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**EDITORIAL ANALYSIS**

# Brexit at Ten: Why Economic Nationalism Carries a Real Price

 **BUSINESS STANDARD**25 June 2026 · **IR** · **ECONOMY** · **GS2** · **GS3**

CURATED &amp; WRITTEN BY

**Bharat Choudhary**

UPSC Educator &amp; Content Creator

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# Brexit at Ten: Why Economic Nationalism Carries a Real Price

 **Business Standard**

25 June 2026

GS2

GS3

 Source: [ujyari.com](https://ujyari.com) — researched, fact-checked & UPSC-mapped


## INTERVIEW ANGLE

*"Is economic nationalism ever a rational long-term strategy for a globally integrated economy, or does the Brexit decade prove that the costs of disintegration always outrun the political gains that sell it?"*

✔ Every fact web-verified against primary sources (<https://ujyari.com/how-we-verify/>)

## WHY THIS EDITORIAL MATTERS

Ten years after Britons voted, by 51.9 percent to 48.1 percent on June 23, 2016, to leave the European Union, the Business Standard editorial reads the anniversary as a cautionary tale rather than a celebration. Slower growth, higher trade costs and unresolved immigration friction have produced what commentators call “Bregret” or “regrexit”: a clear majority of the public now tells pollsters the decision was wrong. For a UPSC aspirant, Brexit is the cleanest available case study in the real economic price of economic-nationalist, anti-integration politics, and it maps directly onto India’s own choices about free-trade agreements, supply chains and strategic autonomy (<https://ujyari.com/terms/strategic-autonomy/>).

## The Lift Line

*When a nation trades the efficiency of integration for the symbolism of sovereignty (<https://ujyari.com/vocab/sovereignty/>), the bill does not arrive on referendum night. It arrives quietly, year after year, in foregone growth.*

## THE CORE ARGUMENT

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The editorial's thesis is straightforward: disintegration is expensive, and the costs are structural rather than temporary. The United Kingdom did not merely change a trade tariff; it left the EU single market and customs union, the deepest economic integration arrangement in the world. That single market guaranteed the free movement of goods, services, capital and people, while the customs union meant no internal customs checks and a common external tariff.

Exiting both reintroduced borders inside what had been a seamless economic space. The consequences were predictable to economists and are now visible in the data:

### Three Channels of Cost

- 1 Trade frictions.** Customs declarations, rules-of-origin checks, sanitary and phytosanitary inspections and a thicket of non-tariff barriers raised the cost and time of trading with the UK's largest market. Smaller exporters, unable to absorb the paperwork, simply exited EU trade.
- 2 Investment and productivity drag.** Prolonged uncertainty between 2016 and 2020, and the friction that followed, depressed business investment. Growth across the post-referendum decade trailed comparable economies, the cumulative gap being the true measure of the loss.
- 3 Labour and immigration friction.** The promise to "take back control" of borders did not deliver the calm its advocates predicted. Sectors dependent on EU labour, from agriculture to health and hospitality, faced shortages, while total migration patterns shifted rather than shrank.

### The Northern Ireland Knot

Disintegration also created problems that membership had dissolved. Because the Republic of Ireland remained in the EU while Northern Ireland left with the UK, a hard border on the island of Ireland threatened the Good Friday peace settlement. The Northern Ireland Protocol, and its 2023 successor the Windsor Framework, were elaborate attempts to manage a contradiction that did not exist before Brexit: keeping goods flowing while respecting both the UK internal market and the EU single market. The lesson is that pulling out of an integrated system exports friction into politics, diplomacy and even constitutional stability.

## HOW TO THINK ABOUT THIS (FOR THE EXAM)

When a question frames "globalisation versus economic nationalism," resist the temptation to argue in absolutes. The sophisticated answer treats integration as a spectrum with trade-offs, not a binary of openness against sovereignty.

