

# Brexit, Transatlantic Relations and Russia: The Global Significance of a British Exit from the EU



A Resource Packet for Educators

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## Using This Resource Guide

NOTE: Many of these descriptions were excerpted directly from the source website



Recommended Resource



Visual Media



Lesson Plan



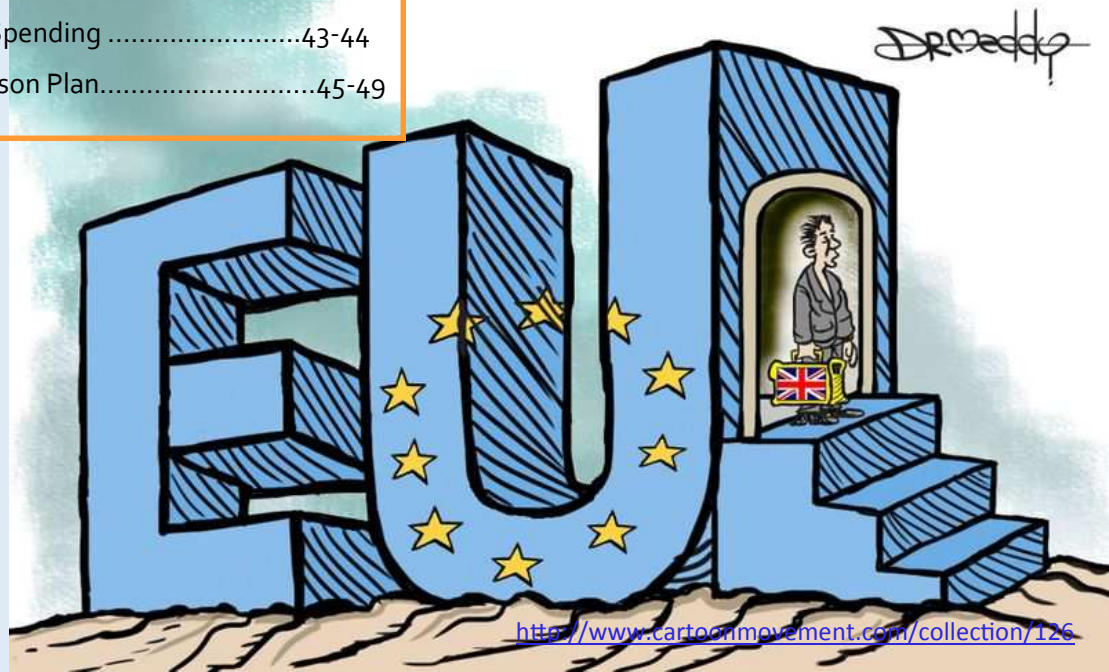
Audio



English/Language Arts



Charts and Graphs



## Introducing the Speakers



Robin Twyman took up his posting as Consul (Business and Government Affairs) at the UK Government Office in Seattle in January 2013. He was previously First Secretary (Trade Policy, Business Affairs and Agriculture) at the British Embassy in Washington.

Born in Canterbury, Kent, in 1968, Robin joined the Foreign and Commonwealth Office (FCO) in 1987. His diplomatic career has seen him serve overseas tours in Harare, Zimbabwe (1989-1992), and Geneva, Switzerland (2001-2006), plus short overseas tours in Mozambique, Mauritius, Russia, Abu Dhabi, Israel, Jordan, DR Congo, Albania, Zambia, Qatar, Nigeria, Syria, and Yemen.

Robin's assignments have covered a wide range of duties. In Geneva, Robin was a UK delegate to the World Trade Organisation, where his portfolio included the Doha Trade Round's agriculture negotiations, and trade disputes. Whilst there, he was elected to serve as a chair on one of the WTO's sub-committees. In the FCO in London, Robin has been a Foreign Office Press Officer (1999-2001), Horn of Africa desk officer, a manager for the UK's Afghanistan Counter Narcotics programme, and headed up the UK's South Atlantic Overseas Territories team.

Phillip Shekleton is a part-time lecturer in the Foster School of Business at the University of Washington. He is the Faculty Advisor for the Europe Track in the Certificate in International Studies in Business (CISB) program for undergraduate students and was the former Managing Director of the University of Washington's Center for West Europe Studies and European Union Center. He received his M.A. in Political Science from the University of Washington in 1997, has a Certificate in Trans-Atlantic Studies from the University of Washington and the University of Bath, England, and a B.A. in Political Science and History from the University of California San Diego.



Jacqueline Miller is the President and CEO of the World Affairs Council in Seattle.

Immediately prior to joining WAC, Jacqueline served as Director of External Relations at Independent Diplomat in New York, which works with marginalized democratic political actors to help them navigate the United Nations, the EU, and other international diplomatic fora. Previously, she was a Senior Associate at the EastWest Institute (EWI) in New York, where she ran the U.S. program. At EWI, she focused on national security policy, the U.S.-Russia and U.S.-China relationships, as well as nuclear disarmament and nonproliferation issues. She has also served as the deputy director of the Council on Foreign Relations' Washington (DC) programs, where she oversaw membership events as well as outreach on Capitol Hill and the DC diplomatic community. She got her start in think tanks at the Center for Strategic and International Studies, where she was deputy director of the Russia and Eurasia program. She has also taught at The George Washington University, where she undertook graduate work after earning undergraduate and graduate degrees from Cornell University.

She has been a commentator for various news sources (print, web, and broadcast), including the New York Times, the BBC, CBC, and Voice of America. Her honors include being named a Truman Security Fellow as well as receiving a Foreign Language Area Studies Fellowship (FLAS) for Russia. She was also an International Research and Exchanges Board (IREX) Visiting Scholar in Kyrgyzstan.



# What is Brexit?

**BREXIT:** Brexit stands for British Exit and refers to the populist movement within the UK that sought, and won, a vote for Britain to leave the European Union.



## European Union Explained

<https://www.youtube.com/watch?v=O37yJBFRrfq>

This brief explanatory video (6 minutes) answers questions like 'Where is the European Union?'; 'What are the benefits of EU Membership?' 'What is the Eurozone?'



## Brexit, Briefly (7 Minute video)

[https://www.youtube.com/watch?v=m3\\_l2rfApYk](https://www.youtube.com/watch?v=m3_l2rfApYk)

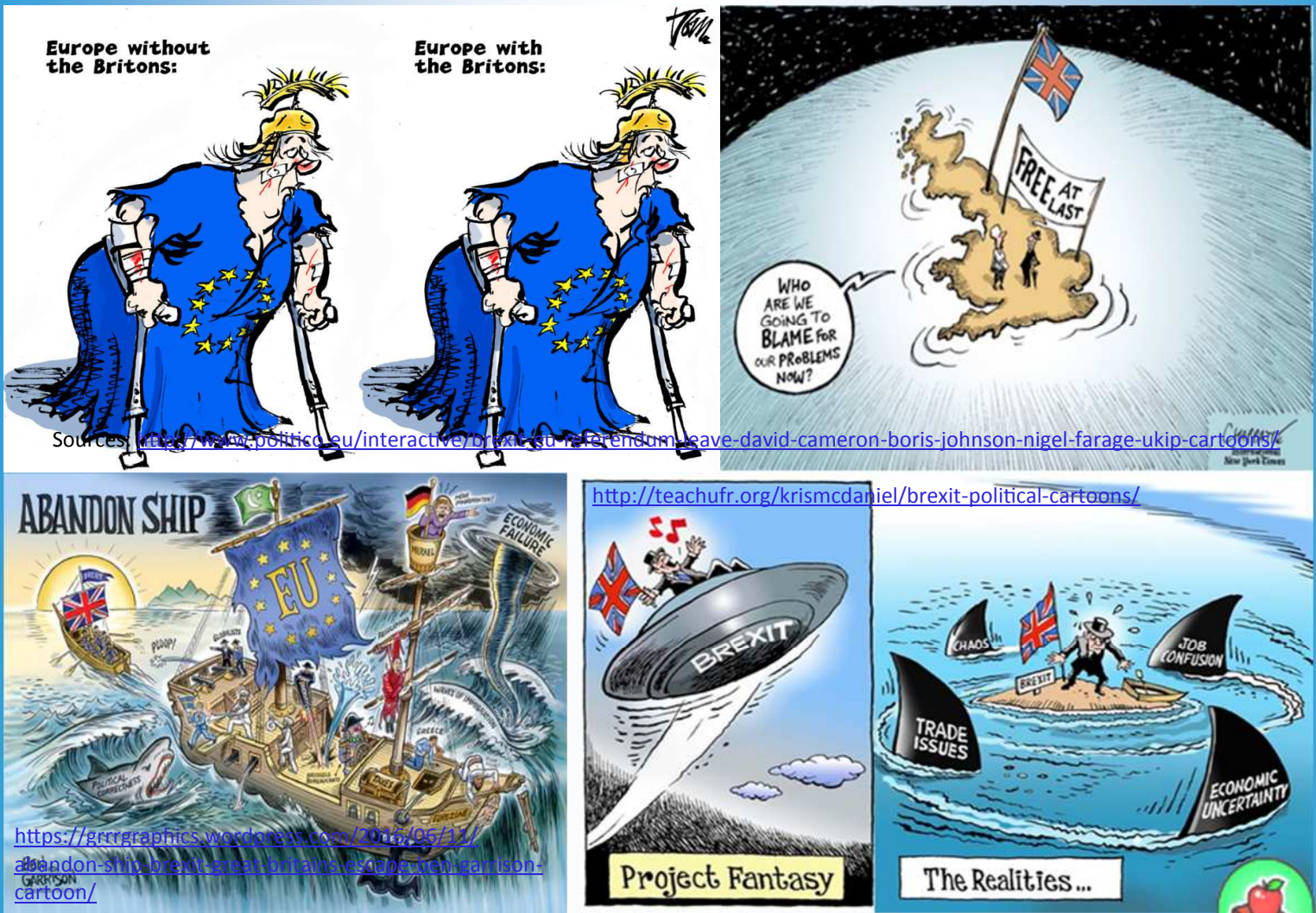
Britain is leaving the European Union... or maybe not? Let's place some odds on what might or might not happen with Brexit.



## The Ten Steps that Led to Brexit:

<http://www.theguardian.com/politics/blog/2016/aug/22/eu-referendum-two-months-on-the-10-steps-that-led-to-brexit>

After a timid entry into the EU Britain found itself frustrated by EU regulations. David Cameron, trying to manage his Tory party, promised a British "renegotiation" with an expected veto or vote to stay in the Union.



## Lesson Plan Ideas!

As a quick check-in (warmup) to test what students know about the Brexit generally, have your students analyze the political cartoons above and discuss their meanings—whether they are pro or against Brexit, and how the artist portrayed their perspectives.

After learning more about Brexit, you can ask your students to create their own political cartoons and present them to the class. Then discuss: What is the importance of political cartoons?



## Learning Objectives Addressed in this Packet

**Learning Objective 1:** Students will be able to define the key concepts *globalization*, *sovereignty* and *populism*. Students will be able to use these terms to identify the key historical moments that influenced the outcome of the Brexit vote.

**Learning Objective 2:** Students will be able to identify the differences between England, Great Britain, and the United Kingdom. Students will be able to argue for or against Brexit by using projected economic and social outcomes within the UK as their evidence.

**Learning Objective 3:** Students will be able to articulate the stakes and who stands to benefit from the Brexit decision while demonstrating an understanding of the intersections between the social, political, and economic outcomes of the Brexit decision within the European Union.

**Learning Objective 4:** Students will have an understanding of the history, structure and organization of the European Union, including its challenges and monetary policies in relation to Britain.

**Learning Objective 5:** Students will be able to explain and discuss Russia's contradiction of flaunting an isolationist foreign policy while supporting the Leave Campaign. Additionally, students will be able to articulate what Russia might gain from Britain's decision to leave the European Union.

**Learning Objective 6:** Students will be able to articulate a response that includes key examples to the question "How will Brexit change trade relations with the United States if the U.K. is to leave the EU?"

**Learning Objective 7:** Students will be able to describe possible global implications of the UK leaving the EU.





# Helpful Terms and People to Know

Xenophobia	→	Intense or irrational dislike or fear of people from other countries.
Referendum	→	A general vote by the electorate on a single political question that has been referred to them for a direct decision.
Free Trade	→	A policy followed by some international markets in which countries' government do not restrict imports from, or exports to, other countries. Free trade is usually practiced in agreed upon economic or geo-political areas and typically governments maintain some protectionist policies.
Schengen Agreement	→	Treaty that created the Schengen Area, in which internal border checks amongst agreed upon states, within and out of the EU, have largely been abolished.
European Single Market	→	A single market that seeks to guarantee the free movement of goods, capital, services and people within the EU and other participatory states.
European Economic Area (EEA)	→	Area in which the European Single Market applies. The 28 EU member states in EFTA (without Switzerland).
European Free Trade Association (EFTA)	→	Regional trade organization and free trade area consisting of Iceland, Liechtenstein, Norway and Switzerland in parallel with the EU and its European Single Market.
TTIP	→	A proposed trade agreement between the EU and the US with the aim of promoting trade and multilateral economic growth. It has been heavily criticized in Europe and the USA.
UKIP	→	UK Independence Party . A right-wing populist political party in the UK that is heavy critical and opposed to the European Union under the leadership of Nigel Farage.
Conservative Party	→	Current majority party in the UK, under the leadership of Theresa May.
Key Political Figures	→	<p><b>David Cameron</b>—Former Prime Minister of the United Kingdom and head of the Conservative Party from May 2010 to July 2016. In an attempt to garner votes Cameron promised a vote on Britain's exit from the EU and upon the vote to leave, he stepped down from office.</p> <p><b>Theresa May</b>—Current Prime Minister of the United Kingdom and leader of the Conservative Party.</p> <p><b>Boris Johnson</b>—Former journalist and mayor of London and current Secretary of State for Foreign and Commonwealth Affairs. Johnson was a boisterous advocate for Brexit.</p> <p><b>Nigel Farage</b>—Leader of UKIP. Farage built his political career around advocating for Britain to exit the EU.</p> <p><b>Angela Merkel</b>—Chancellor of Germany and <i>de facto</i> leader of the EU, since Germany is the strongest economic and political EU member state.</p> <p><b>Vladimir Putin</b>—President and former Prime Minister of the Russian Federation who has been at the head of perceived Russian foreign aggression and nationalism.</p>



## Learning Objective 1:

Students will be able to define the key concepts *globalization*, *sovereignty* and *populism*. Students will be able to use these terms to identify the key historical moments that influenced the outcome of the Brexit vote.

**Guiding Questions:** In what ways are traditional concepts of state sovereignty being challenged today? How does globalization shape economic, political, and social events? What are some of the Economic concerns motivating populist sentiments in Europe? What are some of the indicators of economic insecurity and what do they reveal? What is the role of migrating populations and travel across EU borders, and in what way does migration impact ideas of sovereignty?

### **Globalization:**

Globalization is an historical process that began with the first movement of people out of Africa into other parts of the world. Traveling short, then longer distances, migrants, merchants, and others have always taken their ideas, customs, and products into new lands. The melding, borrowing, and adaptation of outside influences can be found in many areas of human life. <http://yaleglobal.yale.edu/about/history.jsp>



#### **The rise of populist nationalism: Rejecting the future for memories of past**

<http://www.irishexaminer.com/viewpoints/analysis/the-rise-of-populist-nationalism-rejecting-the-future-for-memories-of-past-408458.html>

The UK's vote to leave the EU reflects a global trend in which people left behind by globalization embrace a murky blend of nostalgia and nationalism, writes British historian Owen Matthews.



#### **In 'Brexit' and Trump, a Populist Farewell to Laissez-Faire Capitalism:**

[http://www.nytimes.com/2016/06/29/business/economy/the-anger-wave-that-may-just-wipe-out-laissez-faire-economics.html?\\_r=0](http://www.nytimes.com/2016/06/29/business/economy/the-anger-wave-that-may-just-wipe-out-laissez-faire-economics.html?_r=0)

Donald Trump and Boris Johnson: Is this how the era ushered in by Ronald Reagan and Margaret Thatcher finally ends?

### **Sovereignty:**

Sovereignty is both a political practice and a legal concept entailing the recognized equality and supreme authority and autonomy of territorially bound states in the international system. <http://www.debatingeurope.eu/2016/02/10/is-sovereignty-still-relevant-in-the-21st-century/#.VgB68PmDFBc>



#### **Does the EU impact on UK sovereignty?**

<http://www.bbc.com/news/uk-politics-eu-referendum-35630757>

Explaining why he wants the UK to leave the EU, Boris Johnson complained about "a slow and invisible process of legal colonisation, as the EU infiltrates just about every area of public policy".

#### **A Vote for Self-Government**

<http://www.nationalreview.com/article/437222/brexit-about-sovereignty-not-xenophobia>

Maintaining British sovereignty, broadly construed, was the overwhelming rationale for Brexit.

### **Populism :**

In general, populism is an ideology or political movement that mobilizes the population against an institution or government. It is guided by the belief that political and social goals are best achieved by the direct actions of the masses. <http://www.businessdictionary.com/definition/populism.html>

#### **What Brexit Reveals About Rising Populism**

<http://www.cfr.org/united-kingdom/brexit-reveals-rising-populism/p38102>

On June 23, the British people defied expectations by voting to leave the European Union. The hotly contested referendum was marked by the rise of a populism based on the desire to regain control of immigration and reclaim national sovereignty from international institutions

#### **Brexit, the Rise of Populist Nationalism, and the Future of Europe**

<https://politicalviolenceatagance.org/2016/07/05/brexit-the-rise-of-populist-nationalism-and-the-future-of-europe/>

Those voting for Brexit are motivated by many reasons, among them concerns that echo across the European continent and beyond (including to the US): fantasies about the national past; discomfort with multiculturalism and changing social norms regarding; and beliefs that a return to 'nation' will produce better outcomes than economic integration.

### *Lesson Plan Idea!*

Divide students into three teams; one for globalization, one for populism and one for state sovereignty. Have the teams research their topics to present to the class. Then have the students work together to create a visual timeline illustrating the connecting histories of the movements and how they have culminated in a situation such as Brexit.



# Globalization, Sovereignty and Populism



## Europe's Rising Far Right: A Guide to the Most Prominent Parties

<http://www.nytimes.com/interactive/2016/world/europe/europe-far-right-political-parties-listy.html>

A quick guide to eight prominent far-right parties that have been making news; it is not a comprehensive list of all the Continent's active far-right groups. The parties are listed by order of the populations of the countries where they are based.



## What Is a Political Ideology?

<http://study.com/academy/lesson/what-is-a-political-ideology.html>

Nearly every opinion on the appropriateness or inappropriateness of government policy, ranging from welfare to gun control, is a reflection of a person's political ideology. In this lesson, you learn about political ideology and its importance. This video also leads other videos that go further in depth about various ideologies including conservatism, liberalism, and Marxism.



## Interactive: IDEALog Quiz

<https://www.idealogue.org/en/quiz>

The Self-Test that requires students to answer twenty questions—drawn from national surveys—which are equally divided between the conflict of individual freedom vs. social order, and the conflict of individual freedom vs. social equality. Based on their responses, students are classified into one of four ideological types. Their ideological scores are then compared with the scores for the public's responses to the same twenty questions. Instructors will not have access to students' individual responses or summed scores. Instructors will only be able to view aggregate class scores.



## Interactive: The Political Compass Quiz

<https://www.politicalcompass.org/>

A 6-part questionnaire which plots the taker's political positions on a four-point compass and plots estimates for the positions of 20th century leaders and mid-1990s British politicians.



## Interactive: European Political Ideologies Quiz

<http://www.selectsmart.com/FREE/select.php?client=polphil>

Most political quizzes are geared to an American audience. "Liberal" means left, "Conservative" means right, and a whole range of European positions don't exist. This selector is intended to rank political philosophies and their subsections for you in European terms. In order for this quiz to work properly, answer with the longer term and general principles in mind.



