Double Movement in the UK?

A “Polanyian” approach to Brexit

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Abstract

In recent years Europe and United States, have experience a surge in support for what is commonly referred to as populist parties. This has mostly, but not exclusively, taken the form of far right movements. The political system of the United Kingdom has not been immune to increased volatility, perhaps best exemplified by the unprecedented decision by a majority of the citizens of Britain voting to leave the European Union. The purpose of this thesis is to provide new insight into the causes leading to this event. In this regard, we suggest the use of Karl Polanyi's concept of the double movement to interpret the Brexit referendum.

In order to operationalise this concept, we have made a distinction between the potential and the actual countermovement. The potential movement is related to the scale and nature of commodification of labour, land and money, while the actual movement is contingent on several locally determined factors. We have examined the potential countermovement by looking at the commodification of labour which we have operationalised as trade union influence, unemployment benefits and employment security. Furthermore, we have examined recent British economic history since the early 1980's. In order to determine whether the leave vote constituted an actual countermovement, we have examined the debate and arguments given by the two official campaigns as well as prominent personalities associated with the campaigns.

Our results have shown that labour in Britain is highly commodified. Union membership has declined greatly, unemployment benefits have been reduced substantially and employment security has been weakened. In addition to this, economic growth has been unequally distributed both geographically and individually. These developments have been exacerbated by the 2008 financial crisis and the resulting period of austerity. We therefore argue that there is a potential for a countermovement in the UK.

Regarding the debate, we have observed that the arguments used by both sides of the campaign mirror the double movement. The leave campaign emphasised protectionist ideas while associating immigration to a deterioration in public services and adverse developments on the labour market. On the other hand, the remain campaign aligned itself with international organisations such as the IMF and the OECD, and argued that voting to leave the EU would cause great harm to the state of the economy.

Though Britain has always been more Eurosceptic than its European counterparts, we argue that the referendum results can be successfully be interpreted, in part, as a result of a countermovement seeking to embed markets in societal relations to a greater degree. This would suggest that when examining similar events or political movements, it could be beneficial to consider the role of economic changes and commodification in contributing to the popularity of these movements.

Introduction 3
Reviewing the Literature on Brexit 5
Theory 11
The Great Transformation 11
The concept of embeddedness 12
The double movement 14
International trade and the nation-state 16
Reflections on The Great Transformation 17
A Polanyian analysis 18
Methodology 20
The Case Study 20
The choice of Brexit and delimitation 21
Operationalisation 23
Commodification of labour 23
The double movement 23
Analysis 24
Part 1: The Potential for a Countermovement in the UK 25
Recent developments on the English labour market 25
Collective action, employment protection & unemployment benefits 27
Transformation of the British economy and the geography of Brexit 32
Part 2: Brexit and the Double Movement 37
The Eastern Enlargement and opposition to the EU. 38
Anti-immigration sentiment and Brexit 40
A quick note on the "market" case for Brexit 42
The case of the remain campaign 44
Taking back control 47
Discussion 49
Conclusion 53
Bibliography 56

Introduction

On Thursday the 23rd of June 2016, the people of Great Britain voted for the kingdom to leave the European Union (EU) – delivering a shock to not just the British government but also to the EU and its member states scrambling to figure out what the vote would mean for the Union as a whole and each individual member. With the election later that year in the United States of America in which brash business mogul Donald J. Trump, two events had shaken the Western hemisphere to its core. Seemingly, every election served to deliver a message to the political establishment. With the upcoming French and Dutch elections where anti-EU/populist candidates had been surging in the polls, worries that the entire Union may fall part, were abound. Such shocks left politicians, citizens and academics alike searching for answers to such seemingly unthinkable developments. How did we get here?

However, as the results ticked in, it seemed Europe could breathe a sigh of relief. Far-right Front National (FN) candidate Marine Le Pen qualified to the second round in which she suffered a resounding defeat to pro-European candidate Emmanuel Macron while the Eurosceptic Geert Wilders failed to earn the most votes as some had feared[1]. Meanwhile, at the time of writing, far-right Alternative für Deutschland (AfD) looked to fail to live up to expectations and remain a marginalized political force. Had Europe weathered the storm?

Several caveats need be applied. First of all, this "populist uprising" could to some extent be said to be a media-driven narrative. All these parties could not be expected to at once surge from the fringes of parliament to all of a sudden become political powerhouses expected to win elections. That was always an exaggerated narrative. Secondly, upon further examination was the evidence really so convincing that everything was now back to normal? After all, in France FN had qualified for the second round run-off for the first time since 2002 and gained 33,9 % of the vote. Though Macron did win 66 % of the vote, turnout was disappointingly low at 66 %, and according to one poll, 43 % of his votes were cast as a rejection of Le Pen (Trigg, 2017) while 8,6 % of votes were spoiled or blank (Eleftheriou-Smith, 2017). In Holland, Geert Wilders's PVV (Party for Freedom) actually gained five seats while the incumbent People's Party for Democracy and Freedom (VVD) lost 8 seats after arguably copying several of Wilders' tactics (Mudde, 2017).

According to Swedish political scientist Andreas Johansson Heinö, 2015 was the most successful year on record for populist left and right parties signalling a fundamental challenge to European politics: "It is of course impossible to know whether we are in the beginning, the end or in the middle of this exceptional wave of success for populist parties. What we can say is that, taken together, this wave constitutes the biggest change in the European political landscape at least since the fall of the Berlin Wall. For the West European party systems, it is the biggest change since the breakthrough of democracy. It is hard to overestimate the significance of this challenge for the political elites" (Johansson, 2016, p. 4).

[1] As all other parties had before the election announced that they would not be cooperating with Wilders, this was arguably to a large extent a media-driven narrative. However, at the time of writing, it cannot be completely ruled out that Wilders' PVV party could become part of a governing coalition.

Great Britain has not been immune to such turmoil and volatility in the political system. Besides the Brexit vote, the Union has experienced several quite remarkable events. In September 2014, Scotland held a referendum on Scottish independence from United Kingdom (nevertheless resulting in a relatively comfortable "no" to independence). Almost exactly a year later, rebellious backbench Member of Parliament (MP) Jeremy Corbyn won the bid to become the leader of the Labour Party. Having been nominated almost as a token to the Party's most leftist members, he went on to win resoundingly in the first round.

The right of the British political system saw far-right United Kingdom Independence Party (UKIP) surge on a platform of anti-immigrant sentiment and a pledge to withdraw from the EU. The party won 16,5 % of the vote in the 2009 EP election. In the 2013 local elections, it truly announced its presence in British politics increasing its number of elected councillors from 4 to 147. The following year, the party won 27,5 % of the votes in the EP elections and became the biggest British party in the EP. In the 2015 general elections, UKIP won 12,6 % to become the third biggest party but only winning one MP due to the first-past-the-post voting method (Goodwin & Milazzo, 2015).

