have taken advantage of the electoral feedback cast by the invisibles. However, these political challengers face the difficult task of appealing to a broader section of the population, elaborating long-term political projects and addressing the shortcomings of neoliberal governance.

The rising invisible majority is not a passive by-product of the shift to neoliberalism; nor is it a revolutionary social force ready to turn the political economy upside-down. This is rather a holistic concept which helps us to chart a common transformation across Europe, throughout the neoliberal phase of capitalism, and to examine the challenges it poses to the political system, as well as to the future of social rights and social protection.

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Never Waste a Good Crisis: Solidarity Conflicts in the EU

By Stefan Wallaschek and Monika Eigmüller

'Make Solidarity Great Again'—this was the campaign slogan of the Danish non-governmental organisation *Mellemfolkeligt Samvirke* as well as the electoral message of the German leftist youth organisation *Linksjugend Sachsen* in 2017. It could also have been the *Leitmotif* of the European Union, which stresses solidarity in numerous contexts. Not only are solidarity issues fundamentally inscribed in European treaties and represented in numerous policy areas—energy, foreign affairs, migration and asylum policy—but the need for internal EU solidarity is explicitly affirmed in the 'solidarity clause' (article 222) of the Treaty on the Functioning of the European Union (TFEU), which upholds mutual solidarity among member states in the face of natural catastrophe or terrorist attack, and in the dedicated 'solidarity' section of the Charter of Fundamental Rights of the European Union.

In fact, it now seems we have a new common narrative on 'European solidarity', which has replaced the earlier narrative of a European identity. Understood as a combination of structural characteristics and action on issues involving mutual help and reciprocal relations among actors, solidarity is key to the creation and maintenance of sustainable, reliable communities. It creates trust and belonging within a group, and helps the group to deal with uncertainty and perceived threats (Lahusen, 2020). As such, *European* solidarity encompasses mutual help and reciprocity among Europeans on issues such as social security, labour relations and health.

While national society was long considered the most abstract form of solidarity, in recent decades the search for transnational forms has increased (Gerhards *et al*, 2020). The EU may well be the most ambitious and comprehensive attempt ever to make solidarity of supranational relevance, to create a postnational community among member states and citizens. The right to move beyond one's national territory, to work, travel and live in other member states without bureaucratic visa procedures and even to vote in other countries' local elections—all these rights (and corresponding obligations) form the basis upon which the European citizenry can create a sense of community to enhance further its members' solidarity. Conversely, the erosion of these rights can prompt ordinary people and political actors to question the validity of the entire integrative project, severely destabilising its legitimacy, *vis-à-vis* both its 'inputs' and its 'outputs' (Eigmüller, 2017).

This past decade, solidarity issues have been at the heart of each of the EU's major crises: the eurozone crisis, Europe's refugee influx, the Brexit disaster and, most recently, the Covid-19 pandemic. In each case, the essential question was: who will act in solidarity, with whom, to provide what help? Looking at each crisis from a solidarity perspective will help identify the crucial conflicts at the forefront of each. The absence of demonstrable solidarity, moreover, has implications for the current state of affairs and for the future of the European integration project.

The eurozone crisis—or how not to show solidarity

The eurozone crisis started in December 2009, when Greece stated that its figures for public debt were incorrect, sparking suspicion that its state finances were not reliable and speculation by financial actors that it would default. Over the ensuing months, the eurozone failed to react in a community-oriented way. Instead of staying together and offering help to the weakest members of the group (first Greece, then Ireland and Portugal), EU institutions and export-oriented European countries, such as Germany and the Netherlands, started a 'blame game' which judged southern Europeans pejoratively.

The austerity policies pursued—debt reduction through budget cuts, 'liberalisation' and deregulation—did not seek recourse to a united front of eurozone members (Blyth, 2014). While risk-sharing and mutual liability are the cornerstone of the common currency and monetary policies, and indeed partially worked to solve the crisis (Schelkle, 2017), the EU's coping mechanism in this instance was not rooted in the solidarity of member states.

Solidarity in the refugee crisis: publicly present, institutionally absent

Next to come was the refugee crisis. The obligation to act with solidarity features prominently in the migration and asylum section of the Lisbon treaty. Prequels to the events of 2015 were the rising numbers of those seeking asylum in the EU after the 'Arab spring' of 2011 and of shipwrecks off the Italian and Maltese coasts. But the Dublin regulations (II and III) could not sustain the burden of such a massive increase of asylum claims in a short period, since they placed the locus of decision-making power at the EU external borders in the east and south. The EU was unable to agree an EU-wide relocation scheme (a burden-sharing mechanism), while border control and surveillance were tightened.

The involvement of many political actors, commentators and civil-society groups made '*Wir schaffen das*' ('We can do this') from the German chancellor, Angela Merkel, and the hashtag #refugeeswelcome the main slogans of 2015. On the flip side of the *Wilkommenskultur* in many European countries, observers witnessed an emerging politics of demarcation, of 'security', as well a rise in xenophobia from such right-wing actors as the Hungarian prime minister, Viktor

Orbán, the *Lega* leader in Italy, Matteo Salvini, and the Austrian Freedom Party (FPÖ) (Wallaschek, 2020).

In short, the EU and its member states failed to resolve the crisis in a solidaristic manner, by reforming the Dublin regulations, and failed to institutionalise a new mechanism which would prevent its repetition. While solidarity was publicly present in the debates, the EU failed to institutionalise it in a strong and coherent way.

Brexit: 'national sovereignty', not European solidarity

The 2016 referendum on the UK's EU membership was a landmark in the European integration project (Hobolt, 2016). Leaving aside all the incorrect and misleading information from the Brexiters, the false promises and hopes raised, the outcome of the referendum served to emphasise the priority of national sovereignty over supranational governance and community-based decision-making among member states. The key slogan 'take back control' depicted the EU and its complex, multi-level institutional system as a 'super-state' which overregulated politics to the detriment of the British people.

The UK's decision to leave can however also be seen as opting for a national(istic) version of solidarity, detecting an erosion of the social bond and a transformation of the economy, as well as a reaction to multiple crises in housing, health and the labour market. Right-wing and Eurosceptic actors exploited this social uncertainty and economic deprivation, spread misinformation and built on a strong 'we'-feeling, based on Britishness and racism to create an 'ingroup' that felt threatened by the EU.

Covid-19: from national to European solidarity and back

For most countries worldwide, the Covid-19 pandemic represents an unprecedented health crisis—yet one that the EU, with its collective and solidarity-based model of governance, should have been uniquely qualified to resolve. Its 27 member states already had the needed capacities, economic power and political stability to help each other. By joining forces, they could have found ways to resolve the crisis, which had hit each of them hard. In the special case of Covid-19, solidarity-based action would also have been uniquely justifiable under article 222 of the TFEU: 'The Union and its Member States shall act jointly in a spirit of solidarity if a Member State is the object of a terrorist attack or the victim of a natural or man-made disaster'.