## The History of Europe-Ideologies 1787-2013

<https://www.youtube.com/watch?v=HE6NjIWfY8g>

See how the ideas which Europe was governed by have changed over time.



## Pole-tics—Ideology—Populism

<https://www.youtube.com/watch?v=2JKxPBRgqDM>

This video considers the rise to populism both in the centrist parties in Eastern Europe, the mainstream parties in the US and UK, and the Eurosceptic parties in Europe.



## Classroom Activity: A Glossary of Political Economy Terms—Ideology

<http://www.auburn.edu/~johnspm/gloss/ideology>

This is the online edition of *A Glossary of Political Economy Terms* by Dr. Paul M. Johnson of Auburn University. Dr. Johnson provides a clear definition of ideology and includes hyperlinks to additional definitions of various ideologies including anarchism, communism, conservatism, fascism, liberalism, libertarianism, populism, socialism, and totalitarianism. If a set of computers is available to the class, instruct students to visit this website. Working first in pairs and then discussing as a whole class, have students examine each of the relevant terms and discuss the following:

- 1) What sets this ideology apart from others, and what are its central values and beliefs?
- 2) What incentives would people have to support this ideology; why might it be appealing to some?
- 3) What downsides does this ideological system have, causing it to be potentially unsuccessful?
- 4) Historically, how has this ideology shaped a specific country, region, or society? Examples?



# Globalization, Sovereignty and Populism



## Interactive: Daily Chart: Growing Popularity

<http://www.economist.com/blogs/graphicdetail/2015/02/daily-chart-11>

Euroscepticism is rife across the continent. Economic stagnation has bred resentment of immigrants, the single currency and the European project. Using two graphs, this article analyzes various Eurosceptic and European populist parties' view of the EU and stances on three other topics: austerity measures, the Euro, and immigration.

## String of Attacks in Europe Fuels a Summer of Anxiety

<http://www.nytimes.com/2016/07/26/world/europe/string-of-attacks-in-europe-fuels-a-summer-of-anxiety.html>

Nearly every day seems to bring a new horror to the streets of Western Europe, leaving innocent men, women and children dead or broken, fueling political and social tensions and creating what some are already calling the summer of anxiety.



## Report: Right Response Understanding and Countering Populist Extremism in Europe

[https://www.chathamhouse.org/sites/files/chathamhouse/ro911\\_goodwin.pdf](https://www.chathamhouse.org/sites/files/chathamhouse/ro911_goodwin.pdf)

Populist extremist parties present one of the most pressing challenges to European democracies, but their appeal and the profile of their supporters remain poorly understood. This report examines what is causing citizens across Europe to shift support behind populist extremists and recommends how mainstream political parties can respond to the challenge.



## Populism-the eternal ideology

<https://www.opendemocracy.net/can-europe-make-it/crist-bal-rovira-kaltwasser-kirk-hawkins/explaining-populism>

Populism is becoming global. While in past decades populist forces were only associated with Latin America, from at the least 1990s onwards populist leaders have been gaining ground in both eastern and western Europe.

## Europe's Populist Politicians Tap Into Deep-Seated Frustration

<http://www.wsj.com/articles/europes-populist-politicians-win-voters-hearts-1463689360>

Growing numbers of voters are supporting populist political parties that oppose accepting refugees and other migrants and are skeptical of European integration.

## Why Populist Parties Are Booming Across Europe

<http://fortune.com/2016/04/04/populist-parties-europe/>

Is Europe becoming Trump country? The rise of upstart political parties across Europe—an event that is threatening to tear apart the continent's political systems—is not just a simple right-wing response to the rise of immigration and terrorism. The political left is simultaneously rising as well. Young left-leaning parties are now part of the ruling coalitions in Greece and Portugal, and they have taken significant numbers of seats in Italy and in Spain.

## Populism in Europe—A primer

<https://www.opendemocracy.net/can-europe-make-it/cas-mudde/populism-in-europe-primer>

This website gives a detailed account of what populism is and what it is not. The website also gives a comprehensive list of the main populist parties in 2014 and the percentage of votes they received in the 2014 election.

## Voices from Europe's Far Right

[http://www.nytimes.com/2016/07/13/world/europe/voices-from-europes-far-right.html?ref=world&\\_r=0](http://www.nytimes.com/2016/07/13/world/europe/voices-from-europes-far-right.html?ref=world&_r=0)

This spring, we asked readers who support far-right parties in Europe to tell us why they had turned away from mainstream political movements. We received hundreds of responses from voters, most of whom cited concern about immigration and a desire to challenge the European Union in explaining their views.

## Across Europe, distrust of mainstream political parties is on the rise

<https://www.theguardian.com/world/2016/may/25/across-europe-distrust-of-mainstream-political-parties-is-on-the-rise>

The narrow defeat – by just 0.6 percentage points – of the nationalist Freedom Party's Norbert Hofer in this week's Austrian presidential elections has focused attention once more on the rise of far-right parties in Europe.



## Crash Course World History: Globalization

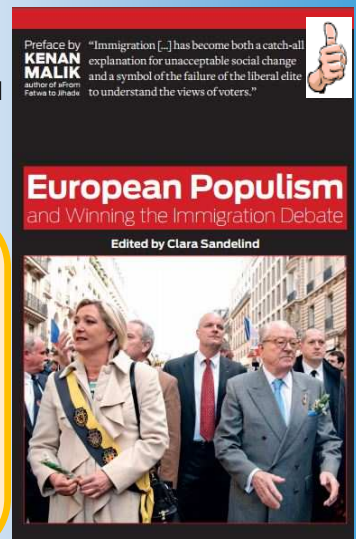
<https://www.youtube.com/watch?v=5SnR-eoS6lc> and [https://www.youtube.com/watch?v=s\\_iwrt7D5OA](https://www.youtube.com/watch?v=s_iwrt7D5OA)

This video follows the surprisingly complex path of t-shirt as it crisscrosses the world before coming to rest on your doorstep, and eventually in your dresser. Globalization is a bit of a mixed bag, and there have definitely been winners and losers along the way. This episode reveals some of the benefits that have come along with it.

## European Populism and Winning the Immigration Debate

<http://fores.se/wp-content/uploads/2014/11/European-Populism-print-version.pdf>

"Immigration[...] has become both a catch all explanation for unacceptable social change and a symbol of the failure of the liberal elite to understand the views of voters."





# Globalization, Sovereignty and Populism

## Classroom Activity: Comparison of Four European Populist Movements

If a set of computers or smartphones is available to the class, instruct students to visit the websites to the right, where they will find the platforms, policies, and defining statements of four of the most central European populist movements occurring presently.

After examining the four websites (some might require translation), ask students to answer the following questions—first by working in pairs, and then as a class.

- 1) Which of this movement's central tenets would make it appealing to the masses?
- 2) What concerns does this party have, if any, regarding the EU, and why?
- 3) How does this party feel about government control of the economy? Of the people's life-style choices?
- 4) What traits does this movement share with the other three movements?

### UKIP: 2016 Manifesto

[http://www.ukip.org/2016\\_manifestos](http://www.ukip.org/2016_manifestos)  
Read the UKIP's most recent manifesto.

### Syriza: Who We Are

[http://www.syriza.gr/page/who-we-are.html#.V4\\_cRPkrJpg](http://www.syriza.gr/page/who-we-are.html#.V4_cRPkrJpg)

Learn more about Greece's leftist populist party's platform.

### Podemos: We Can

<http://podemos.info/?lang=en#>

Learn more about the platform of Spain's left-wing political party.

### France National Front's Platform

<http://www.frontnational.com/le-projet-de-marine-le-pen/>

Learn more about Marine Le Pen's vision for France's future.



**Book: 86 Days in Greece**  
by Taso Lagos

[https://](https://www.amazon.com/86-Days-Greece-Time-Crisis/dp/0984654321)

[www.amazon.com/86-Days-Greece-Time-Crisis/dp/0984654321](https://www.amazon.com/86-Days-Greece-Time-Crisis/dp/0984654321)

An insider's view into the social, political, economic, and cultural

### The Problem with Populism: Examining Syriza in Greece and Podemos in Spain

<https://www.theguardian.com/commentisfree/2015/feb/17/problem-populism-syriza-podemos-dark-side-europe>

Mass political movements such as Syriza in Greece and Podemos in Spain have an obvious appeal, but in their illiberalism there is an undeniable dark side. This article examines both left and right populist movements, discussing what both sides of the populist movement are responding to and how.

### In Greece's Populism, Precious Lessons for Europe

[http://www.nytimes.com/2016/01/29/opinion/in-greeces-populism-precious-lessons-for-europe.html?\\_r=2](http://www.nytimes.com/2016/01/29/opinion/in-greeces-populism-precious-lessons-for-europe.html?_r=2)

Greece has been plagued by domestic divisions for most of its modern history. It is easy to see foreign creditors' supervision of Greece's economy, and their pressure on its political system, as a new chapter in a national epic of resistance.



"To stop all of this...Go vote! France National Front"



Anti-European Union sentiments illustrated by the United Kingdom Independence Party



"SYRIZA everywhere! No-one alone in the crisis! Organization, solidarity for socialism-democracy-freedom"

# Globalization, Sovereignty and Populism



## Why are Anti-Immigration Parties so strong in Nordic states?

<https://www.theguardian.com/news/datablog/2015/jun/19/rightwing-anti-immigration-parties-nordic-countries-denmark-sweden-finland-norway>

The Danish People's Party's success in the election continues a trend of rising support for rightwing parties across Finland, Denmark, Sweden and Norway.

## Rise of Far-Right Party in Denmark Reflects Europe's Unease

[http://www.nytimes.com/2015/06/20/world/europe/rise-of-far-right-party-in-denmark-reflects-europes-unease.html?\\_r=1](http://www.nytimes.com/2015/06/20/world/europe/rise-of-far-right-party-in-denmark-reflects-europes-unease.html?_r=1)

The surprisingly strong showing in elections on Thursday of Denmark's anti-immigration and anti-Brussels Danish People's Party has underlined a growing crisis of confidence in traditional political institutions and in the European Union itself.

## Is populism in Western Europe and Central Eastern Europe the same thing?

<http://www.nouvelle-europe.eu/en/populism-western-europe-and-central-eastern-europe-same-thing>

A systematic comparison of populism in Western and post-communist Europe.

## Essay: The backward East? Explaining differences in support for radical right parties in Western and Eastern Europe

<http://www.jofcp.org/assets/jcp/JCP-January-2015.pdf>



Support for radical right parties in Eastern Europe hinges on a different set of factors than in the West. Findings show that the commonly cited factors, such as economic development, immigration, and types of electoral institutions, do not explain cross-national differences in electoral support for the radical right or the difference in electoral support between Eastern and Western Europe. Rather, it is political stability and social trust that explain differences between West and East.

## Report: Populism in Central and Eastern Europe—Challenge for the Future

<https://pl.boell.org/en/2014/02/14/populism-central-and-eastern-europe-challenge-future>

This GEF publication presents the phenomenon of right-wing populism from a variety of thematic angles and national perspectives. It touches upon the similarities as well as the differences between European cases of populism, and several authors discuss how Greens and progressive parties in particular should respond to this phenomenon.



### Classroom Activity: Simulation of European Populist Groups

*Students will be able to define globalization and state sovereignty. They will be able to express a position to the question: What have major political parties in Europe proposed as a solution to the social issues and economic insecurity caused by increased globalization? Students will also learn about specific policies, and will discuss: Should EU member states have individual policies or just one regional policy?*

- 1) Split up the class into eight groups, if possible. Assign each group one of the following populist movements to research: the Progress Party (Norway); Sweden Democrats (Sweden); Danish People's Party (Denmark); the Party for Freedom (Netherlands); the Freedom Party of Austria (Austria); Front National (France); and the United Kingdom Independence Party (UKIP; The UK).
- 2) Allow groups time to conduct research on their assigned political movement, and ask them to take focused notes on their party's stance on recent social and economic issues that have resulted from globalization. For example, how does the party feel about taking in immigrants and refugees? Are members of this party typically Eurosceptic?

Places to start (most require web translation):





- Sweden Democrats <https://sd.se/>
- Danish People's Party [https://www.danskfolkeparti.dk/The\\_Party\\_Program\\_of\\_the\\_Danish\\_Peoples\\_Party](https://www.danskfolkeparti.dk/The_Party_Program_of_the_Danish_Peoples_Party)
- Freedom Party of Austria <https://www.fpoe.at/>
- Front National <http://www.frontnational.com/>
- UKIP <http://www.ukip.org/>

3) Using their notes and research, have each group compose a brief statement outlining their basic tenets, mission, and stance on accepting immigrants, the refugee crisis, EU membership, and at least one other topic relating to globalization.

4) Once the groups have completed a statement, have each group nominate a spokesperson to deliver the statement to the class as a whole. Have observers take note of how other parties' statements differ from their own. Discuss the differences as a class.



# Globalization, Sovereignty and Populism

-  **The rise of populist nationalism: Rejecting the future for memories of past**  
<http://www.irishexaminer.com/viewpoints/analysis/the-rise-of-populist-nationalism-rejecting-the-future-for-memories-of-past-408458.html>  
The UK's vote to leave the EU reflects a global trend in which people left behind by globalization embrace a murky blend of nostalgia and nationalism, writes British historian Owen Matthews.
  -  **Yes Minister—European Diplomacy**  
<https://vimeo.com/135166094>  
Humphrey explains British participation in the European Economic Community.
  - **Beyond Brexit: Europe's Populist Backlash Against Immigration and Globalization**  
<http://www.newsweek.com/2016/07/08/britain-brexite-wounds-european-nationalism-475101.html>  
Polls show that both Brexit voters and Trump's grassroots supporters are motivated by a similar mix of fear and fantasy: a yearning to control immigration, reverse globalization and restore national greatness by disengaging from the wide, threatening world.
  -  **Brexit, the Rise of Populist Nationalism, and the Future of Europe**  
<https://politicalviolenceataglance.org/2016/07/05/brexit-the-rise-of-populist-nationalism-and-the-future-of-europe/>  
Those voting for Brexit are motivated by many reasons, among them are concerns that echo across the European continent and beyond (including to the US): fantasies about the national past; discomfort with multiculturalism and changing social norms regarding; and inchoate beliefs that a return to 'nation' will produce better outcomes than economic integration.
- What Brexit Reveals About Rising Populism**
- <http://www.cfr.org/united-kingdom/brexit-reveals-rising-populism/p38102>  
The Brexit vote was largely driven by concerns over immigration. Given the UK's relatively positive economic context—low unemployment and higher growth than its European neighbors—why has immigration come to the forefront now?
  -  **Populism for the People, Stepping Stones in UK, France, and USA**  
<https://www.youtube.com/watch?v=FJMFxcnmARQ>

## Classroom Discussion:

The UKIP Poster below that promotes Brexit with a focus on refugee and immigration concerns has been likened to Nazi propaganda. Is this a fair comparison to make? Why or why not?

## Resources to Reference:

A digital version of the original Nazi Propaganda video can be watched on the website of the United States Holocaust Memorial Museum: [https://www.ushmm.org/online/film/display/detail.php?file\\_num=4133](https://www.ushmm.org/online/film/display/detail.php?file_num=4133)

## Brexit: UKIP's 'unethical' anti-immigration poster

<http://www.aljazeera.com/indepth/features/2016/06/brexit-anti-immigration-ukip-poster-raises-questions-160621112722799.html>

Experts weigh in on whether UKIP EU Referendum poster, which was likened to Nazi propaganda, breaks moral code.

## New pro-Brexit ad gets linked to Nazi-era propaganda

<https://www.washingtonpost.com/news/worldviews/wp/2016/06/16/new-pro-brexit-ad-gets-linked-to-nazi-era-propaganda/>



UKIP EU Referendum poster unveiled June 16, 2016 (L), screenshot from Nazi newsreel dated August 6, 1941 (R). © Reuters / USHMM



# Globalization, Sovereignty and Populism

Debating  
Europe

## THE RISE OF NATIONALIST POPULIST PARTIES

IN EUROPE

NORWAY - PROGRESS PARTY

FINLAND - THE FINNS

SWEDEN - SWEDEN DEMOCRATS

DENMARK - DANISH PEOPLE'S PARTY

NETHERLANDS - THE PARTY FOR FREEDOM

AUSTRIA - FREEDOM PARTY OF AUSTRIA

UNITED KINGDOM - UK INDEPENDENCE PARTY

FRANCE - FRONT NATIONAL

### EMERGENCE OF NATIONALIST POPULIST PARTIES

THE FRONT NATIONAL CAME FOURTH IN THE **FRENCH** PRESIDENTIAL ELECTION WITH **10.44%** OF THE VOTE

THE NORTHERN LEAGUE IN **ITALY** STRENGTHENED ITS POSITION IN REGIONAL ELECTIONS WITH **12.7%** OF VOTES

THE **SWEDEN** DEMOCRATS GAINED **PARLIAMENTARY REPRESENTATION** FOR THE FIRST TIME

**MARINE LE PEN** ACHIEVED THE FRONT NATIONAL'S BEST-EVER RESULT IN A PRESIDENTIAL ELECTION (**17.9%** OF THE VOTE)

1984

THE FRONT NATIONAL WON **11%** OF THE VOTE IN THE EUROPEAN PARLIAMENT ELECTIONS **IN FRANCE**

1998

THE **DANISH** PEOPLE'S PARTY RECEIVED **7.4%** OF THE VOTE IN ITS FIRST ELECTION

2007

2001

THE **DANISH** PEOPLE'S PARTY WON **12%** OF THE VOTE

2010

2010

THE FREEDOM PARTY CANDIDATE BARBARA ROSENKRANZ CAME **SECOND** IN THE **AUSTRIAN** PRESIDENTIAL ELECTION

2010

2010

THE **HUNGARIAN** JOBBIK PARTY CAME THIRD IN NATIONAL ELECTIONS WITH **16.7%** OF THE VOTE

2012

2012

**GREEK** GOLDEN DAWN PARTY ENTERS THE HELLENIC PARLIAMENT FOR THE FIRST TIME WITH **21 SEATS** AND **7%** OF THE VOTE

2014

UKIP RECEIVED THE GREATEST NUMBER OF VOTES (**27.49%**) OF ANY **BRITISH** PARTY IN THE 2014 EUROPEAN PARLIAMENT ELECTION

### HOW CAN WE EXPLAIN THE RISE OF THESE PARTIES?

- ▶ **LOSS OF PUBLIC CONFIDENCE** IN MAINSTREAM POLITICAL PARTIES
- ▶ THE EU IS SEEN AS AN OPEN DOOR FOR **IMMIGRANTS** WHO ARE THREATENING NATIONAL CULTURES AND SAFETY
- ▶ ALL THESE PARTIES OR MOVEMENTS HAVE BENEFITED FROM THE **FINANCIAL AND ECONOMIC CRISIS** AND A CONTEXT OF DISAPPOINTMENT IN MAINSTREAM POLITICAL PARTIES AND EUROPEAN INSTITUTIONS
- ▶ MANY VOTERS SEE THESE PARTIES AS A **WAY TO PROTEST AGAINST POLICIES** WITHIN THE EU SUCH AS AUSTERITY, LACK OF JOBS, AND IMMIGRATION