The picture that we have now painted of European democracy is one of political change and turmoil. New challengers arrive on the political scene and threaten to upend the world as we know it. In Britain, we have seen a declining representativeness of the British electoral system coincide with a challenge to the two dominant parties from the far-right and a take-over of Labour by the far-left. The turmoil evident in the British political system reached its boiling point hitherto with the Brexit vote. This thesis aims to understand the Brexit vote. Why did voters ignore the advice of experts and politicians and vote to leave the very union that had arguably brought not just further prosperity but also peace and stability to Europe while enhancing the status of "Europe" in the world?

Through the process of trying to reach an understanding of which factors drove the vote, a review of the literature on Brexit has been conducted. Very broadly speaking, the literature on Brexit (and populism) can be divided into two distinct camps. One argues for what might be termed a "cultural" explanation of the vote. The culture case goes that leave voters were less well-educated and held more authoritarian views and values on for instance migration and the death penalty. The economic argument is that leave voters had been left behind by globalisation or automation and that their general dissatisfaction with not getting a fair share of the riches created by globalisation caused them to act out in frustration against "elites". However, as the review will reveal, it is not at all clear that these two explanations are mutually exclusive. We will attempt to provide additional insight regarding this question by applying the ideas and theories of Hungarian political economist, historian and anthropologist, Karl Polanyi, to the study of the case of the Brexit referendum.

The specifics of Polanyi's theory will be elaborated on at a later stage. However, to give a brief summary, Polanyi posits that the successful pursuit of liberalism ultimately inspires opposition to such a degree that it derails it. This is due to its inherent destructive tendencies in regards to human existence. Thus, to Polanyi the history of the liberal market societies was defined by two movements: One the one hand, a movement sought to spread the organising principles governing the self-regulating market to every aspect of society. On the other hand, the groups in society most affected by the changes acted to counter such moves by pushing through protective legislation intent on

regulating these emerging markets. Polanyi has labelled this as the double movement. The research question of the thesis will be:

Can Brexit be considered to be a case of a double movement?

In order to do answer this question, we draw a distinction between the latent (i.e. potential) countermovement and the actual movement - both of which shall be examined in the thesis. The latent countermovement is determined by the scale commodification of the certain aspects of the human existence. In this thesis, we delimit our examination to the commodification of labour and the scale and effects of this – this will also include an examination of wider transformations of the British economy and the geography thereof. We will then proceed to analyse whether the official leave campaign can be interpreted as an actual countermovement. This will be done by an examination of the arguments used by the campaign and prominent leave figures in particular. Furthermore, we will include the arguments used by the official remain campaign to show that it can be interpreted as representing the idea of market liberalism.

Reviewing the Literature on Brexit

The following section will entail a brief review of the literature on the causes of Brexit. It will also include literature on what in general has been found to cause the voting share of so-called populist parties to increase. The assumption in this regard is that Brexit is not dissimilar from the political turmoil faced by Western democracies in recent times. It can be said to be similar in the sense that it represents a significant shock to "establishment" parties and the political centre. In fact, Brexit has been likened to the rise of Donald Trump in the United States (Blyth, 2016a; Inglehart & Norris, 2016). Therefore, we will include more general observations on what one might deem populist surges in the review. The review is by no means intended to be all-encompassing but rather meant to deliver a sense of the academic findings on the subject.

Structural changes in British society

Robert Ford and Matthew Goodwin, maybe the foremost experts on UKIP and far-right parties in the UK, ascribe the referendum result to a shift in the structure and attitudes of the British electorate which has become increasingly dominated by the middle classes and university graduates as the share of manual workers declined. Their approach is one of placing the Brexit vote in a historical socio-structural context. As the political competition revolved more and more around the middle classes, certain attitudes gradually became underrepresented. As such, "(…) Brexit can be traced back over decades to changes in British society and politics that, by the time of the 2016 referendum, had left a growing sentiment of older, white, nationalist, and socially conservative voters feeling marginalised from mainstream politics and opposed to the socially liberal values that have become dominant in their country" (Ford & Goodwin, p. 28, 2017).

As the quote implies, the authors also ascribe significant weight to the issue of immigration which Labour and The Conservative Party had not been able to keep at sufficiently low levels. When Tony Blair's New Labour government decided not to impose restrictions on immigration from the eight new Eastern and Central European member in 2004, Eurosceptic UKIP was able to mobilise some of these voters and connect dissatisfaction with migration to the

issue of EU membership. The salience of the issue of migration has since remained at the top of the British voter's minds: "The 2016 referendum and the vote for Brexit exposed and deepened a newer set of cleavages that are largely cultural rather than economic" (Ford & Goodwin, 2017, p. 29).

These results are expanded on in what has been described as one of the most thorough empirical investigation of the Brexit vote conducted by Clarke et. al. (2017). In it they show that the "leave voter" was on average older, more likely to identify as "white British", less likely to hold a university degree and likelier to belong to the working class or lower classes (p. 155). Exploring the motivation behind the vote, they find that a combination of variables was at play. Their results show that cost-benefit factors concerning the economy/influence and immigration/security were highly significant. Respondents who expressed optimism regarding Britain's economic situation if it were to leave the EU, were significantly likelier to vote leave in the referendum. The same picture emerges concerning the UK's ability to control immigration and enhance security following a possible Brexit. Conversely, respondents who perceived the risks of leaving the EU as higher were likelier to vote remain (p. 161). Unsurprisingly, they furthermore find that emotional attitudes towards the EU also played a role as respondents who had a positive image of the EU were likelier to support remaining. Lastly, their results also show that cues from party leaders and prominent figures in the two campaigns had a significant effect. Respondents who held a positive perception of the two main figures associated with the leave campaign, namely Boris Johnson and Nigel Farage, were likelier to vote leave (pp. 164-65).

Going a step further, they set about examining what influenced voters' assessment of the cost and benefits of leaving in regards to the issues mentioned above. Again, perception of party leaders proves significant with voters feeling positively about Johnson and Farage being likelier to downplay the costs and appreciate the benefits of Brexit. Furthermore, party identification seems to have mattered inasmuch as voters identifying with Labour and the Liberal Democrats were more likely to place greater emphasis on the risks of leaving. Unsurprisingly, the opposite is true regarding UKIP. Concerning identity, respondents identifying themselves as English were likelier to appreciate the benefits of leaving whereas the opposite is true in the case of those identifying as European or Scottish. Lastly, negative attitudes towards immigration as well as the perception regarding a loss of sovereignty due to membership were also significant when assessing the costs-benefits of Brexit. Also educational, demographic and socio-economic variables seem to colour perceptions with older, less educated and poorer respondents more likely to see Brexit as an opportunity rather than a risk (pp. 166-68).