*For any integration or disintegration decision, weigh four vectors: (a) static efficiency gains from scale and specialisation, (b) dynamic gains from investment and competition, (c) distributional effects on those who lose from open markets, and (d) the value placed on policy autonomy. Brexit prioritised vector (d) and underweighted (a) and (b), while failing to address (c) through adjustment support. That imbalance is what the polling now reflects.*

## A Diagram In Words

Picture two overlapping circles. One is “economic efficiency,” widened by integration, scale and frictionless supply chains. The other is “political control,” widened by sovereignty and regulatory autonomy. Membership of a deep bloc maximises the first circle; economic nationalism maximises the second. Brexit shifted Britain sharply toward the control circle, and the editorial’s argument is that the efficiency circle shrank by more than the control circle grew. The art of statecraft is to find the overlap, openness with safeguards, rather than to collapse into either extreme.

## THE COUNTER-VIEW, FAIRLY STATED

Honesty requires presenting the strongest case for Leave. Brexit advocates argue that GDP arithmetic cannot capture the value of self-government: the right to set one’s own laws, control immigration, escape a remote bureaucracy and sign independent trade deals. They contend that adjustment costs are transitional and that a decade is too short to judge a generational realignment. There is genuine democratic weight here, since the choice was made by referendum, and dismissing sovereignty as irrational misreads why majorities in many democracies are drawn to economic nationalism. The fair conclusion is not that voters were foolish, but that the promised gains have so far been outweighed, in their own retrospective judgement, by the costs.

## THE WAY FORWARD

The editorial’s implicit prescription is **calibrated** (<https://ujivari.com/vocab/calibrated/>) integration, not autarky. Open markets deliver efficiency; the answer to their distributional pain is not to close the markets but to cushion the losers and design better rules.

- **Choose deep, rules-based FTAs** with credible dispute-settlement rather than ad hoc protectionism.
- **Build supply-chain resilience** (<https://ujivari.com/vocab/resilience/>) through diversification and friend-shoring clauses, so integration does not become fragility.
- **Invest in domestic adjustment**, retraining and regional support, so that the gains from openness are shared and the political backlash that produced Brexit is pre-empted.

## RELEVANCE FOR INDIA

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Brexit is not a distant European drama; it is a live reference point for India's trade strategy. India has signed the India-UK Comprehensive Economic and Trade Agreement (CETA) and is negotiating the India-EU Free Trade Agreement, alongside a broader push to integrate into global value chains. The Brexit decade strengthens the case for integration over protectionism: walls raise costs that are paid slowly but surely.

The Indian lesson is not uncritical openness. It is smart integration, phased tariff liberalisation that protects sensitive sectors such as agriculture and dairy, strong safeguards and dispute mechanisms, and parallel investment in competitiveness so domestic industry can use wider markets rather than fear them. Where Britain chose disintegration and is counting the cost, India's interest lies in deepening well-designed integration while guarding strategic autonomy.

## PYQ LINKAGE

- *“Increasing cross-border terrorist attacks in India and growing dissensions within the country, by and large, are linked with the foreign policy of India. Discuss.”* (GS2) trains the same skill of connecting external choices to domestic outcomes that the India angle here demands.
- *“What are the key areas of reform if the WTO has to survive in the present context of ‘trade war’? Discuss the strategy India should adopt.”* (GS3, 2018) directly tests the globalisation-versus-protectionism debate that Brexit dramatises.
- Probable framing for 2026: *“Brexit illustrates that the costs of economic disintegration are structural and durable. In this light, evaluate India's free-trade agreement strategy.”* (GS2/GS3)

## FACTS CORNER

- **Referendum date:** June 23, 2016; result Leave 51.9 percent, Remain 48.1 percent (commonly cited as 52-48).
- **Formal EU exit:** January 31, 2020; transition period ended December 31, 2020.
- **What the UK left:** the EU single market (free movement of goods, services, capital, people) and the customs union (no internal customs, common external tariff).
- **Northern Ireland:** governed by the Northern Ireland Protocol, replaced in 2023 by the Windsor Framework, to avoid a hard land border on the island of Ireland.
- **Public opinion at ten years:** YouGov-type polling shows a clear majority (around 55 percent) now say the decision was wrong, against roughly 30 percent who say it was right; the phenomenon is nicknamed “Bregret” or “regrexit.”
- **India linkage:** India-UK CETA signed; India-EU FTA under negotiation; relevance to global value chains and supply-chain resilience.