### SOCIAL PROFILE OF NATIONAL POPULIST PARTY VOTERS

VOTERS WHO TURN OUT FOR NATIONAL POPULIST PARTIES AT ELECTIONS TEND TO BE **MEN**

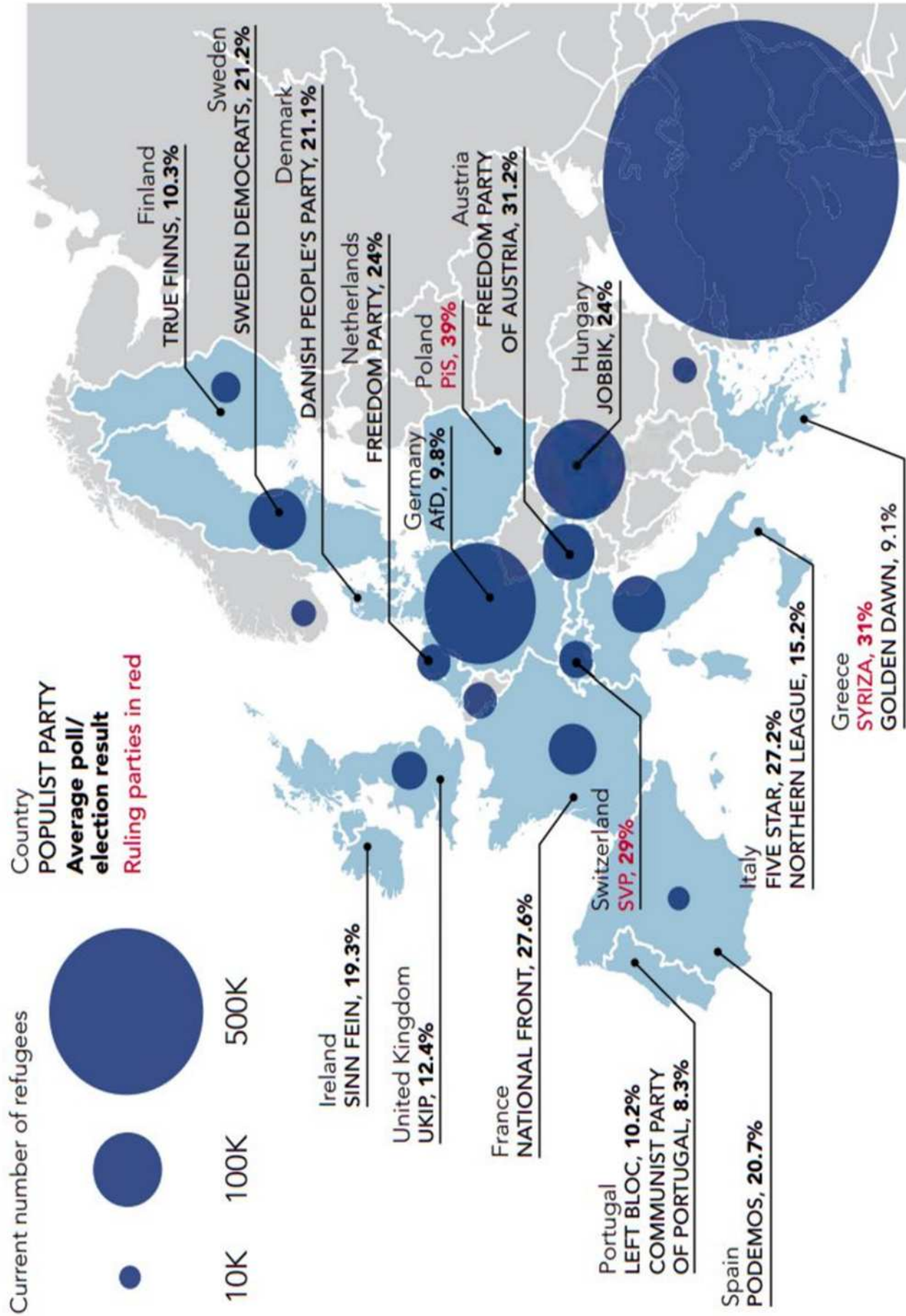
SUPPORT FOR POPULIST NATIONALIST PARTIES IS **WEAK** AMONG MORE SECURE AND **SALARIED** SECTIONS OF THE **MIDDLE CLASSES** AND CITIZENS WITH A **UNIVERSITY-LEVEL EDUCATION**

POPULIST PARTIES ARE ENDORSED BY CITIZENS WHO HAVE A **NEGATIVE ATTITUDE TOWARDS** IMMIGRANTS, REFUGEES AND CULTURAL AND ETHNIC **DIVERSITY**

Sources: European Commission, European Humanist Federation, Spinnelli Group, February 2016



Populism is surging as refugees bring increased political pressures



Sources: Eurostat, United Nations High Commissioner for Refugees, Eurasia Group



## Learning Objective 2:

Students will be able to identify the differences between England, Great Britain, and the United Kingdom.  
Students will be able to argue for or against Brexit by using projected economic and social outcomes within the UK as their evidence.

**Guiding Questions:** What are the historical presidents to current division and political conflicts in the United Kingdom? What disagreements have political parties had regarding national interests and why? How does EU membership voting break down demographically and geographically? Who in the UK voted for Brexit? Who voted against? Why?

### Brexit Arguments

**Why did the British people vote to leave the E.U.?**

**What factors led to the Brexit outcome? 50 Answers**

<https://www.quora.com/Why-did-the-British-people-vote-to-leave-the-E-U-What-factors-led-to-the-Brexit-outcome>

Factors that led English elderly, the less educated, those outside large cities and those against immigrant populations to vote Brexit—including: Immigration (Free Labor Movement and Cultural); Loss of British Identity & Independence; and Generational Change.



**Leave or remain in the EU? The arguments for and against Brexit**

<http://www.telegraph.co.uk/news/2016/06/16/leave-or-remain-in-the-eu-the-arguments-for-and-against-brexit/>

The article even-handedly weighs both sides of the Brexit debate around the major issues: Immigration, Crime, Trade, Law, Jobs, Clout, Finance, Sovereignty, and Defense.



**Years of Hardship Lead Welsh to Brexit**

<https://www.yahoo.com/news/years-hardship-lead-welsh-brexit-013903336.html> (Associated Press)

Years of hardship and unemployment may have been the reason the Welsh electorate voted for Great Britain to leave the European Union last week but analysts fear, without EU funding, worse times may be ahead for the region.

**Will Brexit break up the UK?**

<http://time.com/4389858/brexit-referendum-united-kingdom-breakup/>

Brexit has exposed the fault lines dividing the U.K.'s four pieces: Wales, Northern Ireland, Scotland and England.



**10 reasons to feel positive after Brexit**

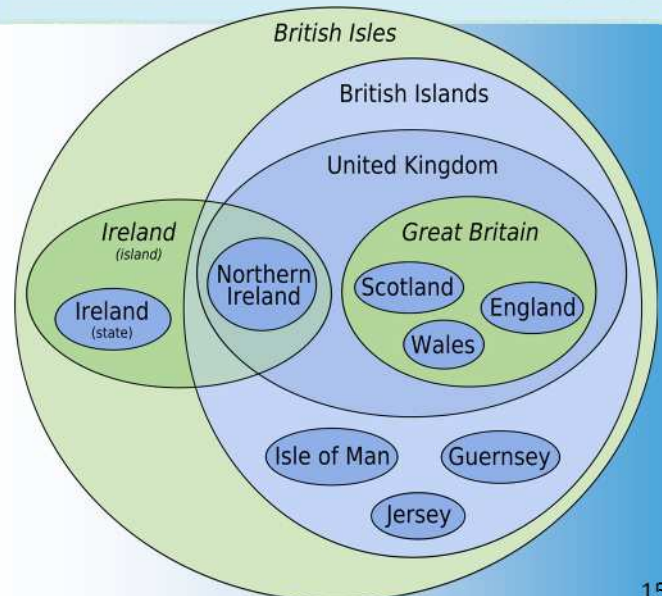
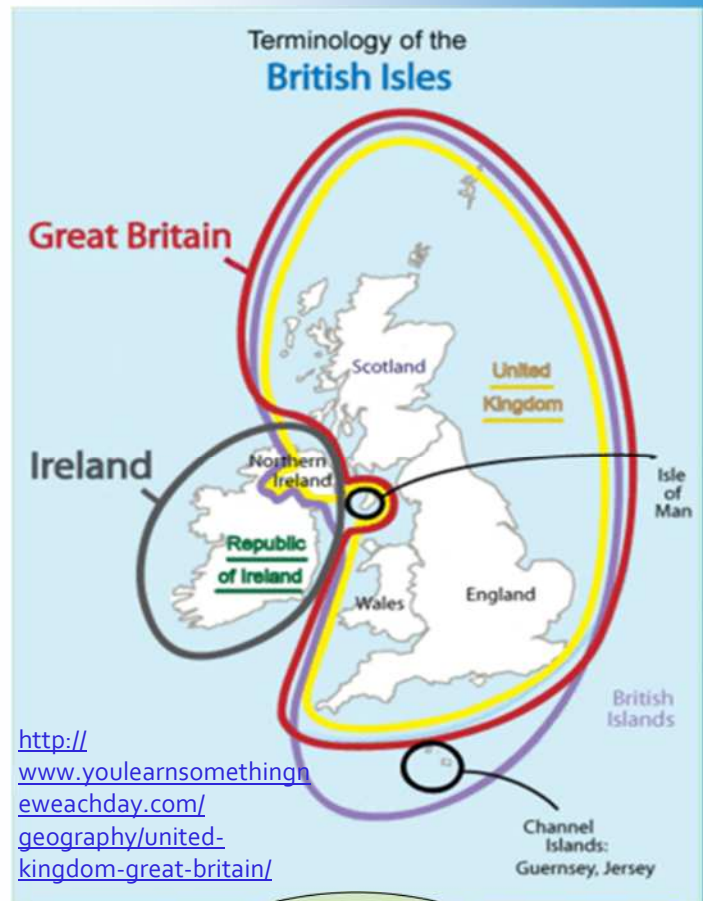
<http://www.independent.co.uk/voices/brexit-what-next-reasons-to-be-positive-eu-referendum-jeremy-corbyn-a7104016.html>

Some poorer communities that were sacrificed for the good of the EU could become prosperous again; The UK probably would have been forced to join the euro eventually; and savings on the EU budget contribution are real.



**The Difference between the United Kingdom, Great Britain and England Explained in five minutes**

<https://www.youtube.com/watch?v=rNu8XDBSn10>



# The UK and Brexit

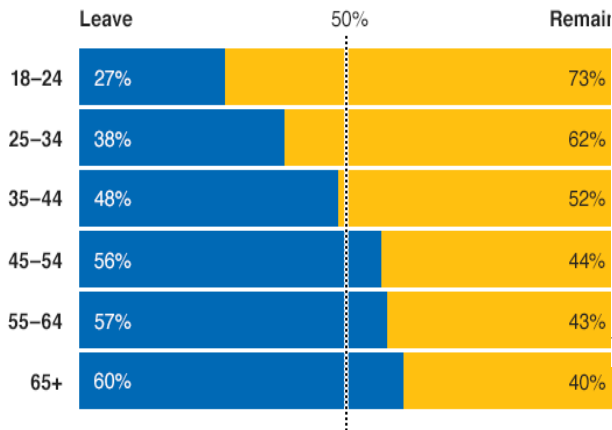


EU referendum: The result in maps and charts

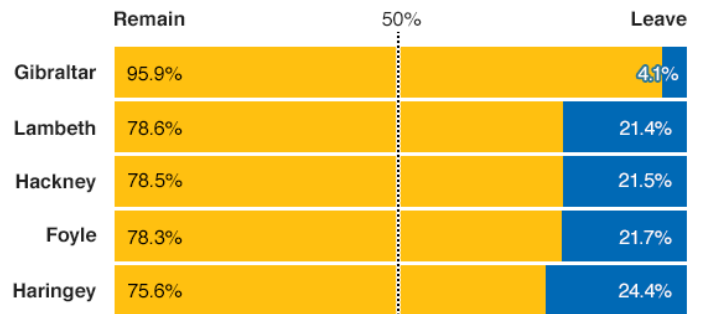
<http://www.bbc.com/news/uk-politics-36616028>

Comprehensive lists of various infographics illustrating voting outcome by regions and age.

## How different age groups voted

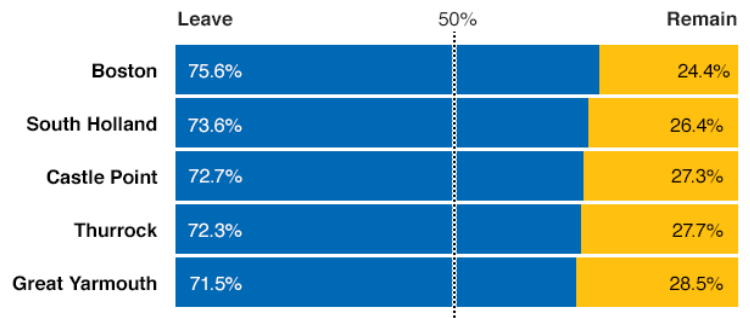


## Support for Remain, the top five areas (%)



BBC

## Support for Leave, the top five areas (%)



BBC

Source: Lord Ashcroft Polls

B

## Europe referendum 1975 v 2016

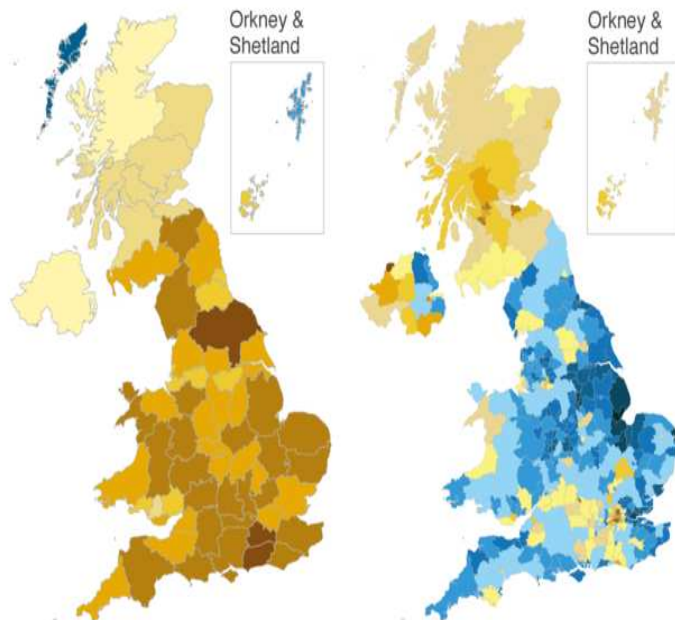
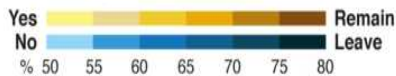
1975

Question asked: "Do you think the UK should stay in the European Community (Common Market)?"

2016

Question asked: "Should the UK remain a member of the European Union or leave the European Union?"

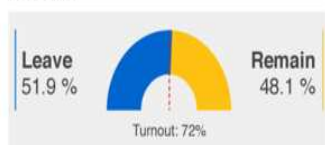
Winning side in area and vote share



Results



Results



Source: British Electoral Facts 1885-1975, district councils

BBC



## The Key issues

<http://www.telegraph.co.uk/>

- **Immigration**  
Leave: Can't control  
Stay: Leaving won't solve issue
- **Law**  
Leave: EU dictated laws  
Stay: Won't have a say
- **Crime**  
Leave: Stop trial in EU courts  
Stay: Prevent justice
- **Jobs**  
Leave: Can flourish  
Stay: Less investment
- **Trade**  
Leave: Held back  
Stay: 44% UK trade with EU
- **Sovereignty**  
Leave: No longer sovereign  
Stay: Must work together to thrive
- **Finance**  
Leave: Low taxes  
Stay: Banks will flee

## Lesson Plan Idea!

Have students think of a few more possible issues.





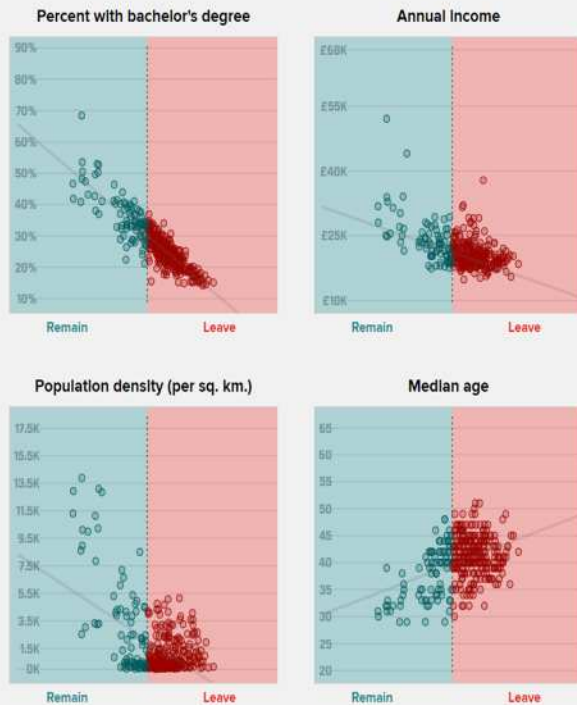
# The UK and Brexit

## Who Voted for Brexit?

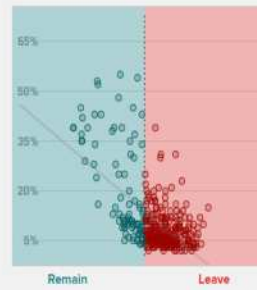


### The Demographic Insights of the Brexit Vote

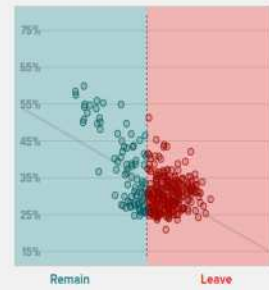
Each circle represents one local authority in England and Wales. Hover to see details.