Goodwin and Heath (2016) come to similar conclusions when performing an aggregate-level analysis of the results of the vote. They find that turnout was higher in pro-leave areas of Britain causing the authors to speculate that the referendum was an opportunity for citizens of less well-off areas of Britain to voice their displeasure with not just Britain's membership of the EU but also a whole host of other issues. As is frequently brought up when discussing the merits of referendums, perhaps they have a tendency to be about things other than just the specific issue being put to a vote. Additionally, they find that fifteen of the 20 authorities with the "least educated" constituencies voted to leave the EU. Furthermore, excluding London and Scotland, the fit improves vastly: "The R-square for no educational qualifications increases from 0.29 for the United Kingdom to 0.52 for England and Wales but excluding

London. This indicates that outside London and Scotland the country was highly polarised along educational lines on whether to support Brexit or not" (Goodwin & Heath, 2016, p. 327). Not surprisingly, the authors also find that of the 20 "oldest" authorities, 19 voted for Brexit though the fit is not quite as good as it is for education. Carrying out a multivariate regression analysis, they find that both age and education are significant (Goodwin & Heath, 2016, p. 327-8).

Turning to the effect of migration, they support the finding that areas with more migrants tended to be more pro-remain but areas which in the last ten years had experienced a surge in migration tended to be slightly more pro-leave. They found no evidence that share of non-white population played any part in the vote. Examining the association between support for UKIP in the 2014 European Parliament elections and tendency to vote leave, the authors find that, unsurprisingly, authorities that had voted for UKIP also voted for Brexit. Interestingly, they also find that support for Brexit is less polarised along age lines than support for UKIP in 2014 while the leave vote was *more* polarised along education: "Thus, to a certain extent, the 2016 referendum result magnified class divisions within Britain that were already evident in earlier years, and which parties like UKIP had been actively cultivating" (Goodwin & Heath, 2016, p. 330).

Euroscepticism

Dennison and Carl (2016) argue that factors such as migration, austerity budgets, a Eurosceptic press and general protest all played a role in the leave vote but that the overwhelming reason behind the vote was the simple fact that Britons do not much like the EU at all and never really have – a remarkably simple and somewhat provocative notion considering the vast amounts of literature detailing what the authors term "proximate causes" – for instance the aforementioned austerity budgets or migration. Of course, support for EU membership has fluctuated over the years but the UK population has generally been quite sceptical – somewhere between 30 and 60 percent have always been against membership (Dennison & Carl, 2016; Gifford, 2014). They point out that the UK was never very highly integrated in the EU measured in terms of "citizens' self-identity, in their mistrust of the EU, in patterns of emigration, in international trade flows, and in foreign investment allocations" (Dennison & Carl, 2016). They contribute these findings to a number of historically contingent factors such as the British past as a relatively great economic and political power. As most of the rest of the EU moved towards "an ever closer union", the likelihood of a Brexit rose.

The effects of migration

Becker and Fetzer (2016) examine the effect of migration on voting. They analyse the correlation between number of migrants received and Euroscepticism as measured by vote share of UKIP in the European Parliament elections from 1999 to 2014 sorted according to district. Results show that districts that experienced a "dramatic influx of migrants from Eastern Europe" after the 2004 Eastern Enlargement were significantly more likely to vote for UKIP. It was not the absolute number of migrants that made the difference, it was the dramatic increase as the Economist (2016b) has also noted. As the authors point out, migration can affect preferences through a multitude of channels – for instance labour market, crime, housing and access to welfare services and benefits. Underscoring this point, the paper concludes that "(…) there are complex socioeconomic interactions that may create a dynamic causing a back-lash against the type of globalization as implied by the European project. (…) Our results indicate that migration

from EU countries contributed to the rise of right wing parties. (…) there is a more complex dynamic at play that goes beyond the simple economic mechanisms in the labour market. (…) Nevertheless, we cannot rule out that the economic mechanisms play no rule" (Becker & Fetzer, 2016, p. 34). The authors also note adverse effects of migration on wages and increased pressure on housing and public services (Becker & Fetzer, 2016). However, such findings do not represent a consensus (Arnorsson & Zoega, 2016, pp. 20-21). As both note, the case for migration lowering wages of native workers seems strongest on the lower end of the income scale.

Values, education and demographics

Eric Kaufman (2016) argues that Brexit is best explained by personal values. For instance, attitude towards the death penalty strongly correlated with voting intention in the Brexit referendum (being in favour of the death penalty correlates with intention to vote leave). Kaufman contends that Brexit voters cross demographic, geographic and economic lines and that the vote is best explained by opinions that align with what has been termed "authoritarianism", "right-wing authoritarianism" or "order versus openness". Support for authoritarian values like fear of outsiders and desire for order has also been used to describe the rise of so-called "Trumpism" in the US (Taub, 2016). Support for such values shows little correlation with education, class, gender, age or income (Kaufman, 2016).

Sarah B. Hobolt's (2016) findings point to an educational divide in the vote and underscores that voters who were more likely to directly benefit from international co-operation and trade – better educated, young and well-off – generally voted to remain. However, she also finds that feelings of identity are correlated with the vote. People with European identities were much more likely to vote remain than people with strong national identities: "A standard deviation increase in 'Europeaness' reduces the probability of voting Leave by as much as 37 percentage points. In comparison, a one standard deviation increase in English identity increases the likelihood of voting Leave by 10 percentage points and 5 percentage points for British identity" (Hobolt, 2016, p. 1269).

As for party-affiliation, it also seemed to matter. Conservative supporters were 12 percent more likely to vote leave than non-affiliated while Labour voters were 25 percentage points more likely to be in favour of remain. Unsurprisingly, UKIP supporters were 88 percentage points more likely to vote for Brexit. Hobolt also found significant correlation between lack of trust in politicians and a vote to leave. Furthermore, the research also underscores that both economic concerns and the issue of migration played a role for voters: "Those who felt that the EU had undermined the distinct identity of Britain were much more likely to vote to leave, whereas the view that the EU had made Britain more prosperous had a similarly sizeable effect. Attitudes towards immigration also mattered: individuals who thought Britain should have many fewer EU migrants were 32 percentage points more likely to vote for Brexit compared to those who wanted more migrants. Equally, expectations about the consequences of Brexit had very significant effects. Voters convinced by the argument that Brexit would reduce trade and employment were much more likely to vote to remain compared to those who were not convinced about the negative impact on the economy" (Hobolt, 2016, p. 1270).

The "left behinds"

Arnorsson and Zoega (2016) examine the voting patterns of different regions. They find that "The pattern of voting in the referendum reflects differences in the age composition of the population and the share of the less educated, with the older generation and the less educated voting for Brexit, in addition to a low level of per capita income having the same effect. These variables not only explain the voting patterns but also the attitude towards immigrants as neighbours, the dangers posed by immigrants to society and feelings of apprehension towards the European Union" (Arnorsson & Zoega, p. 26). They go on to suggest that not everyone benefits equally from globalisation and that their results show that more should be done to compensate the so-called "losers" of globalisation making capitalism more "inclusive".