Nevertheless, the EU ignored this legal underpinning and failed to tap its unique potential to deploy collective resources and pursue solidarity-based action. Instead, the union addressed the crisis primarily as a domestic issue, leading to conflicts among member states over the distribution of medical goods. After a few months, the EU's relevance increased as a hub through which member states could co-ordinate efforts and pool resources to develop a vaccine. Underlying this emergent dynamic was the implicit understanding that, in a densely

networked world, supranational co-ordination and knowledge-sharing were needed to control Covid-19 and manage its social consequences.

Despite this, the EU's establishment in the summer of 2020 of a fund to support strongly affected countries, such as Italy or Spain, led to further tensions and conflicts over how to support crisis-hit countries (and how this should be financed). The question of who should act in solidarity with whom, and under which circumstances, was once more to the fore.

Without solidarity, everything is nothing

The etymology of 'crisis' connotes not only a state of uncertainty but also a decisive moment. A crisis is a liminal phase—a transitional moment before a change, when things can get better or worse. Does the EU have the capacity to cope with these various multi-layered decisive moments? So far, the union has not shown itself capable of solving any of the crises. As soon as a fire was put out in one area another would pop up elsewhere, which further questioned the legitimacy and future of the integration project. Any ideas about restructuring and reforming the EU were not only put on hold due to the crises but were also hindered by electoral cycles in influential member states and in the European Parliament, due to changing party constellations (especially in connection with the rise of right-wing populist parties) in many countries. Thus reforms were always on the horizon, but never a viable option.

Yet it we take seriously the intensification of societal cleavages and conflicts within the EU, the fundamental architecture of the union must not only shift towards solidarity—it must acknowledge that, without solidarity, everything is nothing. And this is possible: we observe signs of solidarity in each crisis but this potential for solidary action is largely untapped. It should be openly addressed in public debates (input legitimacy) and implemented in ways that enable European citizens to experience the social bond solidarity measures can engender (output legitimacy).

First, economic policies should stress the social-rights dimension. The EU is not just a common market in which capital can move freely; it is also a common social space which is shaped by interactions among people whose rights and obligations should be supported. This dimension should be stressed in legislation and publicly supported by political actors, including the European Commission and the European Parliament.

Secondly, as long as the EU wants to maintain the principle of open borders among member states, it needs to reform the Dublin regulations by, among other measures, creating a refugee quota system and a relocation scheme. The Charter of Fundamental Rights of the EU includes basic human rights, such as the right to asylum and safe shelter. A real, solidarity-based, European-wide asylum system must be established.

Thirdly, Brexit has highlighted the vulnerability of the European idea. Arguably, its most important lesson is that, to achieve a stable, pro-union majority in European societies, the core promise to harmonise living conditions across Eu-

rope (or at least come close to it) must be kept. This requires intergovernmental solidarity and a certain level of redistribution within and among member states.

Fourthly, and finally, with Covid-19 the EU and its member states have a rare opportunity to make the union a real winner by setting up an EU-wide health fund. For this, the funds raised by the proposed digital tax or a tax on financial transactions could be used to underpin a union-wide health policy. This could support local public-health infrastructures, regions hit hardest by the pandemic and research.

Such a step would have significant potential to shift public perceptions in favour of the EU. It would enable ordinary citizens to experience the union not as a force that intervenes in or regulates their social lives but rather as a positive force that supports them and makes their lives easier in this devastating situation. In her 'State of the Union' address in September, the president of the European Commission, Ursula von der Leyen, presented initial plans for an EU based on the principles of solidarity—showing that the commission now recognised the need for that to be enhanced. The Covid-19 crisis has once again demonstrated the need for solidarity, since the economic interdependencies among EU member states are simply too great to accept egoistic state action.

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Uncertain Futures of Post-Brexit Pensions: Three Paradoxical Implications

By Bernhard Ebbinghaus

In facing the pandemic, the state of healthcare has been foremost in the minds of the British public—in particular, many older people. The lockdown across the United Kingdom which began in March 2020 seemed to have pushed Brexit into the background, as if Brexit had 'got done' by the UK's formal exit from the European Union on January 31st. Just months ahead of the transition, to be completed on December 31st, the outcome of post-Brexit negotiations between the government and the EU however remained far from clear.

Yet one topic hardly mentioned during the last three years of Brexit negotiations is indeed among the most consequential—pensions. This is paradoxical because older British voters, who were more in favour of Brexit than other age groups, are likely to suffer most, as Brexit drives British social policy towards market liberalism and reshapes financialisation in the UK and indirectly across Europe, with considerable implications for pensions and inequality in old age.

Paradox I: pro-Brexit elderly and post-Brexit pensions

Older people, particularly in England and Wales, have been among the most ardent supporters of Brexit for many reasons. The future of their pensions, however, seems to have been neither a motivation nor a warning. According to the polling agency YouGov, the 2016 referendum showed that two-thirds (64 per cent) of voters aged 65 and older (and still 60 per cent aged 50-64) had voted for Leave, in contrast to a majority of voters below age 50 in favour of Remain (54 per cent, even 71 per cent aged 18-24). This striking age gradient betokens polarisation in value judgements about the UK's future—an imagined independent Great Britain of past glory versus an open European worldview in favour of free movement and transnational co-operation.

Older people are particularly fond of healthcare, while income protection follows closely in importance across Europe's senior citizens. The UK's national health system (NHS) has been hugely popular among older people and did play a salient role in the Brexit debates. The infamous Vote Leave bus slogan incorrectly promised a large Brexit premium, 'We send the EU £350 million a week, let's fund our NHS instead'. Since the referendum it has become clear, not least during the coronavirus pandemic, that the NHS is understaffed and that many European healthcare personnel, essential for the NHS to maintain its level of

care, are leaving or no longer willing to come to the UK. In contrast, the rise in retirement age, equalising the age for men and women, was blamed on EU law, while the domestic debate was largely about increasing funded pensions by nudging British workers not to exit their workplace pension, instead of imposing a mandate as in many other European countries.

Surprisingly, neither before nor after the referendum were there any serious discussions of the potential consequences for UK pensions. Even among the expatriate communities of retired Britons in southern-European countries, such as Spain and France, concerns about healthcare provision and pension receipt after the UK's exit from the EU were not taken at all seriously. In fact, many 'expats' are said to have voted Leave while ignoring the reality that their residency rights abroad, EU-wide healthcare access and retirement income would likely be in danger. In the case of a 'hard' Brexit, these social rights would be jeopardised. Although the Withdrawal Agreement safeguarded the rights of current pensioners, only favourable negotiations with the EU would secure similar rights for older people moving to Europe from 2021.

While the draft treaty on the future relationship with the EU published by the European Commission in March sought to maintain broad co-ordination of social security for pensioners, researchers, trainees and students, this would not include anyone in work and would also be subject to the Court of Justice of the EU. The UK's proposal, published a day later, covered old-age pensions but not other social benefits, leaving pensions the only common denominator between the negotiating parties. In the absence of a deal, the UK government would need to update bilateral agreements with individual EU member states to improve pensions as well as any other social benefits. While the Withdrawal Agreement would safeguard the benefits of current pensioners, the rights of future pensioners moving from the UK to the EU would depend on a negotiated agreement. This would also be true of healthcare arrangements for future pensioners abroad. Although a 2018 House of Lords committee report, *Brexit: Reciprocal Healthcare*, had found that UK pensioners abroad received, on average, less expensive treatment outside Britain than through the NHS, continuation of such health coverage seems unlikely. In the years to come, pensions and healthcare policies for those starting their UK pension aboard will entail many uncertainties.