### Percent foreign-born



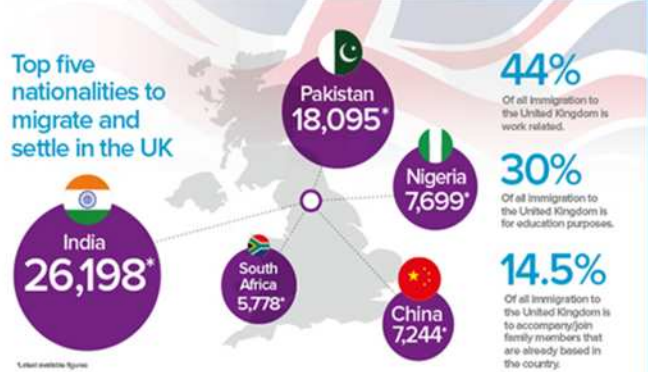
### Percent unmarried



The Atlantic

SOURCE: UK Office for National Statistics 2011 Census

### Top five nationalities to migrate and settle in the UK



## A people divided

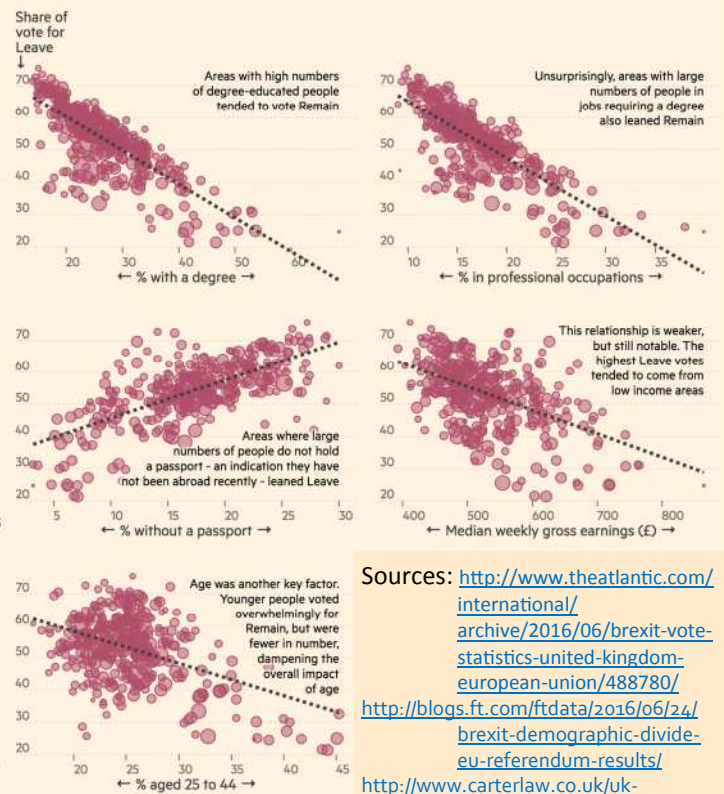
The strongest correlation between the vote for Leave and any key demographic measure is with the share of people holding a degree. But even here, regional patterns are clear: London Boroughs stand out in the tail on the right, with higher education and low Leave numbers. Scotland follows the overall national trend but is shifted as a whole towards Remain



Correct as of 06:30 on June 24  
Source: Press Association, UK Census  
Graphic by John Burn-Murdoch / @burnmurdoch

## The demographics that drove Brexit

Britain has voted to leave the EU, a decision that has left millions of Remain voters asking how this happened, and who were the 17.4m people who voted Leave. The five characteristics below were among the most strongly correlated with the share of the vote for Leave, when measured across the 382 voting areas. Every circle below represents one voting area



Referendum results: Press Association  
Demographic data: UK Census, Office for National Statistics  
Graphic by John Burn-Murdoch / @burnmurdoch

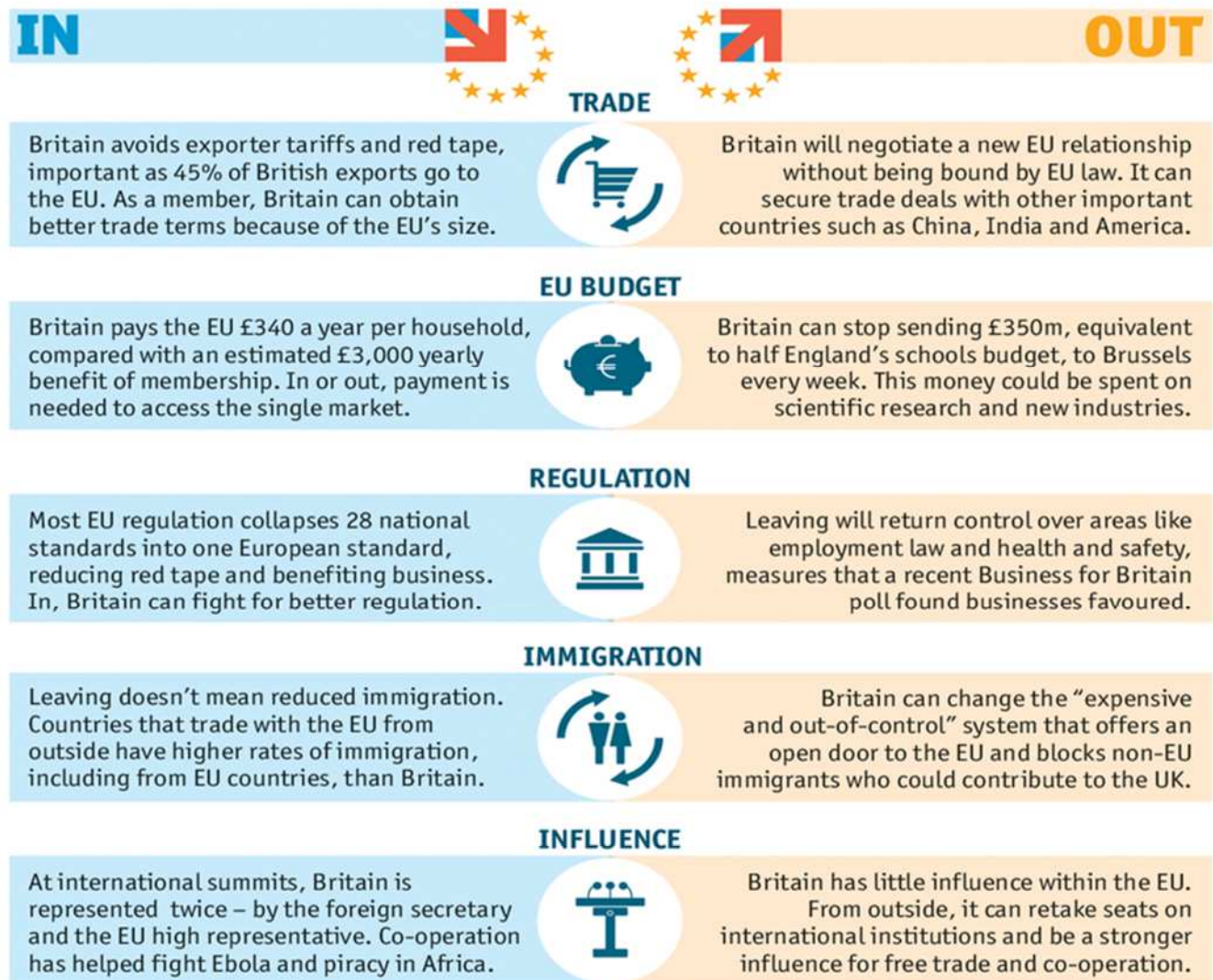
Sources: <http://www.theatlantic.com/international/archive/2016/06/brexit-vote-statistics-united-kingdom-european-union/488780/>  
<http://blogs.ft.com/ftdata/2016/06/24/brexit-demographic-divide-eu-referendum-results/>  
<http://www.carterlaw.co.uk/uk-immigration-facts-infographic/>



# The UK and Brexit

## The debate

Arguments for and against Brexit, according to the main campaigns



Sources: Britain Stronger in Europe; Vote Leave

Economist.com

### Brexit: No substantive talks for 12 months, Herman Van Rompuy predicts

<http://www.bbc.com/news/uk-37369917>

Prime Minister Theresa May has said that the government will not trigger Article 50 - the formal start of the process of leaving the EU - before 2017.

### No Brexit until 2022? Philip Hammond warns EU exit could take at least four years

<http://www.telegraph.co.uk/news/2016/07/12/no-brexit-until-2022-philip-hammond-warns-eu-exit-could-take-at/>

Negotiations for Britain's exit can only start once Article 50 of the Lisbon Treaty is triggered. This process will take two years but agreeing on future treaties could take an additional four years.



### Brexit? Maybe not, after all: Six ways that the fantasy of the 48 percenters who want to stay in the EU might come true

<http://www.politico.eu/article/eu-referendum-cameron-brexit-maybe-not-after-all/>

The politics and the legalities of an exit from the EU are unclear and unprecedented. Here are six scenarios to stave off Brexit.

## Lesson Plan Idea!

Using excerpts from pro and anti-Brexit speeches, ask students to read an excerpted speech aloud (dramatic readings are a bonus). The class will decide which side of the debate a speaker is on and give reasons for why.



### Learning Objective 3:

Students will be able to articulate who does and does not benefit from the Brexit decision while demonstrating an understanding of the intersections between the social, political, and economic outcomes of the Brexit decision within the European Union.

**Guiding Questions:** Has the Brexit vote divided the idea of an “United” Kingdom? Has the Brexit vote divided generations of UK citizens? What effect has the discussion over xenophobia, in relation to the Brexit issue, had on British discourse about its society and culture? Has the referendum affected ethnic minorities and immigrants? What are the possible economic policy solutions? How can those solutions be evaluated? What are the possible economic reactions to Brexit, such as to the value of the pound, interest rates, etc.?



These Are the Winners and Losers of Britain's Historic Vote to Leave the EU (Fortune Magazine)

<http://fortune.com/2016/06/24/brexit-vote-outcome-winners-losers/>

## Winners

- Boris Johnson
- Nigel Farage
- Donald Trump
- Vladimir Putin
- Marine Le Pen
- Geert Wilders
- Golden Dawn
- Lawyers



## Losers

- David Cameron
- Global Markets
- Hillary Clinton
- Angela Merkel
- Barack Obama

### Who benefits from Brexit? The Legal Industry Of Course

<http://www.law.com/sites/almstaff/2016/08/03/who-benefits-from-brexit-the-legal-industry-of-course/?sreturn=20160807170921>

Law firms are likely to benefit from the United Kingdom's decision to leave the European Union, according to the main lobby group for the U.K.'s financial services industry.

### Britain is broke beyond repair—and the worst is yet to come

<http://www.businessinsider.com/brexit-eu-referendum-result-political-economic-and-social-analysis-and-whats-next-2016-6>

It is not just the immediate market fallout that Britain has to worry about — it is the future of the UK's sociopolitical landscape. Britain is divided, and the political contagion to follow not only threatens to wreck the European Union as a whole — it could spread across the globe.



### **Lesson Plan Idea!**

Before going to Fortune and reading the reasoning behind the winners and loser lists (source above), work as a class to come up with your own thoughts and see how they compare to Fortune's 'Winners & Losers' list. If you do not know a person in the list discuss who they could be before looking online. Do you agree or disagree with the list above? Why?

# Brexit: Winners and Losers



**Last Week Tonight With John Oliver—Brexit Update** \*(may not be suitable for a young audience)\*

<https://youtu.be/nhoac5HUpDU>

The United Kingdom voted to leave the European Union, and it looks like it may not be an especially smooth transition.

**Brexit: All you need to know about the UK leaving the EU**

<http://www.bbc.com/news/uk-politics-32810887>

This article is designed to be an easy-to-understand guide on what happens now that the UK has voted to leave the EU.



**How would Brexit affect you?—video explainer.**

<http://www.theguardian.com/politics/video/2016/jun/07/how-would-brexit-affect-you-eu-referendum-video-explainer>

Membership of the European Union may come with certain strings attached, but there is a wealth of benefits to its citizens.



**What does Brexit mean for the Paris climate agreement?**

<http://www.pri.org/stories/2016-08-13/what-does-brexit-mean-paris-climate-agreement>

The UK's vote to leave the European Union has raised questions about how Europe will meet its commitments to mitigate the effects of climate change under the Paris Climate agreement.



**Professor Michael Dougan—Industrial Dishonesty and the Outcome of Brexit**

[https://www.facebook.com/alina.gavrielatos/posts/10157136443350444?notif\\_t=like-if\\_id=1467556958591505](https://www.facebook.com/alina.gavrielatos/posts/10157136443350444?notif_t=like-if_id=1467556958591505)

Professor Michael Dougan, the leading EU lawyer whose criticism of the referendum campaign's "industrial dishonesty" went viral, has assessed the UK's position following the vote to leave the EU. He says that this is now a "political crisis that needs a political solution" and that the Government has a "constitutional responsibility to protect the national interest."

**How has the EU referendum affected ethnic minorities and immigrants?**

<https://www.theguardian.com/politics/2016/jun/26/brexit-intolerance-ethnic-minorities-immigrants-uk>

Though nearly half of the country wanted to remain in Europe, the leave victory has thus left many ethnic minority people and immigrants fearful of the intolerance that has been unleashed

**What it's like to be an ethnic minority in post-Brexit Britain right now**

<http://qz.com/722718/what-its-like-to-be-an-ethnic-minority-in-post-brexit-britain-right-now/>

In all the bombast, fear-mongering, misrepresentations and downright lies perpetuated by all sides in the Brexit debate, the potential impact on Britain's eight million plus ethnic minority population was being muffled.

**Brexit fallout: Here are the winners and loser from a weaker pound**

<http://www.telegraph.co.uk/business/2016/06/27/here-are-the-winners-and-losers-from-a-weaker-pound/>

The pound has plummeted to its lowest level in more than three decades against the dollar in the wake of the Brexit vote. Here's why it happened and whether households and businesses should be braced for further falls.

## Brexit for Teachers—A Resource from the UK Parliament



<http://www.parliament.uk/education/teaching-resources-lesson-plans/referendums-discussion-activity/>

This resource is ideal for use with students in the lead up to the EU referendum, and also looks at how referendums have previously been used. Pair the discussion starter questions provided with the downloadable discussion cards as prompts to suggest arguments for and against referendums. Teachers' notes are included.

Students will:

- Explore the EU referendum and the impact the possible outcomes may have
- Explore the advantages and disadvantages of referendums in a democracy
- Consider issues such as the influence of the media, public participation in politics, bias in referendum questions, the cost of government, and other arguments for and against referendums
- Understand key terms such as legitimacy, sovereignty, and direct democracy
- Consider a range of viewpoints on a complex issue and present their own point of view
- Improve their verbal communication skills and contribute to group discussions



## Learning Objective 4:

Students will have an understanding of the history, structure and organization of the European Union, including its challenges and monetary policies in relation to Britain.

**Guiding Questions:** What is the difference between having a single currency versus having a single fiscal policy across the European Union? What broad challenges do countries across the European Union face? How do economic issues affect different nations in the EU? What are possible economic policy solutions? What are the possible economic reactions to Brexit, such as to the value of the pound, interest rates, etc.?

### The EU in 60 seconds

<http://www.bbc.co.uk/newsround/35613014>

All you need to know about the European Union in Newsround's 60 second guide.

### The European union Explained: How the European Union Works

[http://www.gr2014parliament.eu/Portals/6/PDFFILES/NA0113090ENC\\_002.pdf](http://www.gr2014parliament.eu/Portals/6/PDFFILES/NA0113090ENC_002.pdf)  
Your guide to the EU institutions.

### EU law and the balance of competences: A short guide and glossary

<https://www.gov.uk/guidance/eu-law-and-the-balance-of-competences-a-short-guide-and-glossary>

This guide explains key elements of EU law and their history. It accompanies the detailed guide 'Review of the balance of competences'.

## GET TO KNOW THE EU

The European Union is a unique political and economic partnership among 28 democracies united in their commitment to peace, democracy, the rule of law, and respect for human rights. The EU's Member States have shared some of their powers with EU institutions, and many decisions are now made at the European level.

### 5 IMPORTANT THINGS TO KNOW ABOUT THE EU

1. The European Union has delivered more than 60 years of peace, stability, and prosperity in Europe, and has responded proactively to international crises through foreign development policies and actions of civilian and military crisis management and conflict prevention operations around the world.
2. The EU is the United States' most important partner in terms of not only politics and economic relations, but also in addressing global challenges like promoting energy security and efficiency, combating climate change, and helping developing nations lift themselves out of poverty.
3. The EU is the world's largest trading bloc, accounting for more than one-third of all global trade. The EU's single market of more than 500 million consumers in the EU's main economic engine, enabling most goods, services, money, and people to move freely throughout its territory.
4. The EU and its Member States collectively are the largest providers of official development assistance around the world.
5. The EU has implemented the most ambitious set of climate and energy targets anywhere in the world.

### OUR MOTTO "United in diversity"

### KEY

**CANDIDATE COUNTRIES** **POTENTIAL CANDIDATE COUNTRIES** **NON-EU COUNTRIES**

**4.3 MILLION km<sup>2</sup>**  
1.7 MILLION SQUARE MILES

**24 OFFICIAL LANGUAGES**  
ALONG WITH RECOGNITION AND SUPPORT FOR NUMEROUS REGIONAL AND MINORITY LANGUAGES

**THE TRANSATLANTIC ECONOMY**  
The EU is a global player and the world's largest economic body. Its partnership with the US drives global economic growth, trade, and prosperity.

**15 MILLION**  
EMPLOYED IN THE TRANSLATIONAL ECONOMY ON BOTH SIDES OF THE ATLANTIC

**50%**  
OF GLOBAL GDP

**APPROXIMATELY \$4 TRILLION**  
COLLECTIVE EU GDP FOR COUNTRIES IN ONE MEMBER'S ECONOMY

**60+ YRS**  
DELIVERING PEACE, PROSPERITY AND STABILITY IN EUROPE

**11 508 MILLION**  
TOTAL POPULATION

**98%**  
OF THE EU'S GDP IS IN EUROPE

**\$5 TRILLION**  
IN TOTAL INVESTMENT IN RESEARCH AND DEVELOPMENT

**\$120 BILLION**  
IN TOTAL INVESTMENT IN RESEARCH AND DEVELOPMENT

**THE 2012 NOBEL PEACE PRIZE**  
The EU is the 2012 recipient of the Nobel Peace Prize for contributing to more than six decades to the advancement of peace and reconciliation, democracy and human rights in Europe.

### OUR GOVERNANCE

#### HOW WE WORK TOGETHER

The European Council: Made up of the heads of state or government of the Member States, along with the presidents of the European Commission and European Council, it sets the EU's overall political direction and priorities.

European Commission: Proposes legislation, manages and implements EU policies and the budget, enforces European law, and negotiates internationally in areas falling within its jurisdiction.

THE EUROPEAN EXTERNAL ACTION SERVICE IS THE EU'S OFFICIAL DIPLOMATIC SERVICE

Council of the EU: Adopts laws (with the EP), coordinates specific policies, develops foreign and security policy, and concludes international agreements.

European Parliament: Adopts laws (with the Council of the EU), votes on the budget, and elects or dismisses the Commission.

140+ WORLDWIDE  
NUMBER OF EU DELEGATIONS

**EU MEMBER STATES ACCOUNT FOR ALMOST 1/4 OF THE ENTIRE GLOBAL ECONOMY**  
The EU's economy represents 21% of the global Gross Domestic Product.

**THE HISTORY OF THE EURO**  
World's second most important international currency after the US dollar.  
Used in more than one-third of all foreign exchange transactions.

**THE EURO IS THE SHARED CURRENCY USED BY 19/28 EU MEMBER STATES.**

**Delegation of the European Union to the United States**

[www.EUintheUS.org](http://www.EUintheUS.org)  
[facebook.com/EUintheUS](https://www.facebook.com/EUintheUS)  
[twitter.com/EUintheUS](https://twitter.com/EUintheUS)

<http://www.euintheus.org/who-we-are/>

## Lesson Plan Idea!

### Lesson: the Founding and Development of the European Union

<http://www.euintheus.org/wp-content/uploads/2013/02/LESSON-History.pdf>

**Lesson Focus Question:** How did Europe transition from a period of conflict to a period of sustained peace?

In this lesson students will examine the founding and development of the European Union across the post World War II era.

Working in groups, students will be assigned a time period to examine: The Beginnings of Cooperation (1945-1959), A Period of Economic Growth (1960-1969), The First Enlargement (1970-1979), The Changing Face of Europe (1980-1989), A Europe Without Frontiers (1990-1999), and A Major Expansion and a New Currency (2000-2013).

# Brexit and the European Union



## Brexit in seven charts

<http://www.ft.com/cms/s/2/0260242c-370b-11e6-ga05-82agb15a8ee7.html#axzz4lwhyJMZZ>

Rarely has there been such a consensus among economists, as there is on the damage that Brexit will wreak on the British economy. The warning may turn out to be wrong — but it is difficult to ignore.

### How will Brexit affect Britain's trade with Europe?

<https://www.theguardian.com/business/2016/jun/26/how-will-brexit-affect-britains-trade-with-europe>

Britain will have to reach a new trade agreement with the European Union following its decision to sever links with Brussels. The task will be complex and will have to be carried out under the pressure of a two-year deadline. Here are some of the key issues.

### How important is the EU to UK trade?

<http://www.royalmail.com/corporate/your-business-matters/news-and-updates/eu-and-uk-trading-relationship>

Britain's overall trade gap has continued to narrow, which is great news for the nation's economy. But figures show an increasing trend towards growth in exports coming from emerging economies beyond the UK's traditional key market, the European Union.

### Britain's Economy Shrugs off 'Brexit' Impact, for Now

<http://time.com/4468116/brexit-britain-economy-recession-sales-bank/>

The overwhelming view from economists is that it is too early to know how Britain will cope with years of Brexit uncertainty – but there is a growing belief the country can avoid a recession that only weeks ago was regarded as likely.