Torsten Bell of the Resolution Foundation produced a scatter plot that showed zero correlation between an area's recent change in income and propensity to vote leave. In other words, worsening economic circumstances produced by the Great Financial Crisis in 2008 would not seem to explain the vote. Rather, Bell posits, it is the areas that have for some time been the poorest in Britain that voted to leave:

> "So it's not the unequal impact of the recent recession driving voting patterns – or indeed as some argue the impact of migration driving down wages in some areas. Instead, in so far as economics drove voters' behaviour last night, it is areas that are, and have been for some time, poorer. Or to put it another way, it's the shape of our long lasting and deeply entrenched national geographical inequality that drove differences in voting patterns.
>
> The legacy of increased national inequality in the 1980s, the heavy concentration of those costs in certain areas, and our collective failure to address it has more to say about what happened last night than shorter term considerations from the financial crisis or changed migration flows." (Bell, 2016).

These findings lead Bell (2016) to conclude that more needs to be done to insure that all benefit from globalisation similarly to the work discussed above.

Economic insecurity or cultural backlash?

Ronald F. Inglehart and Pippa Norris (2016) set out to examine what may be driving the rising populist movements in Western societies through two perspectives – "economic insecurity" and "cultural backlash" – to decide which explanation is the more appropriate. They stress that such explanations are not necessarily mutually exclusive and that these two processes may in fact reinforce each other. In addition to providing an excellent overview of much of what has been written on the subject already, they find the most support for the cultural backlash thesis. "The evidence examined in this study suggests that the rise of populist parties reflects, above all, a reaction against a wide range of rapid cultural changes that seem to be eroding the basic values and customs of Western societies" (Inglehart & Norris, 2016, p. 30). However, the authors point out that their study shows that "(…) the evidence in this study suggests that it would be a mistake to attribute the rise of populism directly to economic inequality alone" (ibid., p. 30) which is of course true, and only few would claim that to be the case. They attribute the results mostly to a process of generational change in which younger generations increasingly hold progressive cultural views stoking a deep generational divide.

Matti and Zhou (2016) find that demographic variables along with anti-immigrant sentiment played a role in the vote while economic variables did not. They speculate that the low saliency of the economy despite being emphasised by both campaigns is because most people at the time of referendum simply did not consider the economy or unemployment to be of great importance. The authors warn that their results foreshadow a more isolated Great Britain rather than a nation that had finally been freed from the shackles of excessive EU regulations as some had hoped.

Though not all the articles cited agree on the precise causes of the Brexit vote, there seems to be somewhat of a consensus that factors such as education, age, socio-economic status, identity and concerns about migration all mattered to differing extents. However, in terms of the "economy versus culture" debate, there does not seem to be a consensus of any kind as to which approach best explains the case. Broadening our scope a little further, some interesting contributions to the debate have appeared recently. Due to the issues with determining causality in the debate ("what if the economic circumstances create or fuel the cultural concerns?"), some scholars have turned to other variables to try and measure economic dissatisfaction.

Mark Blyth (2016a) has reviewed some of the literature dealing with these effects. Several contributions have found evidence that voters more exposed to Chinese trade are more likely to vote for more nationalist and protectionist candidates/parties or more extreme republicans (Colantone & Stanig, 2016b; Autor et al., 2016). Dippel et al. (2016) find that increased trade exposure positively affects only the radical right – somewhat significant given that there also seems to be similar movement from the left (Blyth, 2016a) benefitting from the frustrations of potentially frustrated voters and given the whole "economy versus culture" debate.

When examining the differences between regions more likely to vote leave and those more likely to vote remain, Colantone and Stanig (2016a) find that the so-called "Chinese import shock" is positively correlated with a leave vote. Alas, regions that have experienced a recent surge in manufacturing imports from China were systematically more likely to have voted for Brexit. The authors go on to suggest that their results underline the need to compensate those who gain less or not at all from globalisation.

On the causes of Brexit

To summarise, the literature on Brexit and more generally on what fuels populist movements and voting shocks shows no strong consensus on what exact reasons may be driving the significant shocks to Western democracies that have become particularly obvious in recent years. The similar scopes of several of the articles makes it intriguing to view the case of Brexit from a different starting point. A significant problem with much of the operationalisation of the "economic" case for popular discontent is that it tends to work from a starting point just before the outbreak of the Great Financial Crisis and apply the crisis as the independent variable whereas the case for it is in fact rather that the popular discontent has been fuelled by 30-40 years of income stagnation, worsening terms of unemployment and increasing inequality which then is obviously much harder to operationalise. Furthermore, as Inglehart and Norris (2016) discuss, it is not clear at all that the economic insecurity versus cultural backlash theses are mutually exclusive, and the debate is prone to issues of confusing cause and effect: "Yet the analytical distinction drawn between economic inequality and cultural backlash theories may also be somewhat artificial. Interactive processes

may possibly link these factors, if structural changes in the workforce and social trends in globalized markets heighten economic insecurity, and if this, in turn, stimulates a negative backlash among traditionalists towards cultural shifts. It may not be an either/or question, but one of relative emphasis with interactive effects" (p. 3).

Goodwin and Milazzo's (2015) account of the rise of UKIP is – in our view – an example of how the two variables may serve to reinforce each other and do not contradict each other. They argue that structural changes in the British economy left certain sections of British society behind while changes in values saw them increasingly alienated by the dominant political forces.

As this short review of the literature on the Brexit vote has underlined, it seems that both propositions (economy and culture) have some support in this case. There are arguments to support the case for a cultural backlash causing the Brexit vote and economic insecurity causing a Brexit backlash. Furthermore, if the two competing explanations are not mutually exclusive, it is perhaps better to come up with a way of thinking about Brexit that leaves room for both to explain a certain share of the vote. To complicate matters further and to underline the difficulty of separating anti-immigrant sentiment from economic insecurity, when identifying "nativist" attitudes, questions are often asked in a context of finite economic resources or scarcity – referring to a potential threat to welfare services or jobs. See for instance Young (2016) or McElwee and McDaniel (2017).

Theory

In the following chapter, we will present the theory of Karl Polanyi and in particular the concepts of embeddedness and the double movement. We will furthermore present some of Polanyi's thoughts on the institutional makeup of the world economy and the role of the nation-state. Lastly, we will briefly describe how the concepts of Polanyi are to be used in the analysis of the thesis.