Paradox II: drifting apart from social Europe

From a European perspective, Brexit will change the pensions landscape across the EU, creating a larger gulf between the British and continental welfare states. This is paradoxical given the working-class vote in the Brexit referendum that sought to punish politicians for the decade of austerity. An unanticipated consequence will be a further divergence between neoliberal Britain and a more regulated social Europe. In respect to its 'liberal' welfare state, the UK has often been seen as a type of its own, if not a 'misfit' with respect to the European social model. With the postwar reforms following Lord Beveridge's liberal credo, the British pension system grew at odds with continental Europe, which follows the Bismarckian social-insurance tradition. EU calls for financial sustainability and social adequacy of pensions will cease to put pressure on UK pension policy-making.

Depending on the economic and fiscal impacts of Brexit, UK state pensions may well be adversely affected. Since 2010 a 'triple lock' has promised annual pension increases based on the highest of wage growth, inflation or 2.5 per cent. Yet this might be difficult to maintain in post-Brexit UK if inflation increases due to import duties while wages flatline due to limited economic growth. The coronavirus pandemic has already led to a proposition to pause the wage-growth component on the grounds that the crisis will lead to an unintended increase once the economy rebounds. Some may hope that British occupational or personal pensions will have higher returns due to more risky, post-Brexit investments in a non-EU regulatory context, yet the current pandemic will further increase uncertainty over pension-fund returns. Already, with a mixed public-private pension system, the UK has been among the western-European countries with the worst poverty rates among older people.

Moreover, it will no longer be an ally in the European Council for other European countries advancing a shift to a funded, multi-pillar system. Like the UK, the Nordic countries, Switzerland and the Netherlands, as well as Ireland, established basic pension systems funded by payroll or general taxes and provided flat-rate pensions. Within the single market and later the enlarged EU, with free movement of labour across the European Economic Area (and Switzerland), these citizenship-based basic pensions were criticised for providing transfers to migrants, although benefits were made contingent on residency or contribution years. Before the referendum, the EU had offered the UK to limit access to social rights via migration, but the Brexit referendum annulled this compromise for all EU countries.

Paradox III: pro-Brexit and post-Brexit financialisation

A third paradox is the fact that Brexit will serve the financial sector more than financialisation will benefit UK pensioners. The multi-pillar pension architecture had developed early in the UK, given the rather meagre basic pension (below 20 per cent of average wages) and coexisting private supplementary pensions. The governments of Margaret Thatcher ended much of Britain's 'ungrounded statism' (as Patrick Dunleavy put it) and introduced personal pensions with defined contributions in addition to occupational pensions. Funded pension capitalism became part of the UK's financialisation, further boosting London as a centre of asset management. Today, UK pension assets are greater than gross domestic product. 'New' Labour did not change this financialisation trend from 1997, and the post-crash austerity years under the Conservatives reinforced a liberal, residual welfare state, while promoting the funded private sector.

With regard to Brexit, not trade but services are of paramount importance to the UK economy. Releasing the UK in a Changing Europe report *Services and Brexit*, its director, Anand Menon, however observed: 'It is worrying that the biggest sector in the UK economy—accounting for more than 80 per cent of it—has been the subject of so little focus in the UK-EU negotiations. This serves to underline the largely political nature of the government's Brexit priorities, focussed on regulatory autonomy rather than any economic implications of this'.

The UK's financial interests have in any event been fractured by those in favour of deregulation and little discussion has ensued on the long-term consequences of Brexit.

Financial services contributed about 7 per cent of UK GDP in 2019, but only a quarter of this—less than 2 per cent of GDP—stems from EU-related transactions. Thus, the City of London represents a global financial centre with limited EU dependence. This explains the rather ambivalent stance of the City towards Brexit. While some financial actors would have preferred to continue EU passporting rights to directly approach EU customers, most sought work-arounds to operate in the EU at the end of the transition period. The UK's draft free-trade proposal assumed that equivalence decisions would allow UK finance institutions to conduct their transactions within the EU's single market without submitting to EU regulation—a non-starter for the EU.

A shift toward other European financial centres has been noted: Dublin, Luxembourg, Frankfurt, Paris and some other cities have profited from transfer of staff and assets to EU jurisdictions. In June 2020 Funds Europe reported that since the referendum vote over £1 trillion of assets had already been transferred from the UK to the EU27. And the sector anticipated that a transfer of a similar scale would likely follow if no deal were reached by the year end. In addition, according to PWC London asset wealth managers have set up their own management companies in Ireland, Luxembourg and other European investment centres.

The impact on UK pension funds and British personal investments will be rather indirect, depending on the divergence of financial regulation for UK assets compared with EU-based investments. Parts of the City welcomed Brexit as an

opportunity to deregulate assets and maintain offshore investments without EU restrictions. While this may offer potentially higher returns, due to investments in emerging markets and global tax-regime shopping, it also entails substantial risks for such growth-oriented portfolios. This is anything but a prudent strategy for pension savings.

Within the EU, the political balance will shift away from Anglo-liberal financial-market interests. This is also felt by UK interest groups downgrading their involvement in PensionsEurope, the EU's main lobby for pension funds. Pension-fund capitalism will lose one strong voice within the EU, making it more difficult for the Netherlands (and Switzerland through bilateral agreements) and to an extent Nordic countries to advance their funded-pensions strategy. Ireland and Luxembourg both have interests in attracting pension-fund investment, yet Ireland's own voluntary occupational funds are dwindling and Luxembourg hardly relies on funded pensions for its own domestic workers. Although many eastern-European countries have introduced mandatory funded pensions, the financial crisis has led to a reorientation towards pay-as-you go public pensions, with Hungary even nationalising its funded pensions.

Paradoxes abound

Hence, post-Brexit pension futures in the UK and the wider Europe will change as a consequence of the UK having left the EU. Were a comprehensive trade and social-policy agreement not to be negotiated with the EU, this would jeopardise the social protection of older British people—the demographic most prone to voting for Brexit in the referendum. Although the Withdrawal Agreement has secured the rights of current pensioners abroad, this will no longer apply to those planning to retire in sunnier parts of Europe in the future. Moreover, British state pensions might be more negatively affected by the economic effects of a Brexit without a comprehensive trade agreement. For social Europe, the UK leaving the table will weaken the forces behind marketising pension reforms. Finally, the City's pro-Brexit financial interests will push further for less regulated financialisation of pensions, making a large share of British retirement income subject to more volatility. Departing from a social Europe that put more brakes on funded pension capitalism, Brexit has thus made UK pension futures less, not more, secure.

