The article clarifies the essence and potential of the Referendum Institute in the UK in the context of the political and legal foundations of Brexit. The complexity of the subject of scientific research led to the use of an interdisciplinary approach. The article used general scientific methods of analysis and synthesis, historical and comparative methods. It has been proven that the British referendum on EU membership has provoked a lot of discussion about the expediency and consequences of Brexit. The results of the Brexit referendum will affect the transformation of the system of international relations and the formation of the international order. Brexit has many legal and constitutional aspects and problematic consequences. It has been established that referendums in Great Britain are not legally binding and the voting results are consultative, not mandatory for the country's Parliament on which the last word remains, since only the Parliament has legislative competence. In theory, representatives of the authorities could legally neglect the will of the people. Consequently, the decision to leave the EU lies not only in the plane of law, but also in politics.

**Keywords:** Brexit, Great Britain, EU, referendum, UK legislation, EU legislation, politics, law.
права, але й політики. Вихід з ЄС є законним правом всіх його членів, однак вихід Великобританії з ЄС створює прецедент, так як раніше жодна держава-член ЄС не виходила з його складу.

**Key words:** Brexit, Великобританія, ЄС, референдум, законодавство Великобританії, законодавство ЄС, політика, право.

**Scientific problem statement and relevance.** On 23 June 2016, the United Kingdom and Gibraltar held a historic referendum on Britain’s membership in the EU. The results of the referendum will significantly transform the system of international relations and affect the formation of the international order. Worth highlighting is the fact that this referendum has many legal and constitutional aspects and problematic consequences. In the referendum, 51.89% of British citizens voted to leave the EU, while 48.11% voted to stay. The results of the vote in the UK differed: for example, the citizens of Northern Ireland and Scotland were mostly against the exit, and the citizens of England (excluding the capital) and Wales – in favour. The results of the referendum caused surprise among the world community, as many political scientists and legal experts predicted a different result of the vote.

The distinctiveness of the British model of the institution of a referendum is due to the dominance of the concept of parliamentary sovereignty, which has historically developed in the process of British development. Moreover, the division of the referendum institution into several submodels in the UK legislation is purely conditional, as the constitutional and legal features of these submodels are not enshrined in law at the full level, but are based on existing precedents only.

It should be emphasized that the practice of referendums in Britain differs from the European one, where the Swiss model is the most demonstrative one. The petition, signed by 50,000 Swiss people, constitutes grounds for a referendum on a law submitted to parliament. Not surprisingly, between 1945 and 2010, out of 660 referendums in 30 European countries, Switzerland accounted for almost two-thirds of that number. However, the growing use of the institution of a referendum on constitutional (referendum on constitutional reform in 2016 in Italy), foreign policy (referendum on the approval of the Association Agreement between the European Union and Ukraine in 2016 in the Netherlands) and even socio-cultural or moral and ethical issues (referendum on abortion in Ireland in 2018) characterizes European political life nowadays.

With this background, the political and institutional foundations of the British model are very specific. Although EU institutions and regional legislatures put in question the principle of parliamentary sovereignty, it continues to be a basic feature of the Westminster system. Strengthening and active use of the institution of a referendum contradicts this principle, as it involves appealing to the electorate to decide. Not surprisingly, in 1975, M. Thatcher declared that “a referendum is a weapon of dictators and demagogues”. The referendum in the British political environment can only be consultative, as the sovereignty of the Parliament of the United Kingdom allows to ignore its results.

**Analysis of recent research and publications.** The domestic historiography of Brexit is just being formed and therefore there is a lack of qualitative research on this issue. There are mostly isolated studies on Brexit in scientific periodicals, and the shortcoming of monographs and other thorough research should be noted.

I. Spivak is one of the scholars concerned with Britain’s exit from the EU. He explored the underlying factors for Britain’s decision to leave the EU and the most significant consequences of its impact on the world economy in general and financial and commodity markets in particular. A significant contribution to domestic historiography was made by E. Popko, who explored the preconditions for holding a referendum on Britain’s withdrawal from the European Union.