The Great Transformation

Published in 1944, Polanyi's "The Great Transformation" came about in a context of not just political instability and war but also in a context of the kind perhaps best described by the gramscian term "interregnum" – describing a context in which the old order is dying but the new one cannot be born. It was clear that the rules of international cooperation between nation states would look vastly different after the Second World War but how was anyone's guess. Similarly, the election of Donald Trump in the USA and the Brexit referendum in addition to several European countries experiencing significant boosts in support for the far-right and/or left have been thought to signalize the dawning of a new type of globalisation (Elliott, 2017; Coles, 2016). Nevertheless, the jury remains out on to what extent the two events really will change globalisation, if at all, and how we view it.

Polanyi examines the English Poor Laws – for him an example of how the transition to a market society elicits a protective response on the part of society to alleviate the negative consequences of the increasing scope of markets. This period (the first English Poor Law can be traced back to 1534) witnessed a "great transformation" according to Polanyi, as the transition from pre-modern societies to modern entailed a fundamental transformation of the

structure of society. Transformed were both human institutions and human nature as social relations would increasingly be facilitated by the market.

Of interest in this thesis is not so much what comes next but rather "how did we get here?". Similarly, when engaging with the works of Karl Polanyi, of primary interest is his analysis of what created the conditions for fascism to thrive in Europe rather than his predictions about what the world would look like after 1945. The applications of Polanyi's "theory" will centre on two concepts that have perhaps come to define Polanyi's work though his insights were many and his intellectual legacy spreads far and wide: The concept of embeddedness and the double movement.

The concept of embeddedness

Before diving into the concept of embeddedness, it is necessary to make a few points about Karl Polanyi's work in order to fully grasp these concepts. Among the most lasting of Polanyi's insights is his contribution to our understanding of the workings of markets. Polanyi understood – as any economist will surely acknowledge – that free markets are a theoretical construct. Markets anywhere and everywhere will always be mediated to varying degrees in different institutional and social contexts. For instance, no one in the Western world would ever question the sensibility of prohibiting child labour but nevertheless, it is an obstacle to the workings of the free market. Similarly, environmental regulations, collective bargaining and a whole host of other types of "obstructions" exist in what we call free market economies. But Polanyi goes further than just stating that markets are never truly free (due to their embeddedness which we will return to). He goes on to show that a strong state can in fact be conducive to creating and maintaining markets. Today, it is not a controversial insight that the state apparatus is needed to provide a stable investment environment through various venues for instance by upholding the rule of law, maintaining the integrity of contracts but also to correct market failures. Such insights may seem benign today but lie at the heart of much contemporary work in the academic field of International Political Economy and were not always as uncontroversial as they may come across today. As economist Joseph Stigligtz puts it, "(…) the point is that the myth of the self-regulating market is, today, *virtually*, dead" (Stiglitz, 2001).

Importantly, this means that when we are talking about free markets, we are talking about degrees of "freeness". Markets can be more or less free but never totally free as markets are always to some extent "embedded" as Polanyi put it. They can also be more or less regulated by state action or even entirely government run. It is along these battle lines and within this scope that much contemporary debate on markets and their role in the economy and society takes place. See for instance the frequent debates about increases in the supply of labour and whether said increases will create its own demand. The debate is implicitly shaped along a government versus market battle line[2].

However, upon closer examination, it becomes clear that role of government is ever-present in the market and its functioning: "(…) the introduction of free markets, far from doing away with the need for control, regulation, and intervention, enormously increased their range. Administrators had to be constantly on the watch to ensure the free

[2] Arguably, Polanyi inspired the academic tradition of "varieties of capitalism" which shows how markets are embedded differently in different national contexts (Block, 2001).

working of the system. Thus even those who wished most ardently to free the state from all unnecessary duties, and whose whole philosophy demanded the restriction of state activities, could not but entrust the self-same state with the new powers, organs, and instruments required for the establishment of laissez-faire“ (Polanyi, 2001, p. 147). In other words, markets are dependent upon the state apparatus to maintain the integrity of the market in order to fully function.

Polanyi (2001) famously wrote: “Laissez-faire was planned; planning was not” (p. 147). Thus, Polanyi enriched our understanding of the interplay between states and markets and allowed us to go beyond the assumed dichotomy between the two and show how they are mutually constitutive. However, the quote also underlines another aspect of Polanyi’s theory: The creation of free markets will lead to a protective response from the wider society whose welfare may be endangered by the forces of the market. As Polanyi (2001) warned: “Our thesis is that the idea of the self-adjusting market implied a stark utopia. Such an institution could not exist for any length of time without annihilating the human and natural substance of society; it would have physically destroyed man and transformed his surroundings into a wilderness. Inevitably, society took measures to protect itself, but whatever measures it took impaired the self-regulation of the markets, disorganized industrial life, and thus endangered society in yet another way” (p. 3).

The quote finally brings us to the concept of embeddedness. Polanyi takes issue with the tradition of modern economic thought which conceptualises the economy “as an interlocking system of markets that automatically adjusts supply and demand through the price mechanism” (Block, 2001, p. xxiii). The idea of the self-regulating market, eventually returning to its equilibrium, still dominates economic thought[3]. However, according to Polanyi this idea is in a historical lens rather new and in opposition to the functioning of markets before the nineteenth century when the market was not viewed as an autonomous mechanism as modern economic theory necessarily assumes: Instead, it was embedded in social relations/the wider society. Classical economic theory assumes the subordination of society to the functioning of the market whereas markets had not before existed as a separate entity submerged as they were in social relations:

> “A self-regulating market demands nothing less than the institutional separation of society into an economic and a political sphere. Such a dichotomy is, in effect, merely the restatement, from the point of view of society as a whole, of the existence of a self-regulating market. It might be argued that the separateness of the two spheres obtains in every type of society at all times. Such an inference, however, would be based on a fallacy. True, no society can exist without a system of some kind which ensures order in the production and distribution of goods. But that does not imply the existence of separate economic institutions; normally, the economic order is merely a function of the social order. Neither under tribal nor under feudal nor under mercantile conditions was there, as we saw, a separate economic system in society. Nineteenth-century society, in which economic activity was isolated and imputed to a

[3] Again discussions on the effects of an increase in the supply of labour on employment are instructive. If you believe that in the short run, the market will tend towards equilibrium, then there is no reason to act whereas economists that believe it will take longer to edge employment towards its equilibrium will recommend government intervention. Interestingly, both approaches assume that the market will tend towards equilibrium.

distinctive economic motive, was a singular departure" (Polanyi, 2001, p. 74).