Brexit and EU Migrant Workers in the UK: Polish Women's Perspective

By Eva A Duda-Mikulin

The issue of immigration was a decisive factor in the debates before the Brexit referendum and it is still one of the most divisive topics in the UK (during normal times rather than those preoccupied with a global pandemic). Yet while the British people had an opportunity to have their say on Brexit, migrant workers from the European Union did not.

In a recent book (Duda-Mikulin, 2019), I present the voices of women from Poland, giving them the opportunity to be heard. It is based on 40 qualitative interviews (including eight repeats) with female Polish nationals, who are or were migrants to the UK, conducted before and after the Brexit vote. I spoke to migrants and return migrants—the latter having spent at least six months in the UK before going back to Poland.

Wider policy issues arise for the British and EU countries' authorities. These include the need for migrant labour in the context of ageing societies, the disparity between the image of an 'economic migrant' in public debates and the lived experiences of women migrants—often with traditional gendered responsibilities which 'migrate' with them—and the complexity of acquiring British citizenship.

Main messages

As regards the main messages of the research, despite the increasing numbers of migrant women, migrants are still portrayed as somewhat genderless, so that considerations of gender do not feature. Precisely because women have, for long, been viewed as attending to the needs of others—be they senior relatives, young children or those who fall ill (and men more generally)—these gendered expectations make understanding their international moves particularly complex. Moreover, gender ideology prevalent in the country of origin can 'migrate' with women, thus putting an additional strain on them as they settle in the new country while still perhaps somewhat constrained by gender roles commonplace at home.

The livelihoods of EU migrants in the UK have been disrupted by the Brexit vote, while any solid guarantees with regards to migrants' rights have been hard to come by. The UK paid labour market, in certain sectors, is highly reliant on migrants from the EU. Should their rights not be ensured and protected post-

Brexit, they are likely to leave the UK and move elsewhere, as my findings indicate.

People's social rights are at stake here. Migrants' rights are at stake. My interviewees frequently mentioned the right to paid work together with access to healthcare—arguably two of the most important social rights—as the cornerstones of a safe and desirable life. The UK is also likely to impose further restrictions on access to social-security benefits, which in consequence will influence standards of living and the adequacy of housing and nutrition. One can only assume that in post-Brexit Europe EU migrants will be more prone to choose destinations where their rights as EU citizens are protected, enabling them to secure decent livelihoods.

Indeed, there are signs that the flow of returns has quickened. Various employers and sector representatives have already expressed concern about future restrictions and their ability to recruit labour. This was confirmed in the interim updates from the UK Migration Advisory Committee. It is likely to have a domino effect, as difficulties with staff recruitment may lead to relocation of production overseas, which would translate into overall workforce reduction, increased product costs and depression of wages. Arguably, these processes started soon after the Brexit referendum.

EU migrants to the UK were in a precarious position as the end of the Brexit transition loomed, in addition to the gradual increase in welfare conditionality and erosion of social rights by consecutive Conservative governments. They are likely to be more prone to homelessness and developing mental and other health issues, which would then put pressure on resources already scarce due to public-spending cuts. Those migrants could, of course, be sent back but even voluntary deportations entail high costs. Many of my interviewees were worried about access to healthcare becoming more limited and conditional.

Brexit is likely to result in higher social-welfare costs, regardless of how one looks at it. The UK is so used to migrant labour that it is difficult to imagine how it would manage with an even more restrictive migration regime. A more closely managed points-based migration system is likely to disrupt staff recruitment and upset the trust built between current migrants and their networks, which could (and did) provide a continuous flow of flexible labour.

A new migration management system will bring in an additional layer of bureaucracy for the UK Home Office, which is already under a lot of pressure and with a record which leaves a lot to be desired. The UK paid labour market is likely to suffer, because EU migrants will choose other destinations or employers will have to jump through hoops to recruit from overseas, as is currently the case with non-EU workers. The government's new system of 'settled status' has been heavily criticised for creating the same dangers as ruined the lives of members of the earlier 'Windrush generation' of Afro-Caribbean migrants.

The UK and Polish authorities should take note of the complexities around Brexit and migrants social rights and legal standing—the better to understand their precarious situation and the reasons they left home, as well as those that

drive them to remain in the host country. Women migrants specifically need attention, given some have accompanying gendered responsibilities influencing their rights and entitlements, including with regard to the new settled status and hence UK citizenship.

A recent news item in the UK around what was described as a Sudanese 'migrant' who drowned in the English Channel while trying to cross from Calais demonstrates how the neoliberal logic works. The story was linked to concern about how to prevent such 'illegal' crossings and a blame-game between the French and UK authorities. TV coverage implied that the 16-year-old refugee might even have been partly responsible for his own death—the human life lost appeared to be entirely disregarded.

There is a dire need to change the narrative around migration towards perceiving it as an everyday process stimulated by globalisation, which makes it inevitable that people should move between constructed boundaries, only visible on paper, separating nation states. Migration is not the root of the problem—although it is a symptom of others—while globalisation elevates it into an international concern. It is likely that Britain's exit from the EU will trigger a spike in hate crimes and a return to a climate of hostility such as that seen in the 1990s. Indeed, racist attitudes have been emboldened by Brexit in the UK and in the US by the outgoing president, Donald Trump—both cases demonstrating the need for a counter-narrative.

Specific issues concerning women migrants

There is a need for policy-makers to take into account the specific needs of women, as well as to acknowledge the diversity among them, to overcome the one-dimensional perception of migrants and their influences on host and home countries. Female migrants are not just care-givers but paid workers too. Contrary to some negative perceptions and misinformation about the reasons people move to the UK, access to financial support from the state is not among them. Yet increasingly tight restrictions are being imposed on EU migrants (such as via the Immigration Act 2014) and access to social welfare rendered more conditional. Certain policies should be re-evaluated (and eventually redefined) with the aim of greater gender equality, particularly in the light of Brexit. There is a need for further exploration of whether social policies are well suited to new understandings underlying the contemporary work-life balance in migration.

The theoretical perspective adopted in my book and the empirical findings suggest a number of policy implications which diverge from current practice, around work-life balance as it is experienced differently by female migrants. These women are often entwined in conflicting gendered expectations arising from two locations—the home and the host countries. They are entangled in multifaceted familial and other relationships which are likely to complicate their entitlements to 'settled status', for instance. Migration theorists should acknowledge women as migrants in their own right and consider the gendered responsibilities which may migrate with them.

The UK authorities should recognise the vital roles migrants and female migrants in particular play in the British economy. It is crucial to acknowledge migrant women's roles in 'topping up' the fertility rate, mitigating the tendency towards an ageing society. Further restrictions on social-welfare entitlements and benefit sanctions would only accelerate the ageing process.

On the other hand, the Polish authorities should recognise that the outflow of vast numbers of mostly young and well-educated people is linked to their perception of Poland as a less attractive country and to the relatively limited support available from the Polish state. More family-friendly policies are needed in Poland, recognising its decreasing fertility rate.

The European Union?

