



Taking Stock of Brexit

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January 2026

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John Curtice, the UK's foremost polling expert, wrote recently that 'politicians do not talk much about Brexit these days' (Curtice, 2025). In Germany, too, Brexit has largely disappeared from view, according to a prominent journalist consulted in the preparation of this blog. Another expert, Anand Menon, told AP News on the fifth anniversary of the UK leaving the EU that Brexit had 'changed our economy', adding that 'our politics has been changed quite fundamentally' (Lawless, 2025). His view is that, in electoral politics, conventional political cleavages have been supplanted by 'a new division around Brexit' (Lawless, 2025).

In much of the EU, the 2025 anniversary elicited many articles characterised by a combination of acknowledgment that Brexit had failed to deliver, resignation about the UK's fate and a sense of growing disinterest. The Austrian newspaper Kourier summed up these sentiments: "Von skurril bis tragisch: Eine Bilanz nach fünf Jahren Brexit [From bizarre to tragic, a stocktake after five years of Brexit]" (Bauer, 2025).

However, Brexit is a process, rather than a discrete event, and some of its effects are both contested and take time, and are often seen through ideological rather than analytic lenses. A useful way to assess its consequences is to distinguish between three key dimensions: economic, social and governance related.

The overall economic effects of Brexit have mainly been negative on both sides of the English Channel, albeit uneven, although some critics regard the magnitudes as having been exaggerated.

Two profound economic crises interacted with Brexit: the sharp fall in GDP in 2020 resulting from the COVID-19 pandemic and the surge in inflation after the economic bounce-back of 2021, which in turn led to more restrictive macroeconomic policies. Broadly, the incidence of loss and gains reflects a number of drivers of economic circumstances. They include:

- How the interplay between trade, investment and the public finances affects growth in GDP and other macroeconomic variables such as inflation and the exchange rate;
- The economic sector and the extent to which it has had to adapt to the separation between the UK and EU markets: farming exemplifies substantial adaptation;
- Labour market determinants, notably the incidence of Brexit on the availability of workers for different occupations.

Although disputed, a benchmark value is the calculation by the Office for Budget Responsibility that UK GDP will be around 4% lower than it would have been – that is, not a decline in absolute terms, but compared to the counterfactual of remaining in the EU – over the fifteen years from 2016-2030 (Office for Budget Responsibility, 2025).

Figures from a German study suggest the 'hit' to the UK economy will be around five times as great as that to the EU, but that Ireland and some of the continental European countries geographically closest to the UK would be more affected (Flach et al., 2020). Both the sectoral and regional incidence of Brexit has been uneven. Fishing, being concentrated in coastal areas such as Brittany (France) and Scotland is directly affected by the difficult compromises on authorised catches.

Exporters in the EU and the UK undoubtedly face bigger obstacles than previously, because of the reimposition of non-tariff barriers – notably, product certification, veterinary and phytosanitary controls. These barriers are most acute for smaller business which, typically, already struggle to cope with administrative burdens.

Many of the social effects derive from economic changes, and are again predominantly negative, if only because relatively slower economic growth hits potentially vulnerable social groups or households hardest. Thus, increased food prices fall disproportionately on poorer households because they spend a higher share of their income on food.

Mobile workers and migrants are among the groups most directly affected by Brexit in a variety of ways. Net inflows of migrants from the EU into the UK peaked in 2015, the year before the referendum, and became net outflows in the wake of the pandemic; inflows from the rest of the world, however, saw immigration treble after 2020. The post-Brexit regime meant that EU citizens in low paying jobs were more acutely affected.

Family disruption occurred in both the EU and the UK, especially where a household was composed of EU and UK citizens, and was accentuated by uncertainty about post-Brexit entitlements and policies. Studies in both Spain and France found that the incidence of Brexit was felt more by those considering moves to the UK than those already settled: an example is a sharp fall in internships offered to French youths by UK employers (Cour des Comptes, 2023; Bermudez and Roca, 2024). Especially in the immediate aftermath of the 2016 referendum, EU citizens in the UK faced hostility: it most affected Poles, but Germans were also targeted (Lehmann, 2016).

Brexit afforded an opportunity for the UK to move away from EU regulatory approaches – to 'take back control' – but relatively little has changed, to the dismay of many Brexiteers. To a considerable extent, this reflects the UK being a European welfare state and being uneasy about wide-ranging deregulation.

Governance changes are most pronounced for young people, with EU students now obliged to pay the higher 'foreign' fees at UK universities and the UK withdrawal from the Erasmus programme limiting youth mobility. Youth mobility has become a priority for the EU side in the moves to reset the UK-EU relationship.

The distinctive position of Northern Ireland became a cause célèbre, causing particular upset to the Unionist community who bemoaned a de facto border in the Irish Sea. The negotiation of the Windsor Framework in 2023 attenuated, but did not fully resolve, this governance challenge.

Summing up, many of the promises and trepidations associated with Brexit proved to be wild of the mark. An economic calamity did not occur, but nor has Brexit seen a pronounced shift in the UK's trading and investment relations away from the EU to other, supposedly more dynamic, parts of the world. Who now remembers the notion of 'Global Britain'?

Those most adversely affected by Brexit include small businesses, younger people, migrants and, to some extent poorer households. Other groups experienced relatively little disruption, except as a result of relatively weaker economic performance. Some EU countries have capitalised on Brexit, for example by attracting mobile investments. Support for populist parties is an intriguing outcome of Brexit.

Latterly, a degree of 'buyer's remorse' is visible among UK voters, with polls now favouring 'remain'; an example is farmers, who had favoured Brexit, but would now vote 'remain' after being disappointed at how they were affected.

There is no realistic prospect of a bid by the UK to rejoin, but faced with daunting geo-political challenges, from the Russian threat to climate change, both the EU and the UK now recognise the need for a closer and constructive relationship. Can they deliver it? ■

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