The quotation also gets at the other crucial point about the concept of embeddedness. Polanyi is not to be understood as to be saying that after the nineteenth century the economy was successfully disembedded. As already stated, such an endeavour would be doomed from the start. Polanyi distinguishes between real and fictitious commodities. Real commodities have been produced with the intention that they are to be sold on a market. By this definition, Polanyi concludes that land, labour and money are fictitious commodities. Though capitalism according to Polanyi tends toward a disembedding, such a state is impossible to reach as society will always react to embed the economy and particularly these fictitious commodities. Land, labour and money will not act in the same way as any other commodity. As economist Mark Blyth has succinctly put it: "The minute you try and turn the whole world into a balance sheet and everything in it a commodity, it turns out that labor—labor is not a bag of porcini mushrooms. It actually gives a shit about its price. And if it's constantly going down, and it can constantly see other porcini mushrooms that aren't going down, it gets a little bit annoyed" (Lawrence, 2017). Thus, this "annoyance" leads to demands for further protection or compensation from the market forces underlining both the need for a strong state and that the economy can never be successfully disembedded from society. The argument mirrors much of what has been written about globalisation in the wake of Brexit and Trump – see for instance Joseph Stiglitz (2017), Elliott (2017) or Obstfeld (2016) and in which it is argued that to combat regressive political movements, more must be done to compensate for the pressures certain groups experience due to globalisation. Arguably, it was also a theme Theresa May's first speech as Prime Minister where she stressed that her government would make Britain work for not just the fortunate few (Doherty, 2016).

This counter reaction means that the market economy exists on a continuum of state regulation and self-regulation. You will never have one or the other in a capitalist economy; the economy will incorporate elements of both in a constant battle between forces fighting for either a disembedding or a re-embedding of the economy. This brings us to Polanyi's concept of the "double movement".

The double movement

The double movement describes the struggle between forces hoping to disembed the economy and the forces trying to re-embed it. Surely, such forces are at play in any democracy at any given time. However, the balance of power will at a given point in time tend to favour one or the other. Specifically, these forces would include the labour movement, employees, the financial sector and, more traditionally, political parties of varying orientation. However, it should be said that these forces may not act according to expectations. Polanyi (2001, p. 201) mentions how modern central banking was a result of an effort to protect the domestic credit supply from global pressures. Even capitalists will recognise the need for protective measures against the self-regulating market. Similarly, only few would have advocated letting banks go bust as the Great Financial Crisis descended upon Europe and the USA. One could also point to unions lobbying for free trade agreements when they are deemed beneficial for their members.

These forces are in a constant negotiation to determine the institutional fabric of society. The double movement is defined as "(…) the action of two organizing principles in society, each of them setting itself specific institutional

aims, having the support of definite social forces and using its own distinctive methods" (ibid., p. 138). These are personified by the trading classes advocating economic liberalism and the working and landed classes fighting to tame the market. The push-back from the working and landed classes will henceforth be referred to as the countermovement. This countermovement will at different points in time advocate certain protective measures that will protect the fictitious commodities from unrestrained market forces. Polanyi considers this struggle to be a central political battleground in the 19th century until the rise of fascism in Europe.

Polanyi undertakes an examination of the English Poor Laws which for him were a manifestation of the contradiction between markets and society. The growing urbanisation meant that the state had to take on a more proactive role in terms of providing poor relief, which previously could be provided in small communities, while markets evolved from being quite local in scope to gradually being a global phenomenon. The influx of people to the city was in part facilitated by rapidly expanding foreign trade.

As the idea of the self-regulating market gains traction, society undergoes a great transformation. Whereas in pre-modern times what we have come to know as transactions were characterised by reciprocity, redistribution and trust, these ways of organising society were phased out as local modes of organisation gradually disappeared. In its place, the organising principle of the economy would come to be the market. In other words, capitalism is in a historical lens a relatively new phenomenon and markets as an organising principle a great change from what came before: "(…) it would be rash to assert that local markets ever developed from individual acts of barter. Obscure as the beginnings of local markets are, this much can be asserted: that from the start this institution was surrounded by a number of safeguards designed to protect the protect the prevailing economic organization of society from interference on the part of market practices. The peace of market was secured at the price of rituals and ceremonies which restricted its scope while ensuring its ability to function within the given narrow limits" (ibid., p. 65).

With the ever-increasing importance of the market, in the years following the industrial revolution, the market comes to be an independent institution: "Neither under tribal nor under feudal nor under mercantile conditions was there, as we saw, a separate economic system in society. Nineteenth century society, in which economic activity was isolated and imputed to a distinctive economic motive, was a singular departure. Such an institutional pattern could not have functioned unless society was somehow subordinated to its requirements" (ibid., p. 74). This process of subordination requires the aforementioned fictitious commodities to be commodified: "But labor and land are no other than the human beings themselves of which every society consist and the natural surroundings in which it exists. To include them in the market mechanism means to subordinate the substance of society itself to the laws of the market" (ibid., p. 75). However, as these are not in fact commodities according to the principle that a commodity is that which is produced with the intention to be sold on a market, these commodities cannot be assumed to act as other "real" commodities: "For the alleged commodity 'labor power' cannot be shoved about, used indiscriminately, or even left unused, without affecting also the human individual who happens to be the bearer of this commodity" (ibid., p. 76).

This leads us to the double movement. As the market expanded its scope, the countermovement came into existence.

As markets became global, societies reacted to restrict them in relation to the fictitious commodities: "Social history in the nineteenth century was thus the result of a double movement: the extension of the market organization in respect to genuine commodities was accompanied by its restriction in respect to fictitious one. While on the one hand markets spread all over the face of the globe and the amount of goods involved grew to unbelievable dimensions, on the other hand a network of measures and policies was integrated into powerful institutions designed to check the action of the market relative to labor, land, and money" (ibid., p. 79).

The concept of embeddedness informs us that this double movement is in fact a necessary feature of any market economy. The constant negotiation between these forces will ensure the embeddedness of the economy and create stability. However, if at one point, the free market dogma becomes too strong, the countermovement will ensure the continued embeddedness of the economy. The countermovement is a collective and spontaneous response from society, and as such, it is prone to ideological variety: "The great variety of forms in which the 'collectivist' countermovement appeared was not due to any preference for socialism or nationalism on the part of concerted interest, but exclusively to the broad range of the vital social interests affected by the expanding market mechanism" (ibid., p. 151). Polanyi interprets the rise of fascism in 1930's Europe as a result of such a countermovement. The gold standard was resurrected in the hope that it would further global economic integration but it again served to put deflationary pressures on wages making it extremely painful for nations to uphold the standard. This created an environment ripe for political upheaval.

This is also what Polanyi means by the aforementioned quote "Laissez-faire was planned; planning was not" (ibid., p. 147). The "planning" was a spontaneous reaction: "The legislative spearhead of the countermovement against a self-regulation market as it developed in the half century following 1860 turned out to be spontaneous, undirected by opinion, and actuated by a purely pragmatic spirit" (ibid., p. 147).