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4 Ibid.
6 Попко В. С. Юридичний зміст «Brexit» та його перспективи для України. Міжнародне право. 2016. № 5. С. 201–204.

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In his scientific publication “Brexit”: pros and cons “for the global geoeconomy” O. Sharov notes that “the biggest economic reaction to Brexit is weak investment in business, which has been delayed over the past few years, despite limited free capacity, reliable balances, favourable financial conditions and a highly competitive exchange rate. There is strong evidence that this is a direct result of uncertainty about the UK’s future trade relations with the EU, and it serves as a warning to others about the potential impact of constant trade tensions on the confidence and activity of global business.

T. Neprytska uncovers the influence of Brexit on the integration processes in Europe7. Summing up our small historiographical excursion, we note that in the available historiographical work there are almost no scientific works that used such an important source as press information.

Exploring the constitutional and legal principles of the referendum as a form of direct democracy, Ukrainian researcher S. Bilan conducts a specific and typological classification of referendums and develops approaches to the systematization of the principles of referendum, as well as analyses the stages of the referendum in the constitutional-procedural legal relations. The author takes a close look at the experience of constitutional and legal regulation of referendums in foreign countries, international and European legal standards and practices of organizing and conducting referendums8.

Much more attention to the issues of direct democracy, the origin, approval of the institution of referendum as one of the most important mechanisms of national-state self-determination, issues related to the preconditions and socio-economic and political consequences of Brexit for the development of Britain, is given by EU and international relations representatives of the Western scientific school, first of all in Great Britain, the USA, Germany, France, Switzerland.

Among the researchers who studied the comprehensive effects of Brexit we can stand out such researches as I. Dunt9, C. Gifford10, D. Blagden11, O. Daddow12, A. Glencross, D. McCourt13, C. Hill14, D. Richards, P. Diamond, A. Wager15, D. Sanders, D. Hougton16, D. Reynolds17, M. William18.

A comprehensive analysis of the causes and consequences of Brexit is studied by British scientist A. Dante. In 2016, a researcher published a monograph, Brexit: What's Happening: Your Short Paperback Guide. The author generally criticizes the government and the Eurosceptics who incited the British to vote against despite the obvious financial and economic losses from Brexit. A. Dante notes that British banks and financial institutions lay off workers and transfer jobs to more favorable economic conditions. Trade disputes are growing as the UK loses protection of the WTO standard agreement and

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8 Білан С.В. Конституційно-правові засади референдуму, як форми прямої демократії. Автореферат дисертації на здобуття наукового ступеня кандидата юридичних наук за спеціальністю 12.00.02 – конституційне право; муніципальне право. Київ: Інститут законодавства верховної ради України. 2017. 22 с.
16 Sanders, D., Hougton, D.P. (2017), Losing an Empire, finding a Role, British Foreign Policy since 1945, Palgrave Macmillan, London, UK.
18 William, M. (2017), Brexit Means Brexit: How the British Ponzi Class Survived the EU Referendum, Create Space Independent Publishing Platform, California, US.
is forced to deal with 163 different countries. British professionals cannot work abroad because their qualifications are no longer recognized according to EU standard rules, etc. 19.

Another British researcher Professor K. Hill at the University of Cambridge in 2019 made a tangible contribution to Brexit research. In his monograph “The Future of British Foreign Policy: Security and Diplomacy in the Post-Brexit World”, K. Hill notes that since 1945 Britain has had to cope with a slow retreat from international primacy. The decline in global influence was to be compensated by the entry of the United Kingdom into EEC in 1975, with the result that the national foreign policy was based on two pillars – NATO and the EU security policy. However, after Brexit, one of these pillars is now being removed and as the result the UK is facing some serious problems with the prospect of its independence. K. Hill explores what awaits British foreign policy in the shadow of Brexit and protectionist America under President D. Trump. According to the researcher, the UK is doomed to continue its foreign policy partnership with the EU member states, but the foreign policy of the UK and the EU will worsen”20.