### Brexit's impact: So far, it's bad for the U.K., not Europe

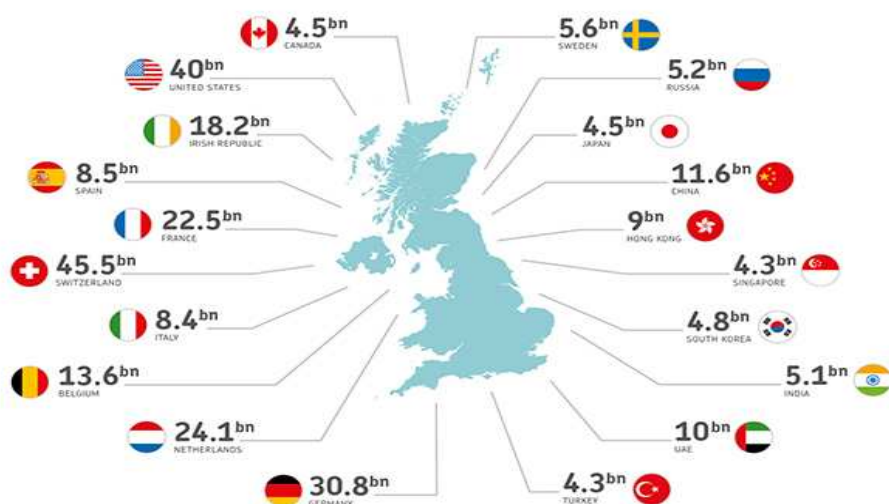
<http://www.cbsnews.com/news/brexit-impact-so-far-its-bad-for-the-u-k-not-europe/>

A month on from the British vote to leave the European Union, the evidence is getting clearer by the day: The Eurozone economy is proving resilient to the tremors generated by the June 23 vote while Britain is feeling the pain.

### Pro-Brexit Economists See Growth Opportunities for the U.K.

<http://www.wsj.com/articles/pro-brexit-economists-see-growth-opportunities-for-the-u-k-1470077709>

Some [economists] argue that leaving the bloc will refocus British trade on higher growth regions while helping rebalance the economy toward manufacturing and away from its debt-laden consumer and risky banking sector.



### Good Reads

What to read on the European Union [https://](https://www.foreignaffairs.com/articles/europe/2010-03-09/what-read-european-union)

[www.foreignaffairs.com/articles/europe/2010-03-09/what-read-european-union](https://www.foreignaffairs.com/articles/europe/2010-03-09/what-read-european-union)

A book list for students (and teachers) who want to learn more.



## Learning Objective 5:

Students will be able to explain and discuss Russia's contradiction of flaunting an isolationist foreign policy while supporting the Leave Campaign. Additionally, students will be able to articulate what Russia might gain from the Britain's decision to leave the European Union.

**Guiding Questions:** What related economic, political, and social events preceded a rise in populism in Europe? In what ways are populist movements different in Western and Eastern Europe including Russia? What are the different Economic factors influencing opinions in different contexts across Europe? What major political parties have power in different European states, and what particular forces allow certain parties to gain power or decline in different countries?

### Russia—UK relations

#### The Icy relationships between the UK and Russia is thawing

<http://www.independent.co.uk/voices/the-icy-relationship-between-the-uk-and-russia-is-thawing-a6776081.html>

It is an unfortunate comment on UK-Russia relations that we still have to resort to the hoary old standbys of space flight and ballet, but this is how rapprochements happen. More unfortunate, however, is the record of such attempts in the past 15 years.

#### Russia-UK relations: May and Putin pledge to improve ties

<http://www.bbc.com/news/uk-politics-37029507>

Theresa May has spoken on the phone to Russia's President Vladimir Putin for the first time since she became PM, Downing Street has confirmed.



#### Alexander Litvinenko: Profile of murdered Russian spy

<http://www.bbc.com/news/uk-19647226>

A public inquiry into the killing of former Russian spy Alexander Litvinenko has concluded that President Putin probably approved his assassination. But who was he and why did his death cause such controversy?

#### Russo-British Bilateral Relations

<http://www.rusemb.org.uk/ruuk/>

The relations between Russia and the United Kingdom historically have never been simple. In recent years, the political relationship has been characterized by instability and volatility, by abrupt changes from relatively good to overt hostility. Unfortunately, this appears to reflect the general state of relations with the historical West. Unable to give up its claim to universal truth in international affairs, London has positioned itself on the cutting edge of such complications.

### Russia's Role in Brexit?

#### Putin's Media are Pushing Britain for the Brexit

<http://www.interpretermag.com/putins-media-are-pushing-britain-for-the-brexit/>

Just months after lobbying for Jeremy Corbyn's election as leader of the UK opposition, Kremlin's English-language outlets are now backing the campaign to take the UK out of the European Union.



#### Why Putin is Meddling in Britain's Brexit vote

<http://www.thedailybeast.com/articles/2016/06/08/why-putin-is-meddling-in-britain-s-brexit-vote.html>

The Kremlin claims it's neutral as Britain prepares to vote on whether to leave the European Union, but Russia's own propaganda says otherwise.

#### Russia, China and Brexit: What Putin and Xi have to lose and gain from Britain leaving the EU

<http://www.ibtimes.com/russia-china-brexit-what-putin-xi-have-lose-gain-britain-leaving-eu-2385835>

Heads of both states are motivated by keeping the U.S. sphere of influence — whether in Ukraine or the South China Sea — in check, but they're on opposite sides of the "Brexit" debate.

#### Why Vladimir Putin is cheering Brexit—and why he might soon regret it

<http://www.vox.com/2016/6/28/12031588/vladimir-putin-russia-europe-brexit>

It's not so much Brexit itself that matters to the Kremlin, but rather the hope that this will generate yet more division and distraction in the West. But Vladimir Putin ought not to regard this as an undiluted win, because there are some buried risks for Russia, too.

#### For Russia, Brexit would be an opportunity not a tragedy

<https://www.theguardian.com/world/2016/may/19/for-russia-brexit-would-be-an-opportunity-not-a-tragedy>

While there is little sign Moscow is trying to influence the vote, the foreign policy opportunities will not have gone unnoticed.

#### Russians rally to the Brexit flag in Britain's EU referendum

<https://www.ft.com/content/ba26f1ac-20fa-11e6-9d4d-c11776a5124d>

With EU-Moscow relations at a historic low, Russia has become an unlikely but prominent spectre haunting the campaign for Brexit. David Cameron, UK prime minister, dragged Mr. Putin into the debate, calling him the only world leader likely to welcome a Vote Leave win.

#### EU referendum: What does Russia gain from Brexit?

<http://www.bbc.com/news/world-europe-36629146>

The Remain campaign claimed that the Kremlin was secretly backing a Brexit to weaken the European Union. In the words of Prime Minister David Cameron, President Vladimir Putin "might be happy" if Britain left the EU. So, is he? Is the Kremlin leader loving a Brexit?

# Russia's possible role in Brexit

## Russian Foreign Policy



### The Unlikely Origins of Russia's foreign policy.

<http://foreignpolicy.com/2016/07/27/geopolitics-russia-mackinder-eurasia-heartland-dugin-ukraine-urasianism-manifest-destiny-putin/>

How an obscure academic and marginalized philosopher captured the minds of the Kremlin and helped forge the new Russian nationalism.

### Russian Foreign Policy in the Putin Era: A Conference Report

<http://www.fpri.org/article/2016/05/russian-foreign-policy-putin-era/>

The conference brought together an impressive array of leading scholars on Russian foreign policy to discuss Putin's grand strategy and objectives, Russo-European relations, Russia's oil and gas politics, and ways in which the West can work to counter Russia's aggressive policies in its near abroad and beyond.

### 7 trends for Russian foreign policy you need to know

<http://www.russia-direct.org/opinion/7-trends-russian-foreign-policy-you-need-know>

After the Ukraine crisis and the military intervention in Syria, the key principles and ideas underpinning Russian foreign policy are becoming easier to understand.

### Russia's friends in black

<http://www.economist.com/news/europe/21601004-why-europes-populists-and-radicals-admire-vladimir-putin-russias-friends-black>

Why Europe's populists and radicals admire Vladimir Putin.

### Russia accused of clandestine funding of European parties as US conducts major review of Vladimir Putin's strategy

<http://www.telegraph.co.uk/news/worldnews/europe/russia/12103602/America-to-investigate-Russian-meddling-in-EU.html>

American intelligence agencies are to conduct a major investigation into how the Kremlin is infiltrating political parties in Europe, it can be revealed.



### Required Watching

#### Documentary: Russian Godfathers

<http://topdocumentaryfilms.com/russian-godfathers/>

This BBC documentary series examines the relationship between Russia's richest men (the oligarchs) and Putin's administration in the Kremlin.

#### Documentary: The Night Wolves: Putin's motor biking militia of Luhansk

<https://www.theguardian.com/news/video/2016/jan/29/the-night-wolves-putins-motorbiking-militia-of-luhansk-video>

The Night Wolves are Russia's largest and most notorious biker gang, fiercely loyal to Vladimir Putin, and say they are motivated by Christianity and patriotism. Their base in Luhansk, east Ukraine, resembles a set from Mad Max.

#### Documentary: Hunted in Russia

<https://www.youtube.com/watch?v=K-dDd4dtOFM>

A view into LGBT rights in Russia.

#### Documentary: Putin's Kiss

<https://www.youtube.com/watch?v=cTli4tGRoi8>

A documentary about Masha Drokova, a Russia youth group member who becomes disillusioned.

#### Ukraine regrets UN's not recognizing LDPR as terrorists

<http://www.pravdareport.com/video/26-07-2016/135121-donbass-o/>

The UN analysts counted up about 30,000 terrorists all over the world, however, there turned out to be no residents of the DPR and LPR on the list, which made the Ukrainian authorities quite sad.

### Good Reads



#### Putin and the Night Wolves vs. Poland

<http://www.nytimes.com/2016/05/11/opinion/putin-and-the-night-wolves-vs-poland.html>

The Night Wolves isn't just any motorcycle club; it's the motorcycle club that's shaping Russia's foreign policy.

#### Kremlin Rules

<http://www.aljazeera.com/programmes/putin-russia/2015/10/kremlin-rules-russia-putin-151028092819953.html>

Al Jazeera America travels the country to find out how Russians feel about their president.

#### Masha Gessen's courageous work on Russia:

<http://www.newyorker.com/contributors/masha-gessen>



<http://www.economist.com/news/europe/21601004-why-europes-populists-and-radicals-admire-vladimir-putin-russias-friends-black>



### Lesson Plan Idea!

After reading through the various articles on UK-Russia relations, Russian foreign policy and Russia's possible role in Brexit, have students draft a proposal to President Obama addressing how to read and respond to Russia's foreign policy around Brexit.



## Learning Objective 6

Students will explore the 'special relationship' between the US and the UK and be able to articulate a response to the question "How will Brexit change trade relations with the United States if the UK is to leave the EU?"

**Guiding Questions:** How were trade relations between the United States and the United Kingdom before Brexit? Where does the idea of Free Trade come from? What is the difference between free and fair trade? How have trade agreements and ideologies like Free Trade shaped global markets, politics and societies?



### History of Britain's special relationship with America

<http://www.telegraph.co.uk/news/worldnews/northamerica/usa/4885895/History-of-Britains-special-relationship-with-America.html>

Winston Churchill knew all about special relationships between Britain and America – he wouldn't have been born without one. His mother, the renowned society beauty Jennie Jerome, was American, while his father, Lord Randolph Churchill, was the very British second son of the 7th Duke of Marlborough.



### Full Transcript: The Sinews of Peace ("Iron Curtain Speech")

<http://www.winstonchurchill.org/resources/speeches/235-1946-1963-elder-statesman/120-the-sinews-of-peace>

This speech may be regarded as the most important Churchill delivered as Leader of the Opposition (1945-1951). It contains certain phrases- "the special relationship," "the sinews of peace" - which at once entered into general use, and which have survived. But it is the passage on "the iron curtain" which attracted immediate international attention, and had incalculable impact upon public opinion in the United States and in Western Europe. Russian historians date the beginning of the Cold War from this speech. In its phraseology, in its intricate drawing together of several themes to an electrifying climax- this speech may be regarded as a technical classic.



### The Special Relationship, Then and Now

<https://www.foreignaffairs.com/articles/united-states/2006-05-01/special-relationship-then-and-now>

As Tony Blair gets lambasted for backing the Iraq war, it is worth noting that the current strain in U.S.-British relations is hardly the first induced by war. Twenty-four years ago, London was dismayed by Washington's lack of support during the Falklands War -- an episode that shows both how complex the allies' relationship has been during times of crisis and how resilient it can be afterward.

### US and UK special relationship is 'enduring', Obama says after Brexit

<https://www.theguardian.com/politics/2016/jun/24/brexit-vote-impact-on-us-donald-trump-election-2016>

EU referendum results divide US politicians along party lines but officials say relationship is 'too important' to sidetrack cooperation between the countries.

[https://en.wikipedia.org/wiki/United\\_Kingdom%E2%80%93United\\_States\\_relations](https://en.wikipedia.org/wiki/United_Kingdom%E2%80%93United_States_relations); <http://time.com/4256202/why-the-u-s-u-k-relationship-is-less-special-than-ever/>

# The 'Special Relationship'



## Why Brexit Really Is a Big Deal for the U.S. Economy

<http://time.com/4383202/brexit-america-fallout-economy-fed/>

Politicians and technocrats of all stripes are trying to reassure Americans that Britain's vote last week to leave the EU won't affect them economically. They are wrong.



## 5 Reasons why Americans should care about Brexit

<http://www.cnn.com/2016/06/24/politics/brexit-what-this-means-us/>

Britain's stunning vote to leave the European Union is both historic and world-changing. But what does it really mean for folks living on the other side of the Atlantic? Potentially, everything -- the economy, national security, even the race for president. Here are five ways Brexit will affect Americans.



## Three big ways Brexit could affect Americans personally

<https://www.washingtonpost.com/news/wonk/wp/2016/06/22/three-ways-the-big-vote-over-brexit-could-affect-americans-personally/>

Now, with Britain voting Thursday to leave the European Union, many Americans will wonder what Brexit will mean to them. Here's a look at the three perhaps unexpected ways what happens in Britain could affect your budget.

## What 'Brexit' Means for U.S. Investors

<http://www.wsj.com/articles/what-brexit-means-for-u-s-investors-1466955086>

Britain's vote to leave the European Union may have only a slight effect on U.S. economic growth, but it could shift investors' focus on which stocks to buy.



## After Brexit Vote, U.S. economy to Reflect Uncertainty About What's next

<http://www.npr.org/2016/06/24/483411976/after-brexit-vote-u-s-economy-to-reflect-uncertainty-about-whats-next>

The U.S. stock market reacted to the U.K.'s announcement that it's leaving the European Union. Repercussions from the historic decision are being felt around the world.

## The bright side of Brexit? A U.S.-U.K. trade deal

<http://www.politico.com/story/2016/06/brexit-us-britain-trade-deal-224776>

As sprawling regional trade deals become increasingly toxic politically, a trade deal with the U.K. could be relatively easy to negotiate and sell.

## What does Brexit mean for the U.S.-U.K. 'Special' relationship?

<http://www.npr.org/sections/parallels/2016/06/27/483751967/what-does-brexit-mean-for-the-u-s-u-k-special-relationship>

From the moment it became clear Britain would be leaving the European Union, the Obama administration has been effusive in emphasizing the bond between the two nations. Secretary of State

John Kerry reiterated in London on Monday that the U.S. "could not ask for a better friend and ally" than the U.K.



## Special relationships in flux: Brexit and the future of the US-EU and US-UK relationships

<https://www.chathamhouse.org/sites/files/chathamhouse/publications/ia/intag2-3-03-oliver%20and%20williams.pdf>

While talk of a UK-US 'special relationship' or of Britain as a 'transatlantic bridge' can be overplayed, not least by British prime ministers, the UK is a central player in US-European relations.



## Good Reads

*America and Britain: Was There Ever a Special Relationship?* <https://www.amazon.co.uk/America-Britain-There-Special-Relationship/dp/1849043280>



## Lesson Plan Idea!

*Sometimes it is helpful to look at important historical events through comedy. Imagine what the conversation must have been like between John Kerry and his British counterpart, Philip Hammond when they first discussed Britain's decision to leave Brexit. Either make up a short script or improv that conversation!*



## Learning Objective 7:

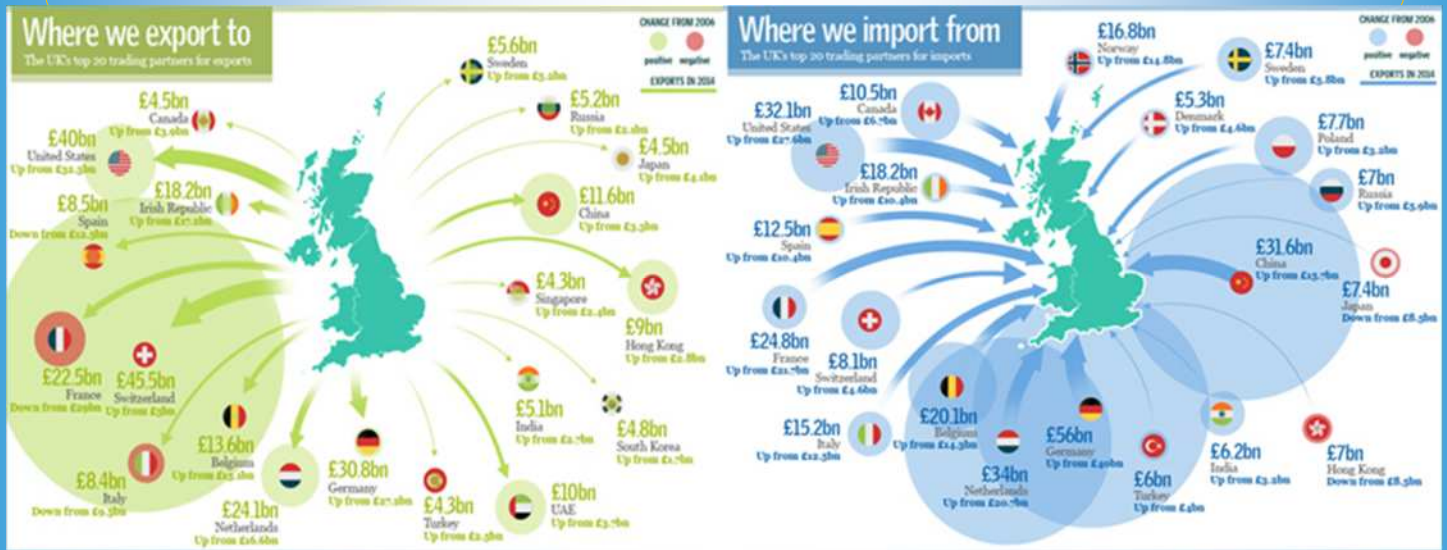
Students will be able to describe possible global implications of the UK leaving the EU.

**Framing Questions:** In discussions of globalization, what role has the UK had in establishing the modern global economic and political order? What impact will Britain's exit from the EU have on the Commonwealth? The EU is one of the major donors to development projects across the globe. What are some potential ramifications in terms of world development and non-profit work if Brexit takes place?

### Biggest trends in British Trade

<http://www.theweek.co.uk/uk-news/your-business/61274/biggest-trends-in-british-trade>

Richard Lowe, Head of Retail and Wholesale, Corporate Banking, Barclays casts an expert eye over some of the most significant trends in British trade.



### Brexit: What does it mean for the rest of the world?

<http://www.aljazeera.com/indepth/opinion/2016/06/brexit-rest-world-160627081647059.html>

The danger is that further fragmentation could be formalized by minority groups calling for a referendum worldwide.