My research is relevant to a wider European context for several reasons. The potential break-up of the UK is one of them. Other European countries (such as Spain) have also experienced deep divisions, associated with calls for referenda on independence. Moreover, in some member states (such as Italy) anti-EU sentiment has increased and thus their future in the union may be uncertain and perhaps affected by how the UK manages its transition. Other countries (Denmark for instance) have largely been Eurosceptic.

These divisions and increased hostility towards the EU demonstrate that Europe is divided, with many countries looking inwards for protectionist measures and with (neo) nationalism on the rise. It remains to be seen whether the forces of globalisation will prove stronger and show that co-operation and partnership are necessary in these neoliberal and populist times—particularly during a global pandemic.

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Whither Irish Citizens' Social Rights in Post-Brexit Europe?

By Michelle Norris and Micheál L Collins

The decision of the United Kingdom to leave the European Union carries significant consequences for the island of Ireland. Irrespective of the details of any final EU-UK agreement, there is no doubt that Brexit will have enormous implications for businesses, trade and the economy, governments and policy-makers, and also for citizens of Ireland. Geography and history have forged close economic and social ties between the Republic of Ireland, Northern Ireland and Great Britain, which have been strengthened and extended by the open borders, trade and travel enabled by these jurisdictions' EU membership since 1973. The UK's withdrawal from the EU will disrupt these ties and will require the introduction of alternative legal and policy arrangements and services to facilitate continued co-operation and economic and social links between Ireland and the UK. Policy and legal adjustments will also be needed to manage relations between the two jurisdictions on the island of Ireland.

The decision to leave or remain in the EU and the implications of these choices have been vociferously debated in the UK. However, Brexit's implications for Ireland and its relationship with Northern Ireland and Britain received only minimal attention during the debates which preceded the referendum. Since then, somewhat ironically, this issue has received much more attention because it proved to be the main barrier to finalising an agreement. These post-referendum discussions have focused mainly on consequences for peace in Northern Ireland and on business, trade and the economy. The potential impact on individual social rights has been largely neglected (Murray *et al*, 2018; Doughty Chambers, 2018).

Social rights: evolution and profile

Before Irish independence and the establishment of Northern Ireland in 1921, both jurisdictions were part of the UK and their social policies and embryonic welfare states were largely (but not entirely) integrated with Great Britain. Irish independence resulted in the disintegration of this arrangement (although strong similarities remain between the UK and Irish welfare states) but the period since has seen a slow process of introducing and extending a comprehensive package of reciprocal rights for Irish and UK citizens to travel to each other's countries, live and work there and avail themselves of welfare services and benefits. This process started with the Common Travel Area (CTA) agreement between the Irish and UK governments and was extended when the UK and Ireland both joined the EU in 1973 and again when the Good Friday Agreement (GFA) was signed by both governments in 1998.

Rights to move freely, live and work

Underpinning the scale of the challenge for Irish citizens' social rights associated with Brexit is the very strong integration of the populations of Ireland, Northern Ireland and Great Britain. Data from 2016 showed that 2.1 per cent of Northern Ireland's population (approximately 38,000) were born in Ireland while 1.2 per cent of Ireland's population (approximately 57,000) were born in Northern Ireland. As a proportion of total population, these figures are not enormous, but they do account for a large proportion of migrants in each jurisdiction. Among the 117,000 EU27-born individuals who lived in Northern Ireland in 2016, 33 per cent were born in Ireland (ONS, 2017). These data also indicated that in 2016 6 per cent of the population of Ireland (277,200 individuals) were born in the UK. In the same year an estimated 389,000 people born in Ireland were resident in the UK. This constituted 5.9 per cent of the UK population in 2016 and was the fourth largest overseas-born population resident in the UK (ONS, 2016).

The Irish, Northern Irish and UK populations are not integrated in a spatially even pattern across these jurisdictions, however. It is estimated that one out of every three Irish-born people living in the UK in 2016 lived in London (98,100 people); 83 per cent lived in England (ONS, 2016). This reflects the distribution of the migrant population in the UK more broadly. In contrast the spatial distribution of UK-born residents of Ireland broadly reflects the distribution of the overall Irish population. The latest available data on this issue for Northern Ireland reveal that in 2011 61 per cent of Irish-born residents of Northern Ireland lived in the five council areas which abut the border (ONS, 2017).

The integration of the populations along both sides of the Irish border is reinforced by the large numbers of commuters who cross the border in both directions on a daily or weekly basis. The 2016 Irish census identified 9,336 people who crossed the border daily into Northern Ireland for school or work (CSO, 2017). Of these, three-quarters were workers while the remainder were schoolchildren or in third-level education. As might be expected, data on the

origin/destination of these commuters reveal that cross-border commuting is conducted primarily between the counties which immediately abut the border: 88.7 per cent of cross-border commuters from Ireland into Northern Ireland lived in border counties.

The most recent data on cross-border commuting from Northern Ireland into Ireland are from the 2011 Northern Irish census. These indicate that 6,456 usual residents of Northern Ireland travelled to Ireland for work or education. Again, most had destinations in adjacent border counties, trends which indicate that such commuting is most likely very frequent (NISRA, 2017).

Beyond commuters, data from a 2017 UK government report on the CTA estimated the total number of people crossing the border each year, for any reason, at around 110 million. Of these, 43 million passed through the 15 principal crossing points while the remainder passed through one of the other 193 crossing points or travelled by train (870,000) or coach (900,000). The paper reported (HM Government, 2017: 1): 'Cross-border travel and movements between Northern Ireland and Ireland are extensive and, for many people, a regular feature of everyday life'.

Access to education

There is a strong tradition of cross-border commuting for education purposes on the island of Ireland by schoolchildren and those enrolled in higher-education institutions, as well as longer-term movement to avail of education services on the other side of the border (Department for the Economy, 2017).

Data from the UK Higher Education Statistics Agency (HESA) indicate that in 2015-16 there were around 2,200 students domiciled in Ireland enrolled in higher education in Northern Ireland, representing 4 per cent of total enrolments in the institutions (HM Government, 2017). Data from Ireland's Higher Education Authority (HEA) suggest that in 2016-17 there were 893 enrolments by students domiciled in Northern Ireland in third-level colleges south of the border. These data indicate that cross-border enrolments in higher education on the Island of Ireland rose steadily until 2010-11 but have declined subsequently.

There are substantially greater numbers of students from Ireland studying in higher-education institutions in Great Britain than students travelling in the opposite direction. According to the HEA (2016), Ireland is the seventh largest source country for UK third-level students. Between 8,000 and 10,000 students from Ireland were registered in higher education in England, Scotland and Wales in 2016 and the numbers of Irish students registered in institutions in Northern Ireland brought the total UK figure to between 10,000 and 12,000. The equivalent number of students from England, Scotland and Wales studying in Ireland stood at 1,548 in 2016 (HEA, 2016).

