

Johnson's Brexit - less about strategy, more about economic headwinds in the EU

Boris Johnson's Brexit strategy appears to be working but primarily because a recession is looming over Germany - meaning both sides need a good and fair deal.



UK prime minister, Boris Johnson

The UK's prime minister appears to have brought German Chancellor Angela Merkel closer to his way of thinking on Brexit. "Merkel challenged Johnson to come up with an alternative solution to the Irish backstop issue within a month, putting the ball back in Britain's court as well as indicating that she – and therefore the wider EU - would be willing to consider further options, something they have previously ruled out," says Nigel Green, CEO of deVere Group.

"Many commentators have said this proves Johnson's Brexit strategy is working, that he has pulled off something of a diplomatic miracle. However, I would suggest that the reason that a ray of hope has appeared in what has until now been a united front from EU member states against Britain's Brexit stance is because a recession is looming over Germany – the EU's largest economy – meaning both sides need a good and fair deal more than ever.

"In addition, US President Donald Trump is expected to unleash multi-billion-dollar tariffs on the European Union's imports, adding to the bloc's economic worries – so the last thing they need is Britain to crash out in a no-deal scenario."

It is becoming increasingly clear to all parties that it is in both the EU and Britain's economic interests that common ground

is found. “With economic threats intensifying, hopefully, this will shift the political will towards a more conciliatory stance. But let’s be clear: the reason why Boris Johnson’s Brexit plan may appear to be gradually gaining traction is not that he is a genius strategist, it is because of the economic headwinds gathering over the EU.”

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