One more British researcher of the causes and consequences of Brexit is M. Williams, in his paper “Brexit means Brexit: How the British Ponzi class survived the EU referendum” notes that the Brexit vote in June 2016 was a significant event that shocked the ruling elites of the West. It was a revolt of ordinary voters against the establishment and the aid imposed on them. At first glance, the British ruling class, the Ponzi class, was divided into those who were reluctant to accept the result of the referendum and those who did not. “Brexit means Brexit”, said T. May, who became Britain’s new Prime Minister at that time. The author in a sarcastic style ridicules this absurd phrase and the political steps of the government of T. May. The purpose of this monograph is to examine how Ponzi’s British class interfered with Brexit and how the democratic will of the electorate was ignored. The monograph analyzes how the Ponzi class survived the vote in the EU referendum and successfully neutralized it21.

Western scientific school scientists, especially from Britain, USA, Germany, France and Switzerland, focused more on the issues of direct democracy, the origin and approval of the institution of referendum as one of the most important mechanisms of national-state self-determination.

**Purpose of research.** The purpose of the article is to find out the essence and potential of the referendum institute in Great Britain in the context of the political and legal principles of Brexit.

**Presentation of key provisions.** The British elite has always been reticent about holding referendums, believing that they weaken the authority of parliament and create opportunities for manipulating public sentiment. There were only two national referendums held in the UK – in 1975 and 2016, both on the issue of European integration. The British ruling circles went to the polls for two reasons – to avoid a split in both leading parties, experiencing sharp controversies on the issue, and to strengthen their positions in negotiations with EU partners to grant the country special membership conditions. There are a lot of similar features between the referendums in 1975 and 2016, though there are differences as well. For example, in 1975, Labour Prime Minister G. Wilson negotiated the terms of Britain’s accession to the EEC before the referendum, and it were these arrangements that required the approval of voters. Since 2016 Conservative D. Cameron has come up with the idea of continuing the negotiation process in order to achieve additional preferences for the UK, i.e. he indicated that the agreements reached needed to be further developed22.

Proponents of Britain’s EU membership have stated that it will retain its currency, control over its borders, but will not participate in political integration, as well as will establish its own system of restrictions on receiving social benefits by immigrants, limit control of the EU bureaucracy23. However, it should be noted that from the very beginning no one requested the United Kingdom to join the EU.

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The first method involves the withdrawal of a Member State from the European Union in accordance with the procedure laid down in Art. 50 of the Treaty on European Union (signed on 13 December 2007 and entered into force on 1 December 2015 by the British Parliament, and the rules of international and European law.

Under international law, there are two ways to leave the European Union and release the UK from its international obligations under treaties it is part to. The first method involves the withdrawal of Member State from the European Union in accordance with the procedure laid down in Art. 50 of the Lisbon Treaty amending the Treaty on European Union and the Treaty establishing the European Community (signed on 13 December 2007 and entered into force on 1 December 2009). According to this article, any Member State “may, in accordance with its respective constitutional requirements, decide to exit from the Union”29. Such state should notify the European Union of its intention in writing or orally. Following the submission of the relevant notification, the process of negotiations with the state that has expressed its desire to leave the EU starts. After the end of the negotiations, an agreement on the terms of exit is concluded and future bilateral relations are established. This agree-