Social-security benefits and pension rights

Pension incomes provide further evidence of the strength, and long duration, of migration flows between Ireland, Northern Ireland and the UK. The ONS found that in February 2017 134,840 recipients of the UK state pension were resident in Ireland. This means that Irish residents were the largest group of overseas UK pension recipients in the EU that year and they equated to 21 per cent of the population aged 65 years and above in Ireland (ONS, 2017). In November 2015 there were an estimated 35,000 UK residents in receipt of an Irish government pension ; most of these (85 per cent) were in receipt of the contributory state pension while the others were in receipt of the widow(er)'s and surviving partner's contributory pension (Dáil Éireann, 2015, vol 916, no. 2: 1913).

Data from the Irish Department of Social Protection provide insights into the proportion of recipients of the main categories of social-security benefits in Ireland who are UK nationals. In 2016, they comprised 3.2 per cent of benefit claimants in Ireland. However, the proportion of recipients varied according to the category of benefit. UK nationals accounted for only 2.5 per cent of recipients of the state old-age pension but they constituted 4.2 per cent of recipients of employment supports for individuals of working age and 6.1 per cent of recipients of supplementary payments (such as rent supplement).

The only comparable data for the Irish in the UK in 2016, from the Department of Work and Pensions, cover Great Britain only. They indicate that Irish nationals in Great Britain made up 2.8 per cent of all claimants of working-age benefits in that year. Irish nationals in the UK were more likely to claim benefits available for bereaved individuals (they made up 0.75 per cent of claimants of this category of benefits) and job-seekers (0.33 per cent of claimants were Irish) and less likely to claim benefits for carers and lone parents (accounting for just 0.18 per cent of claimants).

Access to health services

Comprehensive data on cross-border usage of healthcare and other social services are not available. However, the data which are available point to high take-up, particularly by residents of border counties. For instance, Daisy Hill Hospital in Newry, Co Armagh, treated 885 patients from counties Monaghan, Louth and Cavan, across the border, in 2016-17. Similarly, patients living in Co Donegal enjoy access to radiotherapy services in Altnagelvin Hospital in Derry/Londonderry ; currently, arrangements are in place to treat 385 cancer patients from Ireland there. The Northern Ireland Department for the Economy (2018) also reports that between 2011 and 2015 there were on average 280 children *per annum* born in hospitals to mothers ordinarily resident in Ireland.

Brexit's 'east-west' and 'north-south' implications

The UK's decision to leave the EU has the potential to remove a layer of the framework of reciprocal social rights which UK and Irish citizens enjoy in each other's countries. As we have shown, in terms of the numbers of people affected, the scale of the British-Irish ('east-west') challenge for citizens' social rights is much greater, because the UK-born population living in Ireland is substantial, as is the Irish population living in England and in London in particular. In absolute terms, the Irish-born population living in Northern Ireland, and vice versa, is smaller. However, the intensity of the relationship between these two populations is stronger, particularly along the border. For border communities, Brexit does not just raise concerns about the transferability of pension or social-security entitlements which individuals might have accrued in one jurisdiction before moving to the other. Individuals in border communities often travel to the neighbouring jurisdiction on a daily basis for work, education or healthcare. Therefore, if any 'hard border' were to be imposed between Northern Ireland and Ireland after Brexit it would be enormously disruptive, socially as well as economically, for these 'border people'.

Yet Britain's departure from the EU will not undermine the majority of these reciprocal social rights. Most elements of the framework predate, and are not dependent on, the UK's membership of the EU: they were put in place as part of the extensive CTA suite of arrangements for direct co-operation between the UK and Irish governments and all the evidence indicates that they will remain in force after Brexit. However, as not all elements of the CTA are underpinned by legislation or treaties—some reflect custom and practice only—there is a pressing need to formalise these arrangements. As Murray, O'Donoghue and Warwick (2018: vii) recommend, it will be 'essential to place the CTA on a treaty footing to ensure family, resident, welfare, social, political and civil rights continue'.

Legally underpinning the custom-and-practice elements of the CTA would be adequate to address the majority of east-west challenges for Irish citizens' social rights created by Brexit. But the north-south challenges will be much more difficult to resolve. Many commentators have highlighted the potential for Brexit to undermine the GFA and raised concerns about the implications of this for peace. This chapter has further highlighted its potential for undermining Irish citizens' social rights.

Central to the political accommodation achieved by the GFA is its explicit recognition of the existence of multiple identities in Northern Ireland—including allegiance to Britain ('unionists') versus allegiance to Ireland ('nationalists')—and therefore of the entitlement of people born in Northern Ireland to hold UK or Irish citizenship or both. While the UK remained an EU member there was almost no differentiation between the rights and entitlements of Irish and UK citizens living in Northern Ireland, but this changes after Brexit.

Most notably, unless the provisions of the CTA are strengthened and extended, Irish and UK citizens living in Northern Ireland may have different rights and entitlements after Brexit. Inevitably, Brexit will create new divisions between

people in Northern Ireland on the basis of their political identity and the variations in rights that accompany this. Given past experiences of societal divisions in Northern Ireland, the potential for these new realities to undermine cohesion within society there must be minimised. This chapter has also highlighted the key role of the open Irish border, which has been facilitated by the joint EU membership of Ireland, supporting the living standards of communities in the border region and enabling access to health and education services.

Finally, because the analysis here focuses only on the rights of Irish citizens who visit, live or work in the UK, it has not discussed the very significant loss of social rights which citizens of other EU member states who are resident in the UK, and UK citizens resident in other EU members, will most likely suffer after Brexit. Unless an agreement can be reached between the UK and the EU these fellow European citizens are likely to suffer a very significant diminution of their social rights.

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The EU's Work-Life Balance Directive: A Lost Opportunity for the UK in Gender Equality?

By Caroline de la Porte, Trine Larsen and Dorota Szelewa

Adequate leave policies can enable men and women to combine labour market participation and childrearing responsibilities. The European Union's work-life-balance directive (WLBD)—a revision and renaming (2019/1158) of the parental leave directive from 2010—aims to facilitate the combination of work and family life, especially promoting the involvement of fathers / secondary carers in care activities in the private sphere.

There are major gaps in the UK's work-life balance policy, which could have been addressed via the WLBD, were the UK still an EU member state. These include earmarked parental leave, which, if accompanied by generous replacement rates, often leads to fathers / secondary carers becoming more engaged in childrearing responsibilities. This, in turn, improves the likelihood of retaining women in the labour market, as well as having equalising effects in other areas, such as old-age pensions.

The policies introduced by the WLBD are: ten days of paternity leave, to be paid at minimum at the level of sick pay ; two months of earmarked parental leave, to be compensated at a level decided by member states ; five carer days per parent per year and possibilities for flexible work arrangements. While all are relevant to work-life balance, some have more long-term, gender-equalising potential than others.

Parental leave

In the UK, fathers do have paid paternity of two weeks, with a statutory, flat-rate compensation which is relatively low (£151.20 or €167 a week). In addition to the flat rate, some British companies and public sector employers provide a top-up, so fathers receive full wage compensation during the ten days of leave. This helps explain why take-up is relatively high. Yet such a period of paternity leave is too short to have a long-lasting effect on gender equalisation (O'Brien et al, 2019). On this, the UK is however in sync with the directive.