● **KEY ARGUMENTS AT A GLANCE**

**Brexit demonstrates that severing a deep economic integration arrangement imposes measurable, durable costs in growth, trade and supply-chain efficiency that political promises of sovereignty rarely offset, making it a cautionary tale on economic nationalism rather than a model.**

✓ **SUPPORTING**

- Leaving the EU single market and customs union raised trade frictions, added non-tariff barriers and paperwork, and dampened investment and productivity, with the post-referendum decade marked by slower growth than comparable economies.
- The Northern Ireland Protocol and its successor Windsor Framework show how disintegration creates intractable border and regulatory dilemmas that did not exist under shared membership, exporting friction into politics and diplomacy.
- Public opinion has shifted decisively, with YouGov-type polling showing a clear majority now judging the 2016 vote wrong, evidence that the promised benefits failed to materialise for most voters.

⚠ **COUNTER**

Brexit advocates argue that sovereignty, regulatory autonomy, control over immigration and the freedom to strike independent trade deals carry value that GDP figures cannot fully capture, and that adjustment costs are transitional rather than permanent.

→ **WAY FORWARD**

Nations should pursue calibrated, rules-based integration that preserves strategic autonomy without sacrificing the efficiency of open markets, using free-trade agreements with strong dispute-settlement, supply-chain resilience clauses and domestic adjustment support rather than blanket protectionism.


**MAINS ANSWER FRAMEWORK**

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**QUESTION**

*Ten years after the Brexit referendum, a majority of Britons now regard leaving the European Union as a mistake, citing slower growth, higher trade costs and persistent immigration friction. Examine Brexit as a case study in the economic costs of anti-integration, economic-nationalist politics. What lessons does the British experience hold for India as it negotiates deep trade agreements such as the India-UK CETA and the India-EU FTA while protecting strategic and domestic interests? (250 words)*

**INTRODUCTION**

The June 2016 Brexit referendum, in which Leave won 51.9 percent to 48.1 percent, and the United Kingdom's formal exit from the European Union in January 2020 form a natural experiment in the economics of disintegration.

**BODY**

A decade on, the verdict from data and public opinion is sobering. Exiting the single market and customs union replaced frictionless trade with customs checks, rules-of-origin paperwork and non-tariff barriers, raising business costs and weighing on investment and productivity.

Growth has lagged comparable economies, immigration friction persisted despite the sovereignty narrative, and the Northern Ireland border problem forced the Protocol and later the Windsor Framework to manage frictions that membership had dissolved. Crucially, opinion has turned: a clear majority of Britons now consider the vote a mistake, against a minority who still call it right.

The deeper lesson is that economic nationalism and protectionism promise control but deliver fragmentation of supply chains and lost scale. For India, the message is not autarky but smart integration, advancing the India-UK CETA and the India-EU FTA to widen markets while building in safeguards, phased tariff liberalisation and resilience for sensitive sectors.

**CONCLUSION**

Brexit at ten is less a template than a warning: in an interdependent economy the price of walling oneself off is paid slowly but surely, and India's interest lies in deeper, well-designed integration rather than reactive protectionism.


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## Bharat Choudhary

UPSC Educator &amp; Content Creator

[linkedin.com/in/epicbharat](https://www.linkedin.com/in/epicbharat)[Read Full Article on Ujiyari →](#)<https://ujiyari.com/editorials/2026/06/business-standard-brexit-at-ten-economic-nationalism-2026/>

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