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ment must be approved by the European Parliament as well as by a qualified majority of the Council of the EU. The second way is to leave the European Union unilaterally. The United Kingdom could have the right to unilaterally withdraw from the above treaties if it had repealed the 1972 European Communities Act. This constitutional law became the basis for the entry into force of European Community documents in the United Kingdom. However, the latter way of leaving the EU would eliminate a significant legal basis for relations between the UK and EU countries, which account for 45% of British exports, so this option was considered problematic and highly doubtful by the experts. However, it should be emphasized that, in accordance with the UK’s constitutional principle of parliamentary supremacy, the referendum requires the consent of the Parliament to initiate the process of leaving the EU. However, the government headed by T. May refused to follow this procedure and intended to start the procedure of leaving the EU without the approval of Parliament, based on the fact that the will of people expressed in the referendum as an institution of direct democracy does not need to be confirmed by the Parliament as an institution of representative democracy. Based on the results of the referendum, the Government suggested to use its powers to implement the exit of the United Kingdom from the European Union by submitting a notice of intent to withdraw from the treaties of the European Union. This issue was later considered by Her Majesty’s High Court of Justice in England (High Court of London), and then the Supreme Court of the United Kingdom.

The main issue in the case before the Supreme Court was whether notification of withdrawal could, in accordance with the constitutional provisions of the United Kingdom, be lawfully granted by the Government without prior approval by an Act of Parliament. In its decision, the Supreme Court stated that in order for Ministers to be able to announce Britain’s decision to leave the European Union, an Act of Parliament was required. In addition to the main question of the limits of the powers of Government Ministers to amend the domestic law by exercising their prerogative powers at the international level, the Supreme Court also dealt with the relationship between the Government and the British Parliament, on the one hand, and Scottish devolutionary legislatures and administrations of Wales and Northern Ireland, on the other hand. Britain’s withdrawal from the European Union will change the competences of the devolutionary institutions, as this will eliminate their obligation to respect the rights of the European Union.

It should be noted that the procedure for agreeing on the terms of the country’s withdrawal from the EU cannot last more than two years, after which EU membership is automatically terminated, unless this period has been extended by joint decision of the parties. These provisions are enshrined in Art. 50 (3) of the Lisbon Treaty, which states that the treaty terminates after the date of entry into force of the withdrawal agreement, or (if not) two years after the official start of the withdrawal procedure, or at a later date, which may be agreed by the parties. Article 50 also provides for the possibility of becoming a member of the EU again, but on the general grounds described in Art. 49. This case refers to a set of EU legislation having direct effect in the United Kingdom. Some legal scholars believe that, in theory, the British Government could unilaterally withdraw from the EU simply by repealing the European Communities Act in 1972. Article 50 imposes an obligation to negotiate an agreement on relations with the post-withdrawal state only to the EU, not to the outgoing state. In the absence of an EU commitment to negotiate, the exit process would not provide for a two-year transition period: European legislation, as well as the United Kingdom’s free trade agreements concluded

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through the EU, would cease to have effect immediately\textsuperscript{34}. The analysts disagree about the benefits of such an approach for the United Kingdom.

The European Communities Act, passed by the British Parliament in 1972, is the main piece of legislation under which EU laws are in force in the United Kingdom. This Act, as well as Art. 288 of the Treaty on the Functioning of the European Union, stipulates that the provisions of EU laws adopted in the form of directives are transposed into British laws by adopting domestic legislation that achieves the objectives set out in the relevant EU directives. However, most EU legislation, which takes the form of regulations and decisions, has direct effect and does not require any by-laws or amendments to UK law. It is namely these regulations and decisions that form the basis of the EU legislation in force in the UK. Section 2 (4) of the European Communities Act provides that UK law, including acts of Parliament, is valid only if it does not conflict with EU law. Under this provision, UK courts give priority to EU law over UK domestic law, and it is this provision that has drawn the most criticism from Eurosceptics and Brexit supporters with regard to violation of the Parliament’s sovereignty.

