



Even though its chances are looking bleak, a deal with the EU could help prevent political fragmentation of the UK and keep political tensions in Northern Ireland at bay (Photo: Bloomberg)

Opinion | Brexit and the Irish border: An uneasy calm in Northern Ireland

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A 'no deal' Brexit could not only raise political tensions among the UK's constituents but also hit its economy hard

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Entering the small, scenic village of Killeen on the drive from Belfast to Dublin, nothing other than a speed limit sign in kilometres—not miles—would alert you that you have crossed an international border. Not just any border, but a border that lies at the heart of the “Brexit” conundrum, i.e., Britain’s exit from the EU, that is sending tremors through the UK and the European Union (EU), if not the global economy. Once a hard border, Killeen witnessed several violent, even fatal, incidents until peace was established by the Good Friday Agreement of April 1998. It could well return to those violent days if the UK exits the EU without a deal on 31 October.

British Prime Minister Boris Johnson insists that the UK will exit the EU on 31 October, deal or no deal. He has also asserted that without an amendment of the “backstop” provision regarding the Irish border and other changes, the draft Withdrawal Agreement is unacceptable. But the EU maintains that the draft agreement cannot be renegotiated. Thus, unless Johnson announces a snap election, Britain seems inexorably headed towards a “no

deal" exit. Johnson has in fact instructed government employees to prepare for such an outcome.

A "no deal" exit could have disastrous political and economic consequences. Consider first the political consequences. There is a 500-km border between the Irish Republic and Northern Ireland. A hard and violent border during the "troubles", the period of hostilities between the Catholic Republicans and Protestant Unionists, it is now a peaceful, virtually invisible soft border, as in Killeen. This was a crucial component of the Good Friday Agreement that ended those hostilities in April 1998. The "backstop" is the provision in the draft Withdrawal Agreement for Brexit which ensures that it is consistent with this soft border provision in the Good Friday Agreement. It provides for an open soft border beyond Brexit, even if no agreement is reached in the final framework of relations between the EU and post-Brexit UK. It implies that UK could effectively remain a part of the EU customs union indefinitely. Hence, the draft Withdrawal Agreement including the "backstop" was repeatedly rejected by Parliament under Theresa May's watch until she finally quit.

If the UK exits the EU with no deal, the border between the Irish Republic, a member country of the EU, and Northern Ireland—part of the UK—would become a hard border as with any third country for the movement of goods and people. Visas, customs checks of goods and their origin, tariffs and application of other sanitary and phytosanitary regulatory checks would kick in. This would directly violate a key tenet of the Good Friday Agreement, an open border between Northern Ireland and the Irish Republic until and unless the two are unified.

The frequent eruption of violence and killings especially in Belfast, Londonderry and at the border ended with the signing of the Belfast Agreement on Good Friday 1998. But the peace it achieved was fragile. The new glass and aluminium office towers in downtown Belfast, snazzy restaurants and pubs full of happy folks chatting over beer, the robust rhythms of traditional Irish music, mixed gatherings of Protestants and Catholics, all convey a sense of peace and normalcy. But just below the surface, tensions run deep. It appears in the different nuances of conversations with Catholics and Protestants. It appears in the six-metre high walls between Catholic and Protestant communities and the gates that separate them at night. It appears in the many murals of Republican martyrs along Falls road, Unionist martyrs along Shankill Road and the long Peace Wall that separates these two neighbourhoods.

The decommissioning of paramilitary groups was never quite completed. Violent actions by dissident groups continued sporadically and is now rising again, as seen in the dissident Republican violence and stabbing in Londonderry last week. On the other side, the Ulster Democratic Party which never signed the Good Friday agreement and had its own paramilitary force, is now a powerful Brexit voice. Police in Northern Ireland fear that a “no deal” Brexit would trigger a return to large-scale violence which they are presently not equipped to handle.

Turning to economic consequences, the advantages of having the world’s largest financial hub after New York in the City of London and benefits the UK has reaped from free trade within the EU customs union have never been fully appreciated in Britain beyond business, industry and the financial community. All this is now at risk. Brexit politicians are in denial. But all responsible assessments by the International Monetary Fund, the Bank of England, the UK Office of Budget Responsibility and other public institutions, and by most private corporate analysts, clearly indicate that a chaotic “no deal” Brexit would be disastrous for the UK. It would also be very damaging for the EU and possibly the global economy. This grim outlook is already in evidence. The latest numbers indicate that growth is now negative, the pound is falling and the UK economy is about to slip into recession for the first time since the financial crisis of 2008.

A further possible outcome over the medium to long term is that the UK economy as we know it could cease to exist. A declining UK economy combined with rising Scottish and Welsh nationalism could see both Scotland and Wales secede from the UK and remain in the EU as independent countries. Even the Unionists in Northern Ireland could come to see the advantages of staying within the EU and opt to integrate with the Irish Republic, upturning present politics, making the border question irrelevant and leaving England to deal with its economic challenges on its own. This shocking possibility, interestingly, was put to me in Belfast last June by a Protestant Unionist.

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