**How Brexit will change the World: 17 top economists, foreign policy gurus and historians look five years into the future.**

<http://www.politico.com/magazine/story/2016/06/brexit-change-europe-britain-us-politics-213990>

The results of the Brexit referendum are in, and it is chaos. The United Kingdom is leaving the European Union. Prime Minister David Cameron is stepping down. The Dow Jones has fallen 611 points in a day.

### Global Reaction to Britain's vote to Leave the EU

<http://theconversation.com/brexit-global-reaction-to-britains-vote-to-leave-the-eu-61399>

The United Kingdom has voted by a close margin to leave the European Union. Here, experts from around the world react to the news which has sent shockwaves around the world and what it means for their country.

### Turbulence and Uncertainty for the Market After "Brexit"

<http://www.nytimes.com/2016/06/25/business/international/brexit-financial-economic-impact-leave.html>

The world map has been redrawn with the rules of commerce across Europe, the largest marketplace on earth.

Britain's vote on Thursday to leave the European Union has set in motion an unprecedented and unpredictable process that threatens turbulence and potential crisis — for Britain, for Europe and for the global economy.

### What Brexit means for the Commonwealth

<http://theconversation.com/what-brexit-means-for-the-commonwealth-61941>

By voting to leave the European Union, Britain's future relationship with its fellow Commonwealth members has assumed both a greater significance and a greater degree of uncertainty.

### A bright future awaits Britain post-Brexit in the Commonwealth markets

<http://www.telegraph.co.uk/news/2016/07/29/a-bright-future-awaits-britain-post-brexit-in-the-commonwealth-m/>

In the swirl of post-Brexit debate the role of, and the implications for, the Commonwealth have been raised with increasing frequency.

### Theresa May: UK will lead world in free trade

<http://www.bbc.com/news/uk-politics-37291832>

Theresa May said the UK could become "the global leader in free trade" as she faced calls to clarify the government's post-Brexit vision.

## Who wins from Brexit? China

<https://www.bloomberg.com/view/articles/2016-06-24/china-could-be-the-biggest-winner-from-brexit>

Now fractured, the EU can't help but pose less of a counterweight to China's rise on the world stage.



## A tale of two Brexit impacts

[http://www.japantimes.co.jp/opinion/2016/07/26/commentary/japan-commentary/tale-two-brexit-impacts/#.V-Koe\\_krJph](http://www.japantimes.co.jp/opinion/2016/07/26/commentary/japan-commentary/tale-two-brexit-impacts/#.V-Koe_krJph)

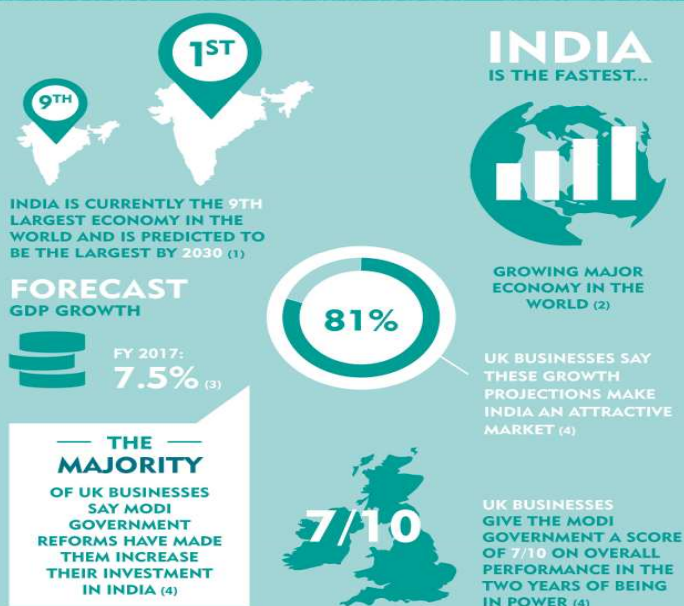
Britain's prospective departure from the European Union will clearly send shock waves across Europe and throughout the Atlantic community. But what impact might it have in the Pacific? Are Japan and China too far away to meaningfully feel its reverberations?

## Brexit: Japan threatens to withdraw UK investment if 'requests not met' in EU deal

<http://www.independent.co.uk/news/uk/politics/brexit-japan-companies-could-withdraw-uk-investment-eu-deal-requests-a7225996.html>

Koji Tsuruoka further stoked fears about the prospects for 140,000 people employed by Japanese firms – including giants such as Nissan, Hitachi, Fujitsu – if access to the vital EU market is lost.

## INVESTING IN INDIA: THE POST-BREXIT OPPORTUNITY



## Brexit: How India is reacting to UK's exit from the EU

[http://www.business-standard.com/article/international/brexit-how-india-is-reacting-to-uk-s-exit-from-the-eu-116062400383\\_1.html](http://www.business-standard.com/article/international/brexit-how-india-is-reacting-to-uk-s-exit-from-the-eu-116062400383_1.html)

Agreeing to the government's stance on the effect Brexit will have on the Indian economy, market analysts said there will be no direct impact on India.

## What Brexit means for India

<http://www.forbes.com/sites/ronakdesai/2016/07/06/what-brexit-means-for-india/#70b78e79559f>

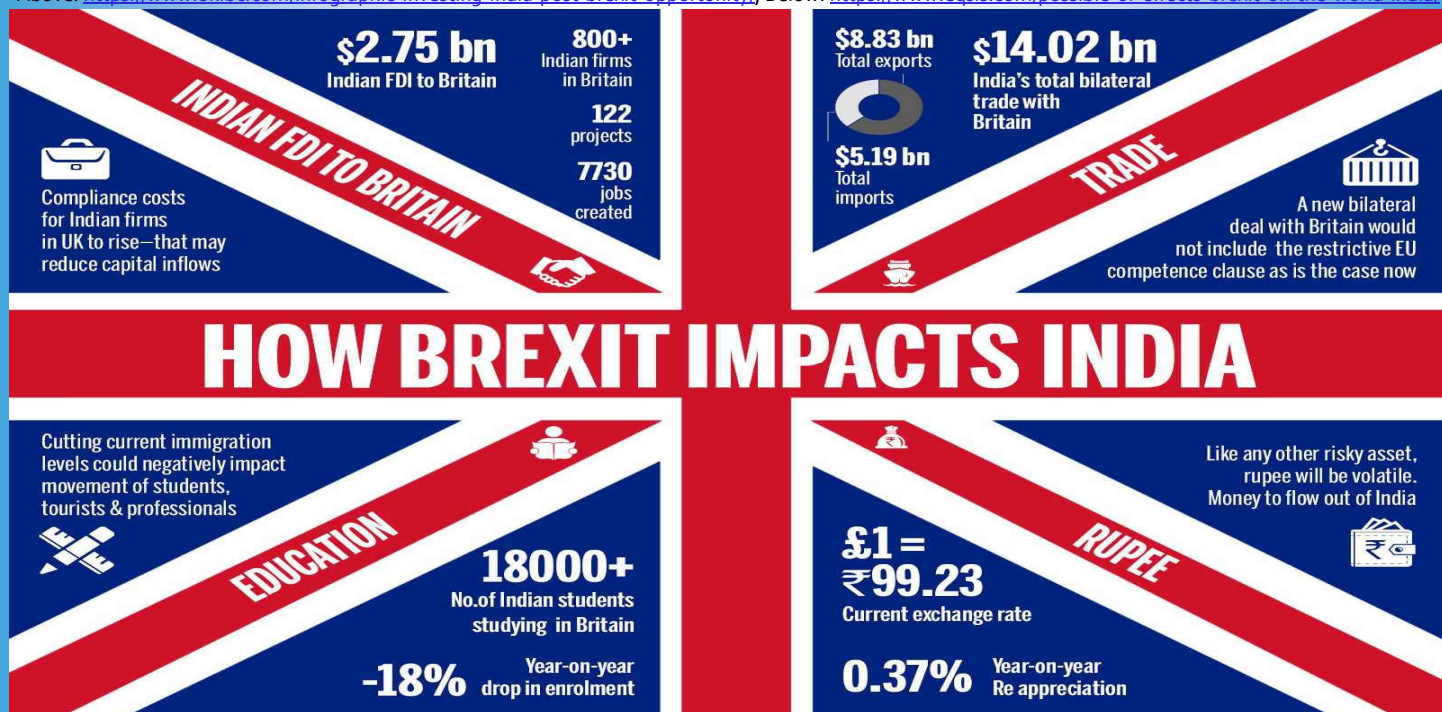
What does Brexit mean for India? As a former British colony, the country enjoys particularly close economic, trade, political and cultural ties to the United Kingdom.

## Brexit: Impact on Indian businesses

[http://www.business-standard.com/article/international/brexit-impact-on-indian-businesses-116080900057\\_1.html](http://www.business-standard.com/article/international/brexit-impact-on-indian-businesses-116080900057_1.html)

A new report by consulting firm Deloitte analyses the likely impact of slowing growth and a weaker pound on Indian businesses. It also looks at four possible scenarios and what these mean for Indian companies.

Above: <https://www.ukibc.com/infographic-investing-india-post-brexit-opportunity/>; Below: <https://www.eqsis.com/possible-of-effects-brexit-on-the-world-india/>





# Global Impact of Brexit

## Africa

### Brexit will be terrible for Africa's largest economies

<http://qz.com/715710/brexit-could-be-terrible-for-africas-largest-economies/>

Now that the United Kingdom has voted to leave the European Union, African economies—already struggling from slowing demand from China and flat commodity prices—have now been thrown into confusion along with the rest of the world.

### 7 way Brexit will be felt across Africa

<http://www.cnn.com/2016/07/01/africa/brexit-africa/>

The reverberations from Britain's fateful choice extend far beyond Europe. The U.K. retains deep ties with many African states, and the turbulence is causing anxiety from the Johannesburg stock exchange to the battlefields of Somalia.

### What does Brexit mean for Africa?

<http://www.bbc.com/news/world-africa-36618843>

The only certainty in all this is uncertainty. Uncertainty on the markets and uncertainty over the future of trade relations between the UK and Africa. The most internationally traded African currency, the South African rand, is already having a bumpy ride in the wake of the UK's decision to leave the European Union.



### The Sociopolitical Impact of Brexit on Africa

<http://studies.aljazeera.net/en/reports/2016/08/sociopolitical-impact-brexit-africa-160831082848629.html>

The results of the British Referendum will have a great impact on the elite and the white populations of Africa. The new sociopolitical attitudes towards the non-British have started to impact on the attractiveness of Britain as a tourist and investment destination. Furthermore the continent has over the years strengthened its relationship with China and Russia. These two countries are most likely to be preferred by Africa moving forward.

### Kenya feels Brexit effect as UK vote threatens Africa trade deal

<https://www.ft.com/content/01beeb54-5347-11e6-9664-e0bdc13c3bef>

Millions of Kenyans' livelihoods are at risk after Tanzania and Uganda refused to sign a proposed regional trade deal with the EU over concerns about Brexit and the impact the agreement might have on east African economies.

### Why South Africa is most exposed to Brexit impact– Moody's

<http://www.fin24.com/Economy/why-sa-is-most-exposed-to-brexit-impact-moodys-20160708>

South Africa is the most exposed country in sub-Saharan Africa (SSA) in terms of the potential impact of the Brexit vote, ratings agency Moody's said on Friday.

### South African's Sins Forgotten as Rand Leads Post-Brexit Rally

<http://www.bloomberg.com/news/articles/2016-08-01/south-africa-s-sins-forgotten-as-rand-leads-post-brexit-rally>

The currency that was forecast to perform the worst in emerging markets this year is also the one benefiting most from the clamor to boost returns in the wake of the U.K.'s Brexit vote.

### BREXIT aftermath: How it affects Nigeria

<http://sunnewsonline.com/brexit-aftermath-how-it-affects-nigeria/>

Brexit is already having effects on Africa, particularly, Nigeria. Nigeria, a former British colony and member of the Commonwealth, is Britain's second largest trading partner in Africa after South Africa, with £6 billion (about N2.4 trillion or \$8.52 billion) in bilateral trade volume last year.

### Brexit—The pains and Gains for Nigeria

<http://allafrica.com/stories/201607080378.html>

'Brexit' portends a number of immediate and remote implications for the Nigerian economy.



# Global Impact of Brexit

## The Middle East

Middle East



### Four effect of Brexit on the Middle East

<http://globalriskinsights.com/2016/07/four-effects-brexit-middle-east/>



Although not directly influenced and far removed from the chaos that is going on in Europe and the UK, the effects of the Brexit vote will have a ripple effect in the region. With the migrant crisis and the Syrian Civil War having no end in sight, it is only possibly to predict that Brexit will have an effect on foreign policy towards the Middle East and the economic and trade relations going in and out. The internal dynamics of Middle Eastern states will not be profoundly affected, but like all things in the globalised world, Brexit will have an effect on the changing dynamics of the region.

### Brexit's Ripple Effects will Reach the Middle East, Too

<http://www.worldpoliticsreview.com/articles/19211/brexit-s-ripple-effects-will-reach-the-middle-east-too>

The Brexit bombshell is bad news for the Middle East region on a number of scores, in particular what it says about Western attitudes toward migrants and Muslims, and about loss of support for economic integration, a big idea that would improve prospects for the Arab world.

## South America

### Brexit will hurt Latin America

<http://www.miamiherald.com/news/local/news-columns-blogs/andres-oppenheimer/article86730482.html>

Britain's June 23 vote to leave the European Union will have economic ripple effects that will hurt Latin America, but its potential political impact could be much more dangerous.

### What Brexit means for Latin America

<http://www.thedialogue.org/resources/what-the-brexit-means-for-latin-america/>

As the British elite reels with the implications of the vote, the rest of the world must now grapple with the ripple effects. Latin America is no different. The consequences are sure to impact the region's economic and political future in a wide variety of ways, the majority of which are likely negative

### Brexit and Latin America

<https://tomlongphd.com/2016/06/24/brexit-and-latin-america/>

The immediate impact of "Brexit" on Latin America is to create additional economic uncertainty in what is already a challenging environment.

SOUTH AMERICA



## Lesson Plan Idea!

Have students illustrate, in any style they choose, Britain's interconnectedness with global markets and the possible implications of Brexit on them. Start with Britain's main trade and political partners, and then consider which ones may be implicated. For example; Japan has threatened to pull out all Japanese investment from Britain if Brexit happens, how could one illustrate the significance of this?





*The top 2 teams in the Euro Challenge 2016 visit the Delegation of the European Union to the U.S. in Washington, DC.*

*"I was able to learn about a subject I knew nothing about. It was intellectually challenging which I so very much appreciate. The European Union, and subjects related to it, are not talked about in the school system. I love having this knowledge!"*

**Euro Challenge 2016 Semifinalist**

### The Competition Task:

The Euro Challenge competition for 9th and 10th grade students tests their knowledge and understanding of the European economy and the euro, the currency shared by many of the 28 countries of the European Union (EU). Student teams will be challenged to make 15-minute presentations in which they are required to:

1. Describe the current economic situation in the euro area (the economic region consisting of the 19 EU member countries who have adopted the euro).
2. Select one economic-related challenge confronting the euro area as a whole and pick one of the 19 member countries of the euro area to illustrate that challenge.
3. Recommend a policy or policies for addressing the challenge you identified in the country you selected. Be sure to include in your recommendation a discussion of how having a single currency may or may not affect the policy choices for addressing the challenge.

### Timeline:

- Register your team by **January 2017**
- Washington Regional Competition: **March 11**, hosted at the University of Washington
- Finalists will travel to New York City for the National Euro Challenge Competition **April 2017**

For more information and to register a team, please email [marchbold@world-affairs.org](mailto:marchbold@world-affairs.org) or check out the Euro Challenge website at: [www.euro-challenge.org](http://www.euro-challenge.org)

### World Affairs Council and Center for West European Studies' Euro Challenge Workshop for 9th & 10th Grade Students

The Euro Challenge is an exciting educational opportunity for 9th and 10th grade students to learn about the European Union (EU) and the euro zone. Student teams compete in the Regional Competition at the University of Washington in the Spring of 2017. The winning Washington team will go on to compete in New York City for the National Euro Challenge Competition!

The World Affairs Council and the University of Washington's Center for West European Studies & the EU Center, and Ellison Center for Russia, East Europe and Central Asia

Studies have teamed up this year, and we are offering one-hour workshop sessions for 9th and 10th grade students in Washington State to learn more about the Euro Challenge.

We recently visited the International Community School in Kirkland Washington; you can read more about our workshop there on our website ([click here](#)) or from the Center of West European Studies ([click here](#)).

***If you are interested in bringing a Euro Challenge Introduction workshop to your school, contact the Center for West European Studies and the EU Center at [cweseuc@uw.edu](mailto:cweseuc@uw.edu) or Maggie Archbold (WAC).***

# ECONOMIC-RELATED CHALLENGES OVERVIEWS



**PROMOTING INVESTMENT AND INNOVATION:** In the increasingly competitive global economy, technological innovation has become an increasingly important source not just of new products and services for consumers, but of new businesses and industries. New technologies disrupt existing industries and may displace jobs. Ultimately, highly skilled workforces that are given the tools and opportunities to be more productive drive greater wealth, better job opportunities and more competitive economies. Modern infrastructure, strong educational systems and business environments that support investment, research and development can help spur innovation.



## **DEMOGRAPHICS AND AN AGING WORKFORCE:**

Demographic trends can have profound implications for an economy. Increasing numbers of retired people put pressure on government services like healthcare and pensions plans. With fewer people of working age to support retirees, policy makers may be forced to cut benefits or raise taxes. Aging populations can also lead to slower growth due to the shrinking labor force. Today in Europe there are four people of working age for each retired person. By 2050, there will only be two.



**GLOBALIZATION AND MIGRATION:** Recent decades have seen increasing global economic integration. The EU's single market, Schengen and EMU are examples of reforms that have liberalized flows of goods, services, people and capital within Europe. But Europe is also increasingly integrated into the global economy. Increased trade, investment and migration have many benefits, and on aggregate tend to boost growth and living standards. But globalization can also threaten specific interests and groups. How can euro area countries take advantage of new opportunities while adapting to global competition?



## **HIGH UNEMPLOYMENT:**

High unemployment rates can arise due to recessions or structural factors like regulations or tax policy. Either way, high unemployment hurts growth and living standards. Unemployment rates in several euro area countries have been slow to recover following the global financial crisis. How did unemployment get so high in these countries in the first place? Why aren't labor markets improving more rapidly now? What can be done to promote job growth?



## **FISCAL POLICY AND ECONOMIC GROWTH:**

Fiscal policy is an important economic tool at the disposal of governments. During recessions, increasing public spending and cutting taxes can provide a powerful boost to the economy. Likewise, if an economy is overheating, cutting spending and raising taxes will depress output. But borrowing to fund spending can be risky. If debts and deficits get too big, they can lead to debt and financial crises.



**INEQUALITY AND SOCIAL SPENDING:** After World War II, many countries adopted policies that aimed to reduce poverty and inequality by providing universal social welfare benefits like health care, unemployment insurance, and more. For a time, these programs succeeded as many countries enjoyed both rising living standards and a narrowing of inequalities. But in recent years inequality has become an issue in many countries, and many social welfare programs have come to be viewed as unaffordable and in need of reform.



# PROMOTING INVESTMENT AND INNOVATION

## THE BIG IDEA

The ability to promote investment and innovation within a country depends on many factors, among them the willingness of companies to take on financial risks and invest in and fund new ventures. New advancements in Information and Communications Technology (ICT) such as computers, cell phones, and satellites are particularly beneficial. They can help boost growth and productivity due to their ability to increase communications between different groups of people around the world; create new opportunities in developed and developing nations; and bridge the “digital divide” between technologically-affluent and poorer areas.