In general, it should be noted that after the referendum, the objections against Brexit were perceived as opposition to the will of the majority of voters, but the Government could not consider the results of the referendum as a sufficient legal basis for the decision to withdraw. As the effects of Brexit became clearer, society’s doubts about the admissibility of the use of prerogative powers that allow the Government to act without parliamentary approval and judicial control, to withdraw from the European Union grew. In the judgment in Miller’s case of January 24, 2017, the Supreme Court of the United Kingdom stated that the constitution does not allow the country to withdraw from the European Union and terminate agreements with it on the basis of the Government’s prerogative powers in the international sphere. In order to notify the EU of its intention to withdraw, the Parliament shall give the necessary powers to the Government on the basis of a law passed by both houses of Parliament. However, the Constitution of the United Kingdom does not require the legislature or regional governments to give their consent to the country’s withdrawal from the European Union. On 13 March 2017 the Parliament passed an act giving the Prime Minister the right to start Brexit legally and to notify the European Union of the United Kingdom’s intention to withdraw. The statement of the United Kingdom on the withdrawal from the EU on 29 March 2017 meant the country’s entry into a path of radical change associated with the termination of European law and the jurisdiction of the Court of Justice in the country\textsuperscript{35}.

In turn, it should be noted that D. Cameron, despite the adoption of the European Union Referendum Act in 2015, could ignore the results of the plebiscite, leaving the final decision on whether to remain in the EU or not, to a parliamentary vote. This logic suggests that a plebiscite in British politics should be the exception rather than the rule. Notwithstanding the above, the political development of the United Kingdom since the 1970-s has shown that the referendum as an element of direct democracy has become an integral part of the arsenal of British elites. On the one hand, it is a manifestation of the ongoing process of constitutional modernization of the country, an opportunity to resolve large-scale constitutional issues in the context of regionalization of the state. Since the 1970-s, a number of regional referendums have been held; in 1973 on membership in the Union of Northern Ireland, in 1979 on devolution in Scotland and Wales (Wales voted against devolution, and in Scotland the number of those who said “yes” did not get 40% of number of registered voters).Ascension to power of the “new Labour” after the centralization of public administration during the presidency of M. Thatcher, expanded the practice of referendums again.


Popular expressions of will preceded the adoption of acts of devolution in the “Celtic periphery” in 1997, and a referendum which ended in failure was held in the north-east of England to establish elected regional assemblies in 200436.

British researcher J. Curtis considers the institution of a referendum as “a way to secure political superiority and manage internal party discontent”37. In the early 2010-s, when the importance of European issues raised among the British against the background of the euro zone crisis, as well as the electoral rating of the United Kingdom Independence Party increased, the conservative leadership finally played the “referendum card”. The initiated referendum had a domestic political nature and was largely due to the party’s tasks: to preserve the unity of the Tories in the context of the upcoming 2015 elections and to neutralize the growing influence of the United Kingdom Independence Party. Confidence that the referendum would end in another victory was the result of the 2011 national referendum on the electoral system, which formed the foundation of the coalition of conservatives and liberal democrats and was the result of a political bargain between the two parties. As a result, 67.9% of voters opposed the change of the majority electoral system, and D. Cameron went for a new referendum as a two-time winner in the battle for a referendum: with the Liberal Democrats in 2011 and with the Scottish Nationalists in 2014. Nevertheless, the desire to defeat both the UK Independence Party, the opposition in the own party and the Euro bureaucrats ended in a course for Brexit38.

Thus, until recently, the referendum played a minor role in the legislation and political life of the United Kingdom, with the exception of local referendums. The idea of a nationwide referendum, popular in other countries, remained alien to the British constitutional model of representative democracy, in which Parliament was central. The devolution of the regions and integration with the European Union have helped change attitudes towards referendums. In 2000, the Act on Political Parties, Elections and Referendums was adopted39, that applied to any referendum in the territory of the United Kingdom in accordance with the provisions to be established for it by an act of the Parliament (Section 101), which testified to the restoration of order in the conduct and organization of referendums. The result of a referendum meant, in accordance with the law, “a decision of any question submitted to a referendum” (Section 106) is legally binding. Despite the recommendatory nature and limited application, the referendum has become an important institution of the so-called territorial constitution, which regulates relations with the regions40. As for the national referendum, the Act on the European Union of 2011 provided for its holding in case of expansion of competence or transfer of additional powers to the European Union (Article 4), any other grounds for holding a referendum in connection with relations with the EU were not provided41.

