

Britain is quietly de-Brexitting

ANY LABOUR leadership race will renew debate over Europe. [Andy Burnham](#), a favourite to succeed Sir Keir Starmer as Britain's prime minister if he wins a by-election in Makerfield on June 18th, has talked of rejoining the EU, though his prospective constituents' past support for Brexit has made him argue recently that reopening the issue may put Britain in a "permanent rut". [Wes Streeting](#), another candidate, is more explicit about wanting to reverse Brexit. Even Sir Keir says Britain should be at the heart of Europe again.

Much has changed since Britons voted by 52-48% to leave the EU a decade ago. The backdrop then seemed more propitious: peace in Europe, spreading globalisation, a strong transatlantic alliance. All that has gone. There is war in Europe, world trade is stuttering, Donald Trump has undermined NATO. A new emphasis on the continent's security is transforming the EU. And it has become clearer that Brexit has damaged Britain's economy, with the hit to GDP estimated at 4% or more.

The art of the possible

Public opinion has shifted, too. A recent YouGov poll finds 58% of respondents believe it was wrong to leave the EU, with only 29% saying it was right. Polls find that big majorities favour closer links with the EU. Several suggest that, were a Brexit referendum held today, the result (excluding don't knows) might be as much as 62-38% in favour of rejoining.

Nick Thomas-Symonds, the minister for EU negotiations, speaks of a permanent security change in relations. He says security can extend beyond defence, to food, energy, industry and the economy. The "reset" begun at an EU-UK summit last year covered food, a youth-exchange scheme, carbon-trading rules and electricity. The hope is to conclude all these arrangements before a second summit this summer. But the benefits are expected to amount only to 0.3% of GDP over 15 years.

The government's policy is now largely to expand areas in which Britain follows EU regulations. The aim of such "dynamic alignment" is to cut red tape obstructing trade with the EU. A proposed new bill should make this easier. The reset could yet expand to cars, chemicals and pharmaceuticals. Mr Thomas-Symonds is proud that Britain has rejoined the EU's Erasmus graduate-exchange scheme, though this will cost British taxpayers.

Yet full access to the EU market requires mutual agreement, which comes with conditions. The EU wishes to protect its single market from "cherry-picking". It must safeguard agreements with other non-members, notably Norway, which is in the European Economic Area, and Switzerland, which has a deal of its own. What makes everything much harder are the British government's triple red lines: no to the single market, the customs union and free movement of people.

One obstacle is money. The EU insists on paying to play. It wants access to its electricity market to mean paying into EU cohesion funds for poorer members. It was a quarrel over money that sank Britain's effort last year to sign up to the EU's €150bn (\$180bn, or £130bn) defence fund known as SAFE. Norway and Switzerland pay into EU cohesion funds already. Yet in the end rows over money are negotiable: Mr Thomas-Symonds claims to be ruthlessly pragmatic over them.

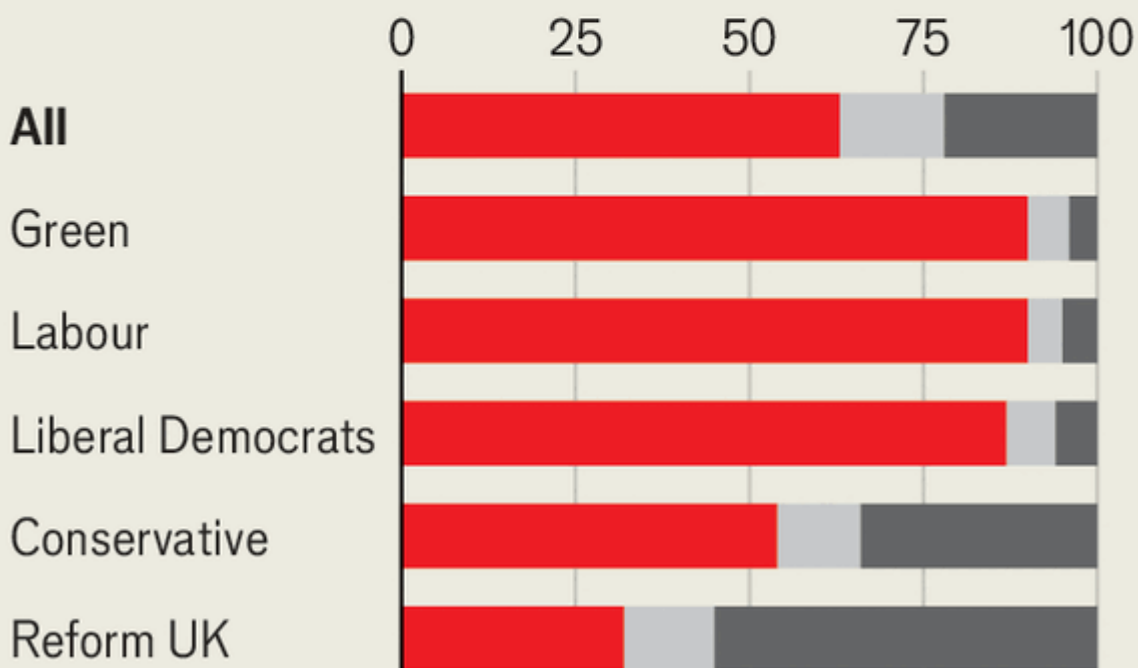
More problematic for a closer relationship is a lack of political consensus at home. Both the Conservatives and Reform UK promise to undo any changes the Labour government makes to get closer to the EU. Both right-wing parties are against reopening Brexit. Yet if business gains from scrapping barriers to trade with the EU, Mr Thomas-Symonds reckons no new government is likely to reintroduce them.

The model that in theory may best match British aspirations is Switzerland. It is in the EU's single market for goods, but not services. It is not in the customs union, so it can do trade deals with third countries. It is not subject to the common agricultural policy. Swiss diplomats advise against red lines. They have secured most of what they need while keeping their system of direct democracy. But since Swiss voters must approve their latest EU package in a referendum, probably next year, the EU is for now reluctant to open up anything at all similar with Britain. Indeed, EU officials have reportedly come out against any similar deal for Britain.

Open door?

Britain, support for reintroducing free movement of people with the European Union, % responding
By voting intention, March 2026

■ Support ■ Don't know ■ Oppose



Source: Best for Britain

Mr Thomas-Symonds argues against copying others, preferring a bespoke model to suit Britain. EU diplomats are wary, though their aversion to cherry-picking has cooled, partly because the Swiss have done it. The notion of some form of partial membership is also one the EU could potentially live with, because it may have to offer a version of this to other countries (notably Ukraine) hoping to join. But the red line that is trickiest is against free movement of people.

The Swiss accept free movement, but with an emergency brake if the numbers get too high. Several EU members, including Belgium and Denmark, are tougher than Britain in insisting that people secure jobs before arriving, and in blocking instant welfare

benefits. Many Brits now complain about losing their own free movement within the EU. And immigration numbers have anyway fallen sharply.

A new poll from the pro-EU lobby group Best for Britain finds that a majority of 63% back the principle of free movement, with 22% against (see chart). For Labour, Green and Lib Dem voters, the number rises to 90%, though Tory and Reform voters are much warier. A bolder Labour prime minister might steer off the political challenge of reversing Brexit and instead trade free movement of people for fuller single-market access à la Suisse.