International trade and the nation-state

As implied, Polanyi's work is somewhat compatible with a nativist account or interpretation of the Brexit vote (or Trump etc.). Polanyi's work focused heavily on the importance of community and what one might term "localness" as local communities were always for Polanyi a safety net ensuring that no one would be left to falter on their devices. The transformation of places and communities wrought by economic progress also brought insecurity and social and cultural distress. The nation state was for Polanyi at that point in time the only realistic level of organisation and therefore the relevant unit with which to combat social dislocation caused by markets. It would also seem a reasonable assumption that for many the nation state is the organising level at which one wishes or deems it possible to embed the economy.

As international cooperation and trade grew in the nineteenth century, the nation state took on increasing importance as the medium through which not only increased international cooperation and trade took place but also as the provider of social security for its citizens. The state would be the sole provider of protection against relentless internationalised competition. As markets became global in scope, this was a natural reaction to the potential dislocation caused by this competition. Among potential implications of an international division of labour was the

dislocation of the "unfit" be they individuals, communities, towns or even countries. Under the subsection "National boundaries as shock-absorbers", Polanyi during a lecture in 1940 said:

> "If international division of labour is effected by competition and consequent elimination of the less efficient, then much will depend upon the rate at which the change proceeds as well as upon the dimensions of the units involved. As long as the competing units are small as e.g. the various farms of a neighbourhood or grocers in a suburb, the dislocation caused by the elimination of the unfit will be slight in comparison to the advantages accruing to the community as a whole through better services; even the eliminated man himself might find some compensation in the opportunity offered in the improved community system. But given larger and larger units, the position will no more be the same; if whole countrysides, countries or continents compete, the elimination of the less efficient may involve ruin" (Polanyi, 1940, p 2).

The combination of an overwhelming rate of change (Polanyi actually says that a slowly increasing division of labour would be purely beneficial) and elimination of the least efficient may lead to devastating social costs as the individual units – be they individuals or communities – have no time to adjust to changing circumstances. However, as is perhaps the fundamental lesson of Polanyi, the politics always wins out. Thus, the rise of the nation state was not a coincidence. It directly resulted from the need to protect the citizens of the state from the potential social consequences of the growing international division of labour. "The more intense international cooperation was and the more close the interdependence of the various parts of the world grew, the more essential became the only effective organizational unit of an industrial society on the present level of technique: the nation" (ibid., p. 2). This leads us to Polanyi's understanding of the rise of nationalism which he sees as "a protective reaction against the dangers inherent in an interdependent world" (ibid., p. 2). In other words, Polanyi makes the case for the necessity of national borders acting as "shock-absorbers" to ensure that large swathes of the national labour force are not rendered obsolete by the inflow of foreign labour or the outsourcing of production. Polanyi does not put this in terms of the need for more compensation afforded to those "left behind" but rather that the process should be carefully managed so they are not left behind at all.

Reflections on The Great Transformation

Using the intellectual framework developed by Polanyi guides the analysis concerning the current state of affairs in Britain towards focusing on the interplay between the forces acting to disembed the economy from society at large and those acting to counter such an initiative. In summary, we draw three analytical insights from The Great Transformation.

Firstly, the aforementioned market economy did not arise due to incremental developments in society and a natural tendency among humans to "truck and barter". Polanyi saw the creation of an autonomous economic sphere guided by laws of (enlightened) self-interest as a historical anomaly and argued that such a system had no equivalent in past human experience. The self-regulating market was *created* by state intervention and what followed was a major increase in the administrative functions and capabilities of the state. As to the authors of this new institution, Polanyi

devoted much attention to its intellectual origins[4] focusing on the efforts of various classical economist such as David Ricardo, Thomas Malthus and Jeremy Bentham. Doing so, Polanyi makes the case that the creation market economy at the beginning of the 19th century was to a very large extent driven by what might be called liberalism or free market ideology.

In order for such a market to truly function it implies the commodification of land, labour and money. This in turn necessitates the subordination of all social and cultural institutions to the "forces" of the market economy. Often this subordination is essentially a destruction. The story of the rise Speenhamland system and its subsequent liquidation provide a useful account in this regard. According to Polanyi, the system arose to preserve pre-industrialised rural society in the face of an emerging commodification of the land. Basically, the system subsidized low wages through public relief in order to make sure that if wages went below what was needed to purchase essential commodities, the parish would cover the shortfall. In practice, the system led to a multitude of adverse societal effects[5]. More importantly Speenhamland, during its brief existence, had the effect of forestalling the creation of a labour market. However, in Polanyian terms a self-regulating market could neither exist nor function without the commodification of labour, land and money, and "(...) nothing must be allowed to inhibit the formation of markets, nor must incomes be permitted to be formed otherwise than through sales. Neither must there be any interference with the adjustment of prices to changed market conditions—whether the prices are those of goods, labor, land, or money" (Polanyi, 2001, p. 72). He argued that by providing a "right to live", the Speenhamland system created such conditions, and only through its liquidation could a market for labour truly come to be. This was what happened with the passage of the Poor Law Amendment Act of 1834. It must be restated that the endeavour to disembed the economy from social relations and create a purely self-regulating market is utopian in nature. However, the statement that a purely disembedded economy cannot (in all likelihood) exist for long, does not mitigate the societal effects of attempting to create one. This is the second insight drawn from The Great Transformation: That the commodification of land, labour and money causes major social dislocations. It is the effects of this which leads to the third point.

Polanyi saw humans as social beings, who will act protectively to defend societal institutions - the very fabric of society. Thus, the counter movement, which is at its core a protectionist movement, advocated and pushed through barriers that regulated (i.e. restricted) the markets of land, labour and money. The last insight is therefore that the successful implementation of free market policies inevitably, due to its inherent destructive tendencies, produce a societal backlash preventing its full implementation.

A Polanyian analysis

As mentioned earlier, Polanyi published his magnum opus in 1944, and at the time it seemed likely that the notion of a self-regulating market underpinning the world order had become unsustainable. Indeed, as he argued persuasively, the attempts to sustain this model of society, no matter the social consequences, had largely been responsible for the rise of the fascist movements of the 1930's. In Polanyian terms, the choice facing the democracies of the Western

[4] Chapter 10 in The Great Transformation (Polanyi, 2001).

[5] Among other things it gave employers an incentive to keep wages at an absolute minimum while labour productivity fell.

World in the waning days of World War II stood between fascism or democratic socialism. In this context the policies of the immediate post war era with unprecedented peacetime interventions in the economic sphere, great expansion of public services and support and the goals of full employment can to some extent[6] be squared with a partial re-embedding the economy in social relations once more and moving closer to the ideals of democratic socialism. However, the version of liberalism espoused by those belonging to the school of classical economic, arguably proved to have much greater longevity than Polanyi had imagined.