In general, Brexit proved to be a very difficult task to be negotiated at various levels: at the supranational one – with the EU, at the international one with individual EU Member States and third countries, inside the country with the administrations of Scotland, Northern Ireland and Wales. The results of Brexit depended to a large extent on negotiations with the institutional structures of the EU and other states. At the same time, there was no area of relations that was not affected by Brexit. The T. May’s Government chose the option of a hard Brexit, which provided, among other things, for the waiver of European law and the jurisdiction of the Court of Justice of the European Union in the United Kingdom. As the United Kingdom followed a dualistic approach in the relationship between international and domestic law, the European Communities Act of 1972 was adopted in order to implement the agreement on the United Kingdom’s accession to the EU and to fulfil its obligations under Europe-

38 Шеин, С. (2019), вказ. пт.
an law\textsuperscript{42}, which provided a mechanism for applying the rules of another legal order – EU law – in the domestic law of Great Britain. The repeal of this Act means the termination of European law in the UK legal system, which threatens legal chaos in many areas. Given that the United Kingdom has 20,000 pieces of EU legislation, and given the volume of secondary legislation, this task may require grand legal reform associated with significant financial costs\textsuperscript{43}.

On the basis of the prerogative powers related to the conduct of international affairs, the conclusion and termination of treaties of the United Kingdom, the Government had the opportunity to repeal a significant number of regulations\textsuperscript{44}. According to the British Constitution, prerogative powers give the Government maximum freedom of action, it can act without parliamentary approval and control by the courts. The difficulty of the first stage of Brexit was that there were no clear constitutional grounds for implementing the political decision to leave the European Union. Therefore, it was necessary to analyse the texts of various sources of law, as well as political factors and trends. At the same time, society did not represent the true meaning and scale of Brexit. Voters were not properly informed about this during the referendum, and for the vast majority of them, leaving the EU meant regaining control of national institutions. The slogan “Take back control” overshadowed not only the counterarguments of Brexit opponents, but also other arguments of its supporters\textsuperscript{45}.

Therefore, we note that in the context of the institution of the referendum today there are many legal and constitutional aspects and problematic consequences. To support cooperation between the UK and the EU, it is necessary to anticipate the changes that will result from secession. For example, after the referendum, the British stock market fell by 7.4%, the pound fell sharply\textsuperscript{46}. Both businesses and EU citizens will have to go through a long period of uncertainty. It should be borne in mind that in some cases new agreements are required. For example, a comprehensive trade agreement may involve more time-consuming, lengthy negotiations and ratification of rules, while comprehensive agreements must be agreed between 27 countries and ratified through 38 meetings of the National Assembly and the European Parliament.

Conclusions and prospects for further research. Thus, we came to the conclusion that imperfectness of the processual procedure for Brexit is not the only legal problem. The extent to which Britain’s withdrawal poses an existential threat to the United Kingdom should also be taken into account. According to many British legal experts, such secession can cause a number of serious conflicts between the states that are a part of the United Kingdom. Despite of some economic and political claims by the citizens of the United Kingdom, it was the problem of security and changes in the world that influenced their decision to leave the EU. Thus, it is clear that the very issue of British identity, together with security issues, have become key factors in bringing the referendum to life and providing for its results. Due to this precise reason Brexit means a crisis of a single European identity, a crisis of European integrity and unity. So, at the moment, Britain’s exit from the European Union has many consequences, including legal and juridical. In the forthcoming years Britain will have to separate its legal system from the European one after 40 years of unity, and the outcome of this process is currently unpredictable. Britain’s exit will also be a serious test of the strength of the European legal system, the very principles of the European institutions.


\textsuperscript{45} Иванова, И.К. (2019), вкзл. пр.

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