However, the quality of the nation’s education; the ease of starting a business; the willingness of people to invest in research & development (R&D); and the productivity of the country may impede the investment and innovation in many nations. New innovations have the potential to reduce or eliminate the demand for certain products, thus putting some part of the workforce out of work when these products are no longer needing to be produced. Ultimately, highly skilled workforces that are given the tools and opportunities to be more productive drive greater wealth, better job opportunities, and more competitive economies.

## TERMS DEFINED

**Technological change** describes the process of invention, innovation, and diffusion. New technologies often lead to the creation of new industries, but can sometimes threaten existing jobs as well.

**Productivity** measures output produced per unit of input (e.g. number of hours worked). Productivity is one of the key determiners of a country’s standard of living.

**Research and Development (R&D)** is basic research is often carried out at universities while product development takes place at firms and companies.

**Europe 2020** is the EU’s current growth and jobs strategy which aims to foster smart, sustainable, and inclusive growth.

**The Juncker Commission’s Investment Plan** aims to promote new investments that create jobs and growth.

## WHY DOES THIS ISSUE POSE AN ECONOMIC CHALLENGE TO THE EUROPEAN UNION?

- According to the UK’s Royal Academy of Engineering, “For an individual company, funding innovation is **inherently risky because the outcome is uncertain** and, even if an innovation proves successful, it is **rarely clear at the outset who the main beneficiaries will be.**” Another impediment to innovation can be the burden of government regulation and trade barriers—if regulations are too numerous or strict, this can limit the endeavors an experiments undertaken.
- New technologies disrupt existing industries and may displace jobs (technological unemployment), even having the potential to put people out of work when a new technology is developed that can do the same job more efficiently.

# PROMOTING INVESTMENT AND INNOVATION CONT'D

## FACTORS INVOLVED

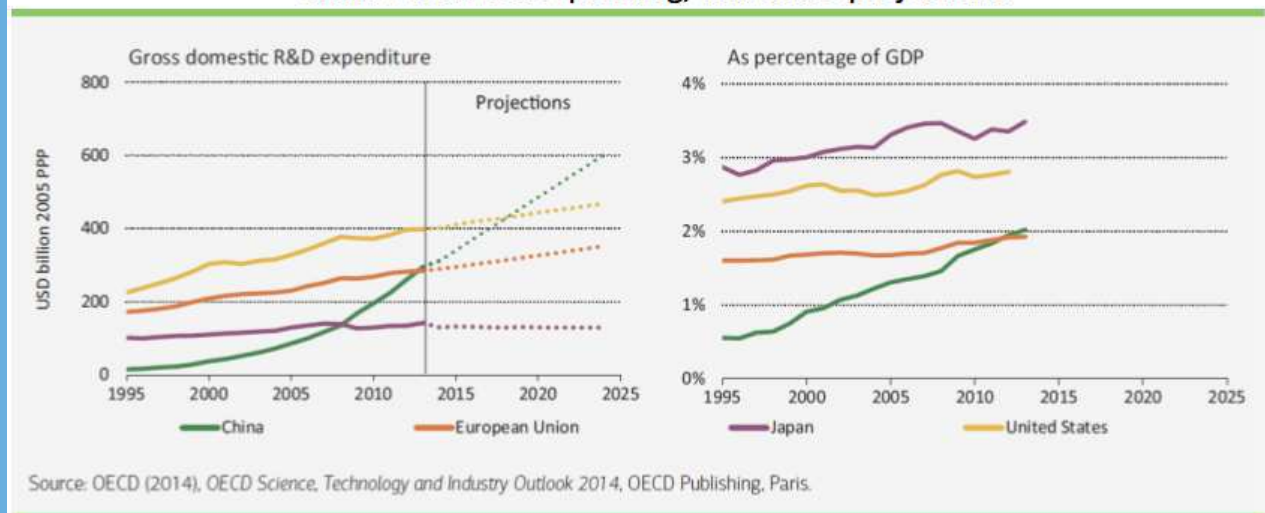
- Skill level of the country's workforce—higher skill level can increase the likelihood of innovation and developing new products and technologies)
- Number of opportunities given to the workforce that promote productivity
- Strength of infrastructure and education system—strong governance and education create a foundation for exploration in research and development and having the resources to do so
- Businesses' willingness to support investment and research and development

## CASE STUDY: THE PEOPLE'S REPUBLIC OF CHINA

As of 2013, China was the largest recipient of foreign direct investment (FDI) among the world's developing countries, meaning that it received the most investment in its own companies by companies abroad. According to the Organization for Economic Cooperation and Development (OECD) this foreign investment continues to play a significant role in China's trade and investment circuit, thus largely helping them to develop their economy. Overseas investors are one of the main sources of China's investment, and are encouraged by the prospect of having a stake in the booming Chinese economy.

On the other hand, China is also investing in foreign companies and firms, "rapidly becoming an important source of outward foreign direct investment (OFDI)." As is evident in this, the Chinese economy is not only the location of many a foreign investment, it is also fueling investment in foreign innovation and endeavors. China's immense workforce population, excellent education system and infrastructure, and rapidly growing business sector have given rise to a system in which innovation is well-funded and prioritized both domestically and internationally (see chart below).

### China's total R&D spending, and OECD projections



**SOURCES:** The Euro Challenge, the European Union (EU), the UK's Royal Academy of Engineering , TechTarget, the Organization for Economic Cooperation and Development (OECD), Breaking Energy



# DEMOGRAPHICS AND AN AGING WORKFORCE

## THE BIG IDEA

Many developed countries around the world are experiencing increased population stagnation due to decreasing birthrates. As a result, there are many more retirees than working-age people, resulting in a greater tax burden on the economy--in other words, there is now a larger need for health services and care for the elderly population, which in turn overwhelms the ability of working-age people to contribute financially to the healthcare system.

## TERMS DEFINED

**Population aging** is caused by a combination of increased life expectancy and falling birth rates, and is common to many rich countries.

**OADR** (the Old Age Dependency Ratio) is the ratio of the number of retirees to the number of working age people. For example, the European Union's average OADR is 28.8 dependents per 100 working-age people.

**Tax burden** is the amount of tax paid in a country, including income tax, corporate tax, value added tax, and sales tax. It is normally expressed as a percentage of gross domestic product (GDP), or the total value of goods produced and services provided in a country during one year. Governments make decisions about who pays taxes and how much they pay.

**Pension** is the regular payment made during a person's retirement from an investment fund to which that person or their employer has contributed during their working life.

**Retirement age** is the age at which people may retire and collect full pension benefits. There is also the "effective retirement age", which is the average age of retirement without regard to pensions.

## WHY DOES THIS ISSUE POSE AN ECONOMIC CHALLENGE TO THE EUROPEAN UNION?

- Increasing numbers of retired people put pressure on government services such as healthcare and pension plans
- With fewer people of working age to support retirees, policy makers may be forced to cut benefits or raise taxes, both of which would be detrimental to the economy and increase the economic stress on working age people to support the retired population.
- Aging populations can also slow economic growth because of the shrinking labor force. Currently in Europe, there are roughly four people of working age for each retired person, but by 2050 there will only be two.
- An aging workforce that increases in size ultimately limits the nation in question's ability to produce, trade, and innovate to its maximum potential.

# DEMOGRAPHICS AND AN AGING WORKFORCE CONT'D

## FACTORS INVOLVED

- Differing spending habits of the young and old populations have the potential to change economic and spending patterns in the future
- Birthrate and fertility rate below or above the replacement level needed in order to maintain population
- Life expectancy can shorten or lengthen the potential for a working-age person to support the retirees of their nation
- Retirement age in the country affects the potential size of the retired population
- The nature of pension programs, such as defined-benefit (employer guarantees that the employee receives definite amount of benefit after retirement) or defined-contribution programs (employer makes specific plan contributions for the worker, but the amount of benefit received by the worker depends on the amount invested in the program), in the country and whether or not they depend on returns from investments ([gain from investment - cost of investment] divided by cost of investment = return on investment)
- Labor market regulations, especially those that provide job security and affect retirement plans, unemployment, and growth, can determine the country's workforce size

## CASE STUDY: JAPAN

Japan is enjoying the highest life expectancy in the world with relatively low health care costs. Under the universal Long-Term Care Insurance System, people aged 65+ years are entitled to receive long-term care if determined to have care needs. Despite this seemingly rosy picture, Japan faces major challenges stemming from simultaneous population aging and population decline. Japan precedes other countries in experiencing a "super-aging" society not only in rural but also in urban communities. The critical contributor to population aging in Japan is rapidly declining fertility.

Japan's experience could provide lessons from which other countries might learn. As a result of recognizing population aging as a critical societal issue for the past two decades, Japan has implemented a number of policies, such as improving long-term benefits for the retired and exploring more effective ways to maintain older adults' functional



**SOURCES:** The Euro Challenge, the European Union (EU), Oxford Dictionaries, the World Bank,



# GLOBALIZATION AND MIGRATION

## THE BIG IDEA

Recently, there has been increasing economic integration worldwide. The EU's **single market** is a prime example of a reform that has liberalized and loosened flows of goods, services, people, and capital within Europe.

Europe is also increasingly integrated into the global economy. Increased trade, investment, and migration have many benefits, and tend to boost growth and living standards. However, globalization can also pose a threat to certain interests and groups, making it even more important to consider the following question: How can euro area countries take advantage of new opportunities while adapting to global competition? How can new migrants be integrated into the economic system?

## TERMS DEFINED

**Globalization** refers to the increasing global integration of economies, and increasing exchanges of goods, services, people and capital. Technological change may have helped to accelerate this process, but international trade, investment, and migration have been occurring for centuries.

**Gross Domestic Product (GDP)** is a total value of the goods and services produced by the people of a nation during a year not including the value of income earned in foreign countries.

**Single market** is a type of economy shared between several countries (ex. the EU) in which people, goods, services, and money can move around as freely as within a single country. EU citizens can study, live, shop, work, and retire in any EU country and enjoy products from all over Europe.

**Comparative advantage** is the idea that countries can gain if they specialize in producing goods and services which are the most appropriate given their economic circumstances. They can trade these goods and services for others which other countries are relatively better at producing.

**Immigration** can bring benefits to a country (e.g. help it to overcome skill shortages or cope with population aging). However, it can also have costs, especially if immigrants are not well integrated into the larger society.

**Migration** is the crossing of the boundary of a political or administrative unit for a certain minimum period of time. It includes the movement of refugees, displaced persons, uprooted people as well as economic migrants.

**Migrants** are any people who live temporarily or permanently in a country in which they were not born, and who have acquired some significant social ties to the country in question.

**International investment** can bring lower borrowing costs and technology transfers, but also increases financial stability risks.

## WHY DOES THIS ISSUE POSE AN ECONOMIC CHALLENGE TO THE EUROPEAN UNION?

- Integrating immigrants into the workforce can place a strain on the economy if the skillset of the immigrants does not match the needs of the labor market (ex. If a country's economy needs more STEM-focused workers to build infrastructure but only receives an influx of predominantly unskilled immigrant workers)
- Transnational companies may drive small European companies out of business.
- Migrants are beneficiaries of the welfare system, which means that welfare benefits are being spread over a larger population

# GLOBALIZATION AND MIGRATION CONT'D

## FACTORS INVOLVED

- The openness of the country's economy (do international trade/investment represent large or small portion of **GDP**?)
- The strength of the country's industries (are these industries at risk from foreign competition? Are they better developed than the same industries abroad?)
- The country's **comparative advantages** (nations can gain if they specialize in producing goods/services which are the most appropriate given their economic circumstances)
- The country's ability to integrate immigrants into its economy (the better the ability, the stronger the economy)
- The role of international investment in the country (the larger the role, the more the country has been impacted by globalization)

## CASE STUDY: THE FEDERAL REPUBLIC OF NIGERIA

Various sources from Lehigh University's International Affairs Department and the University of Santiago de Compostela in Spain have observed the following about the effect globalization has had on Nigeria:

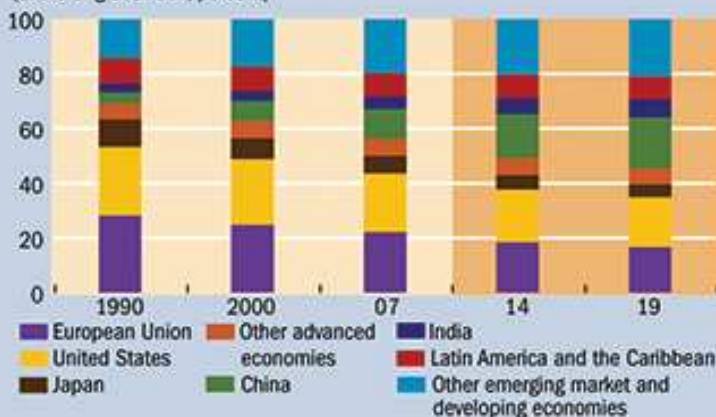
- Nigeria's economy is gaining and growing from globalization and continues to do so.
- Globalization has resulted in an increase of the inflow of counterfeit drugs, but has conversely resulted in increased access to healthcare services.
- For Nigeria to achieve further development, it is necessary to fully integrate the economy into the global economy by removing all trade barriers and liberalizing all sectors of the economy.

Chart 3

### Power shift

Advanced economies, including the United States and European Union, account for a shrinking share of world GDP, while China's and India's portions grow.

(share of global GDP, percent)



Source: IMF, World Economic Outlook database, April 2014.

Note: Data for 2014 and 2019 are forecasts. GDP is measured in terms of purchasing power parity—the rate at which currencies would be converted if they were to buy the same quantity of goods and services in each country.

**SOURCES:** The Euro Challenge, BBC, the International Monetary Fund (IMF), Merriam-Webster, Lehigh University, University of Santiago de Compostela



# TACKLING HIGH UNEMPLOYMENT

## THE BIG IDEA

High unemployment rates can arise due to recessions or when a large amount of the workforce lacks the skills needed in the economy. Either way, high unemployment hurts growth and living standards. Unemployment rates in several euro area countries have been slow to recover following the global financial crisis. As you explore this issue further, it will help to consider the following questions in the context of the country you have selected.

How did unemployment get so high in these countries in the first place?

Why aren't labor markets improving more rapidly now? What can be done to promote job growth?

What can be included in the Europe 2020 strategy to help raise employment rates in the EU?

Is the unemployment rate higher for certain groups in your chosen country? What do high levels of youth unemployment imply for future growth?

What can be done to help the unemployed find jobs and companies attract workers?

## TERMS DEFINED

**Frictional unemployment** arises when people move between jobs, careers, or locations. There is always some level of frictional unemployment.

**Structural unemployment** is when workers have the wrong skills for the needs of the economy. There can be many reasons why workers may be unwilling or unable to acquire new skills.

**Cyclical unemployment** is unemployment due to a recession, as consumers cut back on spending. Inadequate demand (spending less on goods, or buying less), causes producers to produce less, which means that less people are needed in the employment market.

**Labor mobility** describes the ease with which workers can move either geographically or from one occupation to another.

**Europe 2020** is the EU's growth and jobs strategy for the coming decade.

**Labor market flexibility** is a firm's ability to make changes to their workforce in the terms of the number of employees they hire and the number of hours worked by the employees. A flexible labor market is one where firms are under fewer regulations regarding the labor force and therefore can set wages, fire employees at will, and change their work hours. A labor market with low flexibility is bound by rules and regulations such as minimum wage restrictions.

**Full employment** is an economic situation in which all available labor resources are being used in the most efficient way possible.

**The European Central Bank (ECB)** is responsible for the EU's monetary system and for the Euro currency. It works with the other national banks of the EU to formulate monetary policy that helps maintain price stability in the EU.

## WHY DOES THIS ISSUE POSE AN ECONOMIC CHALLENGE TO THE EUROPEAN UNION?

- High unemployment hinders the EU's ability to take advantage of its workforce and production potential.
- A high percentage of employed people in the population leads to collectively lower income and thus lower living standards.

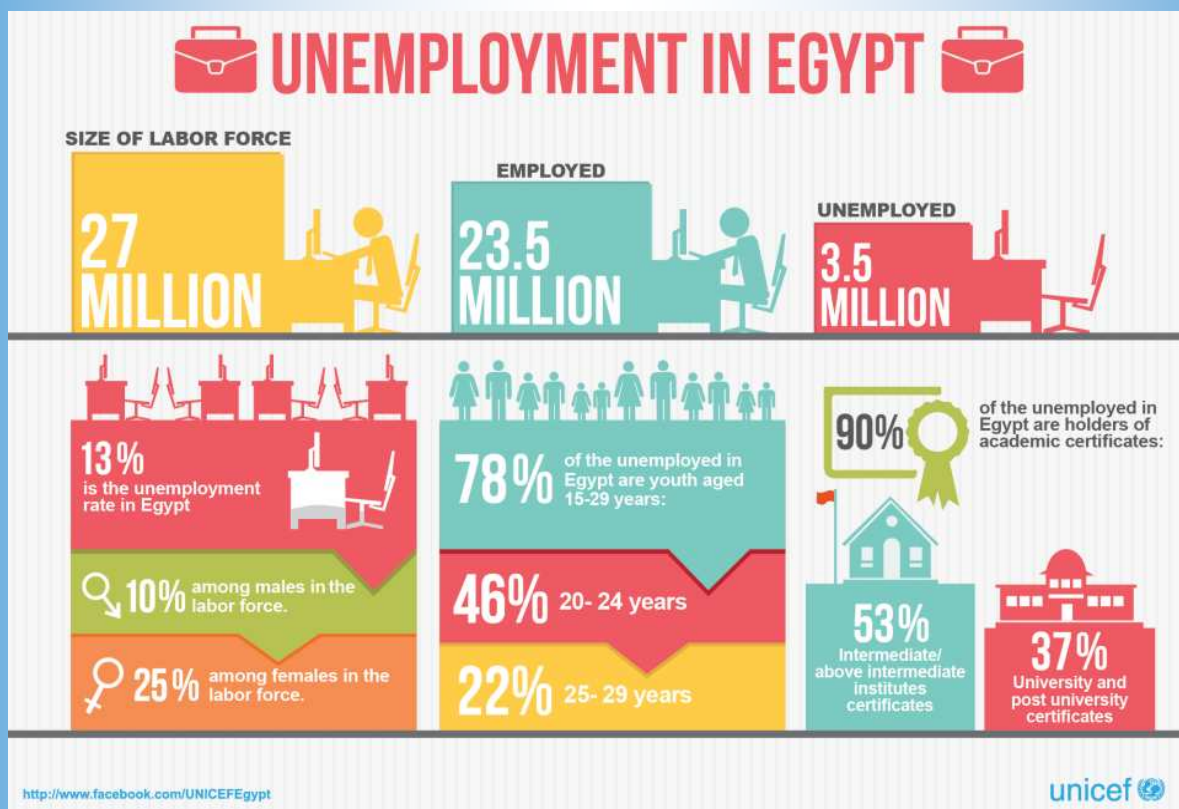
# TACKLING HIGH UNEMPLOYMENT CONT'D

## FACTORS INVOLVED

- Recessions and different regulations or tax policy (fiscal policy) often lead to the prioritization of saving money over retaining employees, thus often resulting in higher unemployment levels
- The country's labor market regulations can make difficult hiring and firing workers in the chosen country
- Whether the nation's workforce skills and education correspond with the needs of businesses in the chosen country
- The country's level of labor mobility (higher mobility will likely result in increased employment)
- The Europe 2020 strategy to raise employment rates in the EU using the following flagship initiatives: 1) Youth on the Move, which aims to improve young people's education and employability; 2) an agenda for new skills and jobs, the goal of which is to see 75% of the working-age population in work by 2020; and 3) a European platform against poverty and social exclusion, which acts as an incentive for

## CASE STUDY: THE ARAB REPUBLIC OF EGYPT

Egypt's unemployment rate eased slightly in the first quarter of 2016 to 12.7 percent from 12.8 percent in the previous quarter as well as the same quarter a year earlier, according to a Reuters report. Analysts believe actual unemployment may be higher than the official figures. Egypt has been struggling to restore economic growth since a 2011 uprising toppled autocrat Hosni Mubarak. The revolt was partly driven by anger about the lack of job prospects for young Egyptians. Egypt's president Abdel Fattah al-Sisi had pledged to reduce



**SOURCES:** The Euro Challenge, Investopedia, the European Commission, UNICEF, Reuters, European



# WHAT ROLE DOES FISCAL POLICY PLAY IN PROMOTING ECONOMIC GROWTH?

## THE BIG IDEA

Fiscal policy is an important economic tool at the disposal of governments. Fiscal policy refers to the use of government spending and taxes to achieve economic objectives. During recessions, the government's increasing of public spending (i.e. increasing military funding or building more roads) and cutting of taxes can provide a powerful boost to the economy. Likewise, if an economy is overheating (when the demand is increasing so quickly that it cannot be met by the economy's production capacity) cutting spending and raising taxes on goods will decrease demand. But borrowing to fund spending can be risky. If deficits, the amount between what the government takes in and spends each year, get too big, they can lead to debt and financial crises.