Two months of earmarked, paid parental leave per parent does have high potential to have a long-term gender-equalising effect on female labour-market participation and on the sharing of care responsibilities. As noted in the preamble to the directive, 'Member States that provide a significant portion of parental leave to fathers and that pay the worker a payment or allowance during that

leave at a relatively high replacement rate, experience a higher take-up rate by fathers and a positive trend in the rate of employment of mothers.'

By contrast, if parental leave is long but unpaid, the earmarking will make little difference in terms of gender equalisation in the private sphere, because mothers / primary carers are more likely to take the leave. In the UK, parents have the right to take 18 weeks of unpaid parental leave for each child but not more than four weeks per child per calendar year. Take-up of parental leave is, unsurprisingly, very low in the UK, because it is unpaid (O'Brien *et al*, 2019).

In countries with different welfare-state and labour-market regimes, such as Denmark and Poland, preliminary implementation plans regarding earmarked leave include generous pay—80 per cent or full wage compensation (de la Porte *et al*, 2020). In the UK, there are some signs of timid commitment to increasing fathers' take-up of parental leave through the enhancement of 'use-it-or-loose-it' entitlements, similar to the WLBD provisions on earmarked parental leave (House of Commons Women and Equalities Committee, 2018). However, without formal commitment to amend the legislation, which would have been required with the WLBD, such recommendations and guidelines lack teeth and are unlikely to have an impact.

Carer days

Five yearly unpaid carer days per worker should enable parents to combine work with care responsibilities, although if carer days are paid then the gender-equalising potential is higher. Research shows that the parent with the more generous leave scheme takes time off from work when children are ill (Larsen, 2004). While carer days represent a cost to employers, the state or social insurance, the coronavirus crisis, with the focus on containing infections, has highlighted their importance.

In the UK, carers only have rights to unpaid emergency leave, via transposition of the EU's parental-leave directive (96/34/EC). The current and previous Conservative administrations have aimed to introduce five unpaid carer days—it was a Conservative pledge in the 2019 election. In March 2020, the government initiated a consultation on the proposal. Thus far, British trade unions and carers' organisations have welcomed the initiative and even called for more generous rights, such as ten paid carer days per year. The National Health Service employers' organisation has also been positive while fearing low take-up if the leave is unpaid.

There is however no guarantee that the consultation will lead to an equivalent legal act to the WLBD, as successive governments have attempted, but with limited success, to introduce unpaid carers' leave in the past, as with the Carers (Leave entitlement) Bill tabled in 2016. The WLBD could have guaranteed more generous carer rights to parents, even if unpaid, if the UK were still an EU member state.

Flexible work

Flexible working arrangements, including working from distance, could benefit men and women, particularly if they live far from their working places. With the onset of the coronavirus crisis, flexibility in working arrangements is accelerating, even if the level of regulation does not yet fully capture the new practices. From the perspective of work-life balance, flexibility in work arrangements can be gender-equalising, if both parents work flexibly. It can however reinforce gender inequalities, if the primary carer needs to combine childrearing at home with work responsibility, such as during the lockdown in the spring of 2020.

In the UK, flexibilisation of work is well institutionalised and the UK is at the forefront in this area. In 2002, all parents with children under six gained the right to request flexible working—extended to other carers in 2006 and to all workers in 2014. Employers can only refuse an employee request for flexible working if they 'have a good business reason for doing so'.

Take-up of flexible working is widespread in the UK but there are concerns among policy-makers that this flexibility predominantly favours employers, rather than parents, leading to a government consultation process on the topic in December 2019. Considering the WLBD, it is unfortunate that the good practices in flexible-work policy in the UK are not exchanged with EU member states, which are struggling with similar challenges.

WLBD

In the UK, as in other European countries, there is political interest in work-life balance policy, although the British focus is on flexible work and carer days, rather than paid, earmarked parental leave, which would represent a considerable cost to employers and/or the state. The former prime minister, Theresa May, had been minister of women and equalities from 2010 to 2012 and was thus familiar with EU labour law and gender-equalising policies. As part of the EU-UK Withdrawal Agreement, she planned to implement the WLBD in parallel UK legislation but for her successor, Boris Johnson, mimicking newer EU directives was not a priority. If the UK were (still) an EU member state, the WLBD, especially paid, earmarked parental leave, could have a positive impact.

Research indicates that the WLBD has mobilised new coalitions among national stakeholders with shifting positions, especially towards earmarked parental leave. This is most notable in the employer camp, where European employers' initial opposition towards the WLBD has been replaced by favourable attitudes and led to progress on paid, earmarked parental leave in some countries (de La Porte *et al*, 2020). In this way, the WLBD will seemingly put member states on a level playing-field in gender-equalising policies. It is the combination of various policies that is likely to lead to improvements in gender equality—including paternity leave, earmarked parental leave, carer days and flexible work arrangements across member states.

Even if the UK is debating parental leave, carer days and the improvement of working arrangements, the outcome is uncertain. By leaving the EU, it risks

losing out on the possibility to improve these policies, and others, which are important for gender equalisation—in particular paid, earmarked parental leave.

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Taking Back Control? Big Business and the Welfare State

By Kevin Farnsworth

One of the clarion calls of the 2016 referendum campaign against the United Kingdom's membership of the European Union was 'take back control'. Given structural economic factors, coupled with powerful business actors, this was however always likely to be no more than a slogan. Post-referendum, as power is being repatriated it is also being redistributed away from citizens and government—and towards big business.

Governments and citizens depend on the ability of nation-states to capture and retain private investment. The aggregate investments of businesses are major determinants of production, consumption, employment, growth and tax revenues within capitalist economies (Gough, 1979; Lindblom, 1977; Offe and Ronge, 1984; Hacker and Pierson, 2002). Foreign direct investment from multinational companies is an important part of the mix but how important depends on the economy in question. Some nations are more heavily dependent on inward investment than others. Regardless, business investment decisions are private decisions, taken by owners and company chief executives after calculating potential returns. Governments and citizens are dependent on private investment but neither can compel businesses to invest. They can only induce them so to do—and they do so in different ways.

Competing for capital, UK-style

From the early 1990s, the UK began to put in place ever more aggressive methods to compete, not only for capital located outside the EU which wanted better and cheaper access to expanding markets, but also for businesses from more heavily regulated and expensive labour markets within the union. In 1994, the UK government placed an advertisement in the German business press imploring firms to relocate there to take advantage of its more favourable business environment. Such early attempts to lay down the UK's 'offer' to capital highlight the importance of 'business-friendly' social and labour-market policies, alongside more traditional grants and subsidies, as potential draws. Such strategies and inducements came to define the UK's approach to investment, establishing the basis of a long-lasting contract with investors.

The inducements offered to businesses investing in the UK included deregulated labour markets, a favourable tax system, low wages, lower trade union concentrations, fewer rights at work and business-friendly social policies (Farnsworth, 2019). Since a relatively small number of policy paths became

traversable in this policy context (Pierson, 1995), Brexit potentially offered a theoretical possibility to pursue different routes. This is certainly what the so-called Lexiters (left-wing supporters of Brexit) hoped. The UK might, with a different approach and a different vision, compete on the basis of high skills, harmonious industrial relations and high productivity, like Sweden and Germany (Farnsworth, 2019). But all the indications since the referendum suggest that the UK will march with even greater purpose along its existing path.