## TERMS DEFINED

**Interest rates** are the price a borrower has to pay in order to borrow money. Borrowers usually pay higher interest rates as a result of the uncertainty in returns on their money.

**Gross Domestic Product (GDP)** is the value of a country's overall output of goods and services.

**Government deficit** = money taken in by government - money spent by government

**Government debt** is the collective amount of deficit the government has accumulated.

**Financial contagion** explains the possibility of spread of economic crisis or economic boom across countries or regions. This phenomenon may occur both at a domestic level as well as at an international level.

**The Stability and Growth Pact (SGP)** is a set of EU rules limiting national deficit (money taken in by government minus the money spent by government) and debt levels.

**The European Stability Mechanism (ESM)** is the permanent crisis resolution mechanism of the EU. It is the vehicle through which financial assistance is provided to euro area countries in need.

**The European Commission** is charged with enforcing the rules set out in the SGP and reviews, but does

## WHY DOES THIS ISSUE POSE AN ECONOMIC CHALLENGE TO THE EUROPEAN UNION?

- It is important for countries in the euro area to consider the potential outcomes of their own fiscal policies—because the members of the EU are in such close proximity to one another, this increases the likelihood of a **financial contagion**-induced, EU-wide economic crisis that spreads across Europe and then to the rest of the world.
- The **fiscal policies** of EU member states must be even more carefully monitored due to the multilateral implications that they have; the economic policies adopted within one EU country likely will affect the economies of its fellow member states.

## ROLE OF FISCAL POLICY IN PROMOTING ECONOMIC GROWTH CONT'D

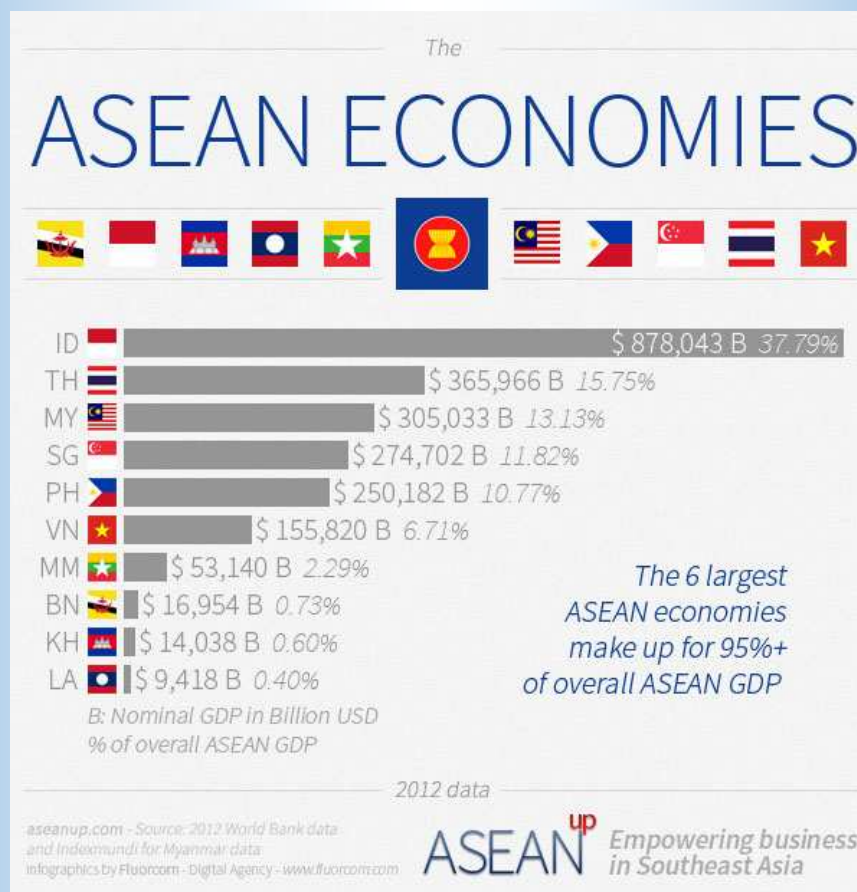
### FACTORS INVOLVED

- Changes in fiscal policy (tax rates, interest rates, levels of government spending, borrowing to fund spending)
- The amount of debt and deficit a country has accrued
- The country's ability to repay its debts and financial markets' faith in this ability (credit worthiness)
- Public spending's (e.g. on unemployment insurance, infrastructure, education, and health) effect on economic

### CASE STUDY: REPUBLIC OF THE PHILIPPINES

The incoming administration of Philippine President-elect Rodrigo Duterte signaled its willingness for looser fiscal policy as it seeks to ramp up spending on infrastructure and cut taxes. The new government plans to cut personal and corporate taxes within six months of taking office and borrow more, said Ben Diokno, Duterte's budget secretary.

"Investors would be willing to look past any potential increase in the deficit depending on the details of the fiscal policy," said Michael Wan, an economist at Credit Suisse Group AG in Singapore. "A broad overhaul of the tax structure could put more money in the hands of consumers while more spending on infrastructure, education and health would boost the Philippines' growth potential." Investors may support a widening in the deficit target because the government plans to use the additional fiscal space to improve public infrastructure, Diokno said. The new government's immediate priorities include building infrastructure faster, solving Manila's traffic woes and investing in agriculture, incoming Economic Planning Secretary Ernesto Pernia reports.



**SOURCES:** The Euro Challenge, Treasury Direct, the International Monetary Fund (IMF), *The Economic Times*, Bloomberg, ASEAN Up, Business Dictionary



# INEQUALITY AND SOCIAL SPENDING

## THE BIG IDEA

After World War II, many countries adopted policies that aimed to reduce poverty and inequality by providing universal social welfare benefits like health care, unemployed insurance, food stamps, and more. For a time, these programs succeeded as many countries enjoyed both rising living standards and a narrowing of inequalities. But in recent years inequality has become an issue in many countries, and many social welfare programs have come to be viewed as unaffordable and in need of reform. What conditions should social welfare systems meet to withstand the challenges of the 21st century global economy? Consider the following as you continue to explore this topic:

What impact do social welfare programs have on growth and employment? Is inequality rising in your chosen country, and does inequality limit growth?

How does your chosen country pay for its social welfare system? Are certain types of taxes better than others for promoting growth and equality? How are pensions and health care funded in your chosen country? What sorts of reforms could improve social welfare outcomes in a sustainable way?

## TERMS DEFINED

**Standards of living** include the levels of wealth, comfort, material goods, and necessities available to a certain socioeconomic class in a certain geographic area. The standard of living includes factors such as income, quality and availability of employment, class disparity, poverty rate, quality and affordability of housing, gross domestic product, and so on.

**Social welfare** provides assistance to needy individuals and families.

**Social benefits** People who are retired, disabled, cannot find work, or do not earn money for other reasons can qualify for social benefit payments.

**Unemployed insurance** is a small source of income for workers who have lost their jobs through no fault of their own.

**Pensions** provide people with an income after they retire from their job and no longer earn a regular income.

**Incentives** motivate an individual to perform an action. What motivates an individual to work? What motivates a person to pursue a post high-school degree? What helps an employer hire more workers?

## WHY DOES THIS ISSUE POSE AN ECONOMIC CHALLENGE TO THE EUROPEAN UNION?

- Unaffordable social welfare programs can be seen as inefficient as some EU citizens feel that they are not fulfilling their intended purposes, and thus should be reformed so that they actually meet the nation's economic needs.
- Rising inequality in a nation often leads to decreased standards of living for those in lower socioeconomic communities, thus making it difficult for them to attain the same opportunities for employment that those in upper classes have.
- When not all members of a country have the opportunity to contribute to the economy due to unaddressed health problems or lack of resources, this limits the country's ability to experience economic growth.

# INEQUALITY AND SOCIAL SPENDING CONT'D

## FACTORS INVOLVED

- Social welfare programs' effect on growth and employment in the selected country
- The selected country's state of inequality and whether it is currently rising or falling
- The extent to which the country's social programs are an incentive or disincentive to economic activity (hiring workers, looking for a job, serving as a tax burden on companies and households)

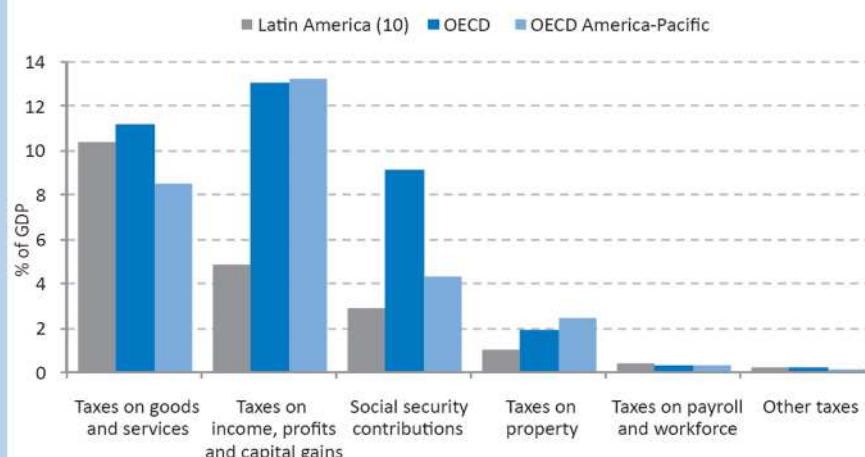
## CASE STUDY: LATIN AMERICA

New terms: redistributing income, [economically] unequal country, above/on/below the trend, market poverty, equalizing, pro-poor

According to a recent working paper published by the Center for Global Development (CDG), the most **unequal countries** (determined by the size of the gap between the rich and the poor) in Latin America tend to **redistribute income** more. **Redistributing income** consists of a nation's wealth being channeled from those who have more to those below a certain income level, through taxes that pay for welfare benefits. Bolivia, Colombia, El Salvador, Guatemala, Honduras and Peru **redistribute income** below the trend for **unequal countries** (their **income redistribution** rates are lower than the average findings for **unequal countries**); Chile, Ecuador and Mexico are on trend for **income redistribution**; and, Argentina, Brazil, Costa Rica and Uruguay redistribute above the trend. Fiscal policy reduces poverty in nine countries.

However, the paper reports that in four countries, the incidence of poverty after fiscal policies have been implemented is higher than **market income poverty** (people who fall below the poverty line when taking into account all salaries, income, benefits, interest, etc.), even though **fiscal policy** is often able to bridge the gap between the richer and the poorer. In Brazil and Mexico, a third of the poor population became impoverished at the hands of **fiscal policy** and, in Bolivia and Guatemala, two thirds were. The CDG working paper also found that public spending on pre-school and primary education is always **equalizing** (able to decrease the gap between rich and poor), and is also **pro-poor** (targeted at reducing poverty). At the same time, the paper reports that spending on secondary education is always **equalizing** but **pro-poor** only in some countries. Spending on tertiary education (i.e. college, technical school) is never **pro-poor**;

Tax Revenues in Latin America and OECD Countries



**SOURCES:** The Euro Challenge, Investopedia, Economic Perspectives, the Center for Global Development (CDG), Business Dictionary, Demos, the Overseas Development Institute (ODI)

# **BREXIT: Implications for Britain and the EU**

## **GRADE LEVEL**

8-12

## **KEY QUESTIONS**

What is the European Union and why was it formed?

Why did some people vote for leaving the EU and others vote to remain?

How will other nations within and outside of the EU respond to the Brexit vote?

## **CURRICULUM CONNECTIONS**

Economics

Political Science

World History

Sociology

Contemporary Issues

## **COMMON CORE CONNECTIONS**

[CCSS.ELA-LITERACY.RH.9-10.1](#)

[CCSS.ELA-LITERACY.RH.11-12.2](#)

[CCSS.ELA-LITERACY.RH.11-12.7](#)

## **GLOBAL COMPETENCY**

Investigate the World

Recognize Perspectives,

Communicate Ideas

Take Action

## **BACKGROUND**

The recent referendum victory for the BREXIT “Leave” campaign has raised many different questions about Britain’s future relationship with the European Union. Although a close vote, many British citizens and others around the world were surprised when the final tally emerged in favor of leaving the EU. What led to this decision and what does mean for Britain and other European countries moving forward politically and economically? This lesson will help your students assess these questions and develop a greater understanding of the issues that impacted the Brexit vote as well as its potential consequences.

The European Union gradually emerged in an effort to create a strong and collective economic marketplace to compete against other nations, such as the United States, and to unify a region of the world historically linked to two devastating world wars of the 20<sup>th</sup> century. With the free movement of goods and services across countries, Europeans changed the dynamics by which national borders are traditionally conceived. As an Italian, you could work in Munich for a German firm or as a Belgian, take on a job in the French countryside. Many countries, unlike Britain, adopted a common currency, the “Euro,” to enhance this economic collaboration and improve domestic economies. The EU gradually enlarged to include many Eastern European countries that were previously under Russian influence. As the EU continued to expand, the movement of people across the continent accelerated. In addition, southern European countries, such as Greece, Spain, and Italy, were caught in the middle of the 2008 recession. Many questions arose about this economic alliance, especially related to whether or not other EU member states had a responsibility to assist those in need.

As conflict in the Middle East and North Africa emerged over the past few years, European countries began to see a dramatic influx of refugees seeking asylum from civil war and the Islamic State. Many feel that this issue had a significant impact on the Brexit vote. After engaging your students in this lesson, they should be able to explain what “BREXIT” entailed and discuss/debate possible implications from multiple points of view.

## **KEY TERMS**

European Union

David Cameron

Supranational Organization

Theresa May

BREXIT (also, Brexiteers)

Sovereignty

Multinationalism

Democratic Deficit

Referendum

Euroskeptic

Article 50

UKIP (UK Independent Party)



## LESSON ACTIVITIES

### Materials:

BREXIT Articles; Political Cartoons, Video Clip

### Procedure:

- 1. Think/Pair/Share:** Ask students to write down what they know about the European Union. Next, have them brainstorm what they know about the historic BREXIT vote. Once they have completed this task, have students share with a student next to them. As a large group, have students share their responses and write on the board. Next, have students write down questions they have about the EU and BREXIT. Have select student shares their curiosities with the class.
- 2. Political Cartoons:** Use the attached political cartoons on BREXIT to provoke student interest. Have students share their ideas with class.
- 3. Small Group Literacy Activity:** Break students into groups of 3 and assign each group one of the BREXIT articles provided in the resource packet (there are several links to articles to choose from on a variety of different topics related to Brexit). Students should actively read the article by highlighting key points/concepts, writing questions in the margin, etc. These articles will help students to develop some background knowledge on the EU, BREXIT, and the issues associated with whether to stay or leave the European Union. Each student should share what they gleaned from the article and contribute the creation of a 7 sentence synthesis of the article. When completed, please have each group share their synthesis during large group discussion. The teacher will identify key points made during the discussion and help students connect the main points between the articles.
- 4. Video Clip:** Please show the brief video clip (there are a couple to choose from) on BREXIT and connect the ideas to what students have learned thus far. There is also a short video clip you may want to use on the EU if your student's have little knowledge on its purpose or history.
  - a. <https://www.theguardian.com/global/video/2016/may/31/eu-referendum-brexit-for-non-brits-video-explainer>
  - b. <http://www.cnn.com/videos/cnnmoney/2016/02/17/cnn-brexit-explained.cnn/video/playlists/news-from-europe-curved/>
- 5. Simulation Activity:** Reshuffle student groups and have them work in groups of 3 or 4. This part of the lesson Will require students to examine demographic information as it relates to BREXIT voter preference, as well as Evaluate the BREXIT vote from different points of view.
  - A. Provide each group with the demographic information of those who voted for "Leaving" the EU and those who voted to "Remain." There is a website below where you can access this information and/or have students investigate. Have students look at age, gender, social class, ethnicity, regional, urban v. rural, etc. to see if they notice any patterns related to the vote. Have a discussion with students as to why some constituent or demographic groups would have voted more likely to "leave" or "stay" in the EU. Students should also look at the percentages of those that did vote and those that did not. Is there a reason why younger voters did not turn out in comparison to older voters (an interesting question for class discussion)? If we were looking at American politics, would we notice similar voter turnout characteristics?
    - Have students write down 3 conclusions from their interpretation of the election's data and one question the data prompted in their minds. Be prepared to share in larger group discussion.
      - i. <http://www.politico.eu/article/graphics-how-the-uk-voted-eu-referendum-brexit-demographics-age-education-party-london-final-results/>
      - ii. <http://www.economist.com/news/britain/21701257-results-paint-picture-angry-country-divided-class-age-and-region-country-divided>
      - iii. Video clip: Could be interesting to show the class: <http://www.telegraph.co.uk/news/2016/06/22/eu-referendum-which-type-of-person-wants-to-leave-and-who-will-b/>

B. The second part of this activity requires students to conduct further research on the reasons or rationale for “leaving” or “remaining” in the EU. Give each student group a different stakeholder role to play:

- ◊25-year-old male professional living in London
- ◊67-year-old retired female living in a small town in southwest England
- ◊28-year-old unemployed male living outside of Manchester
- ◊38-year-old professional female living in Edinburg, Scotland
- ◊50-year-old Catholic, factory worker living in Belfast, Northern Ireland
- ◊31-year-old hotel worker of Indian descent living in London.
- ◊83-year old retired male living in Wales.
- ◊21-year old female student attending college at Oxford
- ◊45-year old wealthy businessman from Glasgow
- ◊27-year old accountant of South African descent

Students will research the issues that led different people to vote for “leaving” or “staying” in the EU. How do you they think their particular “stakeholder” would have voted? After completing research on the arguments for “staying” or “leaving,” students should be able to discuss and debate the advantages and/or disadvantages from the perspective of their key stakeholder.

C. Debate: Arrange the desks in a circle and begin by asking the question: Should Britain “Remain” or “Leave” the European Union? Each group (representing a different key stakeholder) will have an opportunity to make their case. This part of the activity gives students an opportunity communicate ideas from diverse points of view. Each group could have one spokesperson or you could allow more than one person share their opinion per group. You could also have students take on these various roles as though they were representing these key stakeholders as members of Parliament.

D. Exit Slip: After students have finished the discussion/debate, have students write a paragraph (could be longer) explaining how they would vote and why (including key information to support their opinion.

## EXTENSION ACTIVITIES

### Option 1

Have students develop a large political cartoon or poster that represents the BREXIT issue from a distinct perspective. Think about what key idea(s) they want to convey and share their work with the rest of the class.

### Option 2

Produce a piece of graffiti art that conveys one or more of the issues characterizing the BREXIT vote.

### Option 3

Prepare a news broadcast in which you describe the issues of the BREXIT vote from multiple perspectives. This broadcast could include points of view from England, Wales, Scotland, and Northern Ireland, along with perspectives from European Union other EU member countries.