This isn't to argue that rerouting the UK's competitiveness model would have been straightforward: it would have required nothing short of a paradigm shift, backed by huge amounts of public investment. But business as usual isn't possible either. Brexit removes one of the major inducements—if not the most important—which the UK has been able to offer businesses. It will thus have to put in place new inducements which will make up for the Brexit losses. And powerful business actors will push hard to ensure that their general and specific interests are served.

Compensating capital through corporate welfare

Businesses are in a 'buyer's market' in the face of Brexit. And they are clearly aware of the changed circumstances in which they find themselves. Having vigorously lobbied for a Remain vote, most business associations—including the Chambers of Commerce, the Confederation of British Industry, the Institute of Directors, the British Bankers' Association and TheCityUK (representing London financial interests)—subsequently sought to emphasise the importance of public policies which would induce businesses to continue to invest. KPMG warned in 2016: 'Policy makers should be really concerned about a leaching of British business abroad and should engage with business early to understand what assurances they can offer and closely monitor any shifts overseas'.

John McFarlane, head of Barclays and TheCityUK, told the *Financial Times* in March 2017 that the UK government would have to compete even more vigorously to retain investment in future: 'There needs to be a tangible, compelling economic or collateral reason to be here or to do business here, rather than somewhere else, and this needs to be renewed continually'.

Nissan provided a good example of things to come. Aware of its strategic importance as a major employer in the north-east of England, and exemplar of a key industry in the UK, Nissan made repeated threats to shift investment elsewhere if unable to extract concessions from the UK government. It was even able to persuade the Japanese government to write to the UK government (in a letter subsequently leaked), pressing it to protect the interests of Japanese companies—notably Nissan and Toyota. This was enough to earn Nissan a one-to-one appointment with the prime minister, Theresa May, the outcome of which was to encourage Nissan to announce its intention to continue to invest in the UK after assurances given to the company.

The specific help Nissan requested embraced reductions in taxation, including import duties, and a specific Brexit deal for the automotive industry, with

additional support to protect and 'compensate' Nissan for any additional costs it would have to absorb. Colin Lawther, then its senior vice president for manufacturing, explained to the Commons International Trade Committee that the company had extracted from May a promise of a grant to support its planned investment (the amount was not disclosed because of 'commercial sensitivity'). He said the company needed 'a whole bundle of solutions', which might include 'free import duty' and around £100 million to support new investment in the UK by companies forming part of Nissan's supply chain, and he warned that 'Nissan [UK] will not succeed in future unless the government does something to help our supply chain' (House of Commons, 2017). Nissan secured most of its demands. Toyota's response was to argue that it required a similarly advantageous deal to guarantee its future in Britain (Cox, 2017).

The UK government faces pressure to increase more direct forms of state support to individual businesses through other corporate-welfare measures. The most important of these are grants and subsidies to support investment, staff training, research and development and wage costs. Brexit is relevant to this too. The EU has relatively tough rules governing such awards (O'Brien, 1997) : generally speaking, subsidies that distort competition between members states and/or give a competitive advantage to specific firms are banned. Thus, EU state-aid rules tend to push governments towards general assistance to businesses—social-investment measures, such as training and wage subsidies and/or support for new businesses, for industry in deprived areas or specific sectors such as agriculture—or delivery of public goods, such as public transport or public utilities.

One of the key sticking points in the final Brexit trade negotiations in late 2020 concerned the UK's refusal to agree to tough state-aid restrictions. Perhaps this was because the UK knew it would face huge pressure to increase corporate welfare, while the EU was also aware of the potential risks to its economies. In the absence of EU state-aid rules, businesses will demand that the UK government put together corporate-welfare programmes which substitute for free access to EU markets—and the greater the costs to businesses to gain access to core markets, the more generous the corporate welfare will have to be.

Shifting investment elsewhere

The risk of not putting in place adequate inducements for businesses to invest is that companies will shift investment elsewhere. Many of the companies which have been attracted by the UK's pitch are, by definition, relatively mobile. Others, within industries on which the UK heavily depends—including finance—are incredibly mobile. The list of companies which have shifted some or all their operations to the EU27 countries or elsewhere, even before Brexit happened, has grown long. It includes Lloyds Banking Group, Lloyds of London, Goldman Sachs, HSBC and UBS. Even BAE Systems, one of the UKs most important engineering and defence companies, signalled that it might shift investment outside the UK if the Brexit negotiations did not achieve free and easy access to the EU. Lloyds of London and BAE Systems also happen to be two of the companies most heavily dependent on government.

The chief executive of HSBC warned that Brexit could trigger a 'Jenga tower' of job moves out of the UK, which the head of the London Stock Exchange estimated could top 230,000. Of course, such warnings form part of the political power struggle but the flow of financial capital from London suggests that this is not only a genuine warning but is also likely to prove difficult to stem.

The EU is also playing its hand. Member states are as keen to attract UK investment as the UK is to prevent its exodus. The EU will effectively force some companies to relocate part or all their operations to the EU27 if they want to maintain access to EU markets in the context of a 'hard' Brexit—taking the UK out of the single market and the customs union. And many companies will be eyeing the EU as a more favourable, predictable, stable environment in which to invest. To retain their investment will be incredibly hard.

Post-Brexit, the UK will still be bound by international trade rules (set out by the World Trade Organization) and by the requirements of bilateral trade deals with other nations. It is as likely to be a rule-taker as a rule-maker, especially give the speed with which it will have to negotiate new deals. Outside the EU the UK is likely to look elsewhere, especially to north America, for policy lessons—the fact that the UK has looked across the Atlantic rather than to its closest neighbours over the preceding decades explains its long-held ambivalence towards the EU and Brexit itself (Geddes, 2013). Increasing competitive pressures from countries with fewer regulations, more minimalist social welfare and more generous corporate-welfare programmes will likely push the UK further towards acquiescence to big business. It certainly doesn't point to a progressive, comprehensive and universalistic welfare state shaped by the needs of newly-empowered citizens, recently having 'taken back control' over their lives.

Conclusion

The idea that democracy could be restored through Brexit was seductive in principle but based on the lie that power lay with the EU. In reality, public and social policies are shaped more by the needs and interests of big business than any other policy actor. UK regulations, taxation and wages have been framed by a combination of ideology and structural factors to maximise business investment and returns. And all signs since the 2016 referendum point to an acceleration of policies which would concede even more to those perceived needs and interests.

Brexit might have provided an opportunity for the UK to pursue a different path, but with the election victory of the Conservative Party in December 2019 the push is faster and farther in the same direction as before. Without the EU's social protections, market access and restrictions on subsidies and other forms of corporate welfare, the UK government will face overwhelming pressure to put in place compensatory measures which induce businesses to invest. Rather than taking back control, the government is ceding more power to big business.

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