Beginning, in a Western context, from the late 1970's and continuing to this day, Europe and North America has seen what might be termed a re-commodification. In very broad strokes, employment security has decreased, the power of unions has faded, the welfare schemes as a whole have been scaled back and former public services have to a large extent been outsourced to market actors expected to act accordingly. Where such services have remained within the public sphere, they have increasingly introduced management methods inspired by market actors (e.g. New Public Management) (Standing, 2007). It goes without saying that this development is far more complex than the picture painted above, and there are and remain highly important regional, sectoral and national variations. However, while the scale may be contestable, it is hard to dispute that there has been a gradual trend of welfare retrenchment during the period in question - be it in the form of cuts in funding or benefits or through making access more restrictive and/or contingent on certain behaviour.

The objective of the thesis is twofold. Initially, we will analyse the scale of commodification of labour in the UK. In accordance with the theoretical framework, we expect such a turn to be accompanied by major social dislocations. Focusing on the presumed re-commodification of land, labour and money is essential when seeking to understand the counter movement, as it is this development the movement supposedly pushes back against. Furthermore, the theoretical expectation would be, that the greater the scale of commodification, the greater the potential (or latent) countermovement. Here, we make a distinction. The latent countermovement related to the scale and especially the effects of commodification of human existence is a necessary feature of explaining the so-called countermovement. However, it does not tell the whole story. In The Great Transformation, Polanyi argues that the scale of state interference in regards to regulating the "markets" of the aforementioned fictitious commodities is inherently tied to both the "constitution of the political sphere" as well as the scale of commodification and associated distress (Polanyi, 2001 p. 216). Put differently, developments concerning the actual countermovement are contingent on factors related to the political and societal institutions (in the broad sense of the word). Accordingly, after examining the potential for a countermovement in the UK, we shall then turn our attention towards whether the leave vote actually constitutes such a movement by analysing the case put forward by the respective campaigns during the Spring of 2016.

[6] Guy Standing (2007) argues that the period in question represents a "fictitious de-commodification" as many of the newly instituted welfare schemes were inherently tied to the individual's participation and position on the labour market.

Methodology

The following chapter will introduce the methodological considerations of the thesis and how we will go about answering the research question – why Britain voted leave. As already implied in the introduction, our approach to the question will be deductive in nature. Accordingly, we begin with a set of assumptions informed by the choice of theory guiding the collection and interpretation of data. The main focus of the thesis will be on exploring the applicability and benefits of using Polanyi's theoretical framework in regards to the case of Brexit. This chapter will initially introduce our research design and delimitation regarding the scope of analysis after which we shall describe how we operationalise Polanyi's theory of the "double movement" including issues related to the collection of data.

The Case Study

In this thesis, we have chosen the case study as our research design. This is due to the inherent focus on a singular event that is the British referendum on EU membership as well as the exploratory nature of the research question. Robert K. Yin (1994) defines a case study as "(…) an empirical enquiry that investigates contemporary phenomena within its real-life context, especially when the boundaries between phenomena and context are not clearly evident." (p. 13). While far from being the only definition of what exactly a case study is or entails[7], Yin's definition is deemed sufficiently encompassing and precise for the purposes of this thesis. As implied in the quote, case study research often takes the form of an in-depth examination of a single (or a few) set of cases in their real-life context. The assumption being that in order to truly come to an understanding of the event in question we must first proceed to fully appreciate the context in which it took place. Indeed, the case study is "(…) concerned with the complexity and particular nature of the case in question." (Bryman, 2012 p. 66). In addition to the narrow focus, case study research invites employing material from multiple sources of evidence (Yin, 1994). Accordingly, the case study is a highly flexible design allowing for a holistic understanding of a given event and thus invites a greater level of detail and scope of the analysis than would otherwise be achievable.

However, what is gained in terms of level of detail and scope of material is somewhat sacrificed regarding issues of generalisability. After all, we have chosen to focus all our energies on a singular event and where data from other nations are employed it is often used to demonstrate the "otherness" or "extremeness" of conditions in the UK. That is not to say that our findings will have no bearing and be entirely inapplicable to other nations of the globe. Indeed, as briefly mentioned, parties sceptic or outright hostile to the EU have seen an increase in support in recent years and the changes to the political economy of the UK are to be found – to varying degrees – elsewhere. Thus, we do believe that some of the findings can be successfully used as a source of inspiration regarding other cases – just not on a one-to-one basis. Therefore, the generalisability of the ultimate findings of the thesis are to be approached with a healthy measure of caution.

As this thesis is heavily inspired by Karl Polanyi and his historical account of the period between the first and second World War and the process of economic modernisation in Great Britain, it is important to underline one

[7] For such a discussion see Khan & VanWynsberghe (2007).

important thing about the approach of this thesis. It is not our belief that history repeats itself. Quite frankly, no two historical events have ever been identical. The world is simply far too complex for that. Sure, if you simplify enough, certain events may look rather similar. However, upon closer inspection, it would be clear that there is a myriad of ways in which the events unfolded differently. That is not to say that comparisons cannot be made and are not valid but it does mean that it is important to make clear to the audience what the point of the comparison is.

This qualification of our subject is meant to clarify that it is our starting point that the mechanism between populism and economic uncertainty and the market mechanism identified by Polanyi is not necessarily evident anywhere and everywhere. Two countries may have similarly highly commodified labour markets but only one experiences a surge in support for a populist party(ies). For instance, it would seem highly unlikely that the far-right party AfD would become as strong as far-right parties in neighbouring countries. This has many, historically and contextually contingent reasons. Therefore, it is necessary to understand how the course of history in a given place is always situated in a certain context.

In other words, we do not believe that Polanyi's theory is anywhere and everywhere correct or applicable. Every individual case must be examined to witness the validity of the theory in that specific case. Polanyi argues that certain structural changes to society lead to political instability through calls for protectionism from society. We set out to find whether that was in fact the case in the British referendum on EU membership. We do not believe that our results, though useful, will necessarily tell us about "populisms" and their causes in other places. However, we will try to answer whether Brexit was in fact a case of a double movement.

The choice of Brexit and delimitation

The outcome of the Brexit referendum is undoubtedly one of the most consequential decisions taken by the British electorate in living memory. Not only was the outcome widely unexpected, no nation except for Greenland has ever left the EU. The fault lines exposed by the vote and subsequent developments related to it – including spouts of great political and financial turmoil in its aftermath certainly makes the Brexit referendum worth analysing in and of itself. Secondly, as demonstrated in the review, Brexit is often in the literature linked to what might be termed surges in support for populist parties and movements; from Trump's election to president and European-wide electoral turmoil with establishment parties and actors seeing their support among the electorate weakened.

Concerning the delimitation applied in the thesis, the research question limits our scope to the events and context of the decision by a majority of the electorate of Britain to vote to leave to EU in the 2016 referendum. We further limit the scope of analysis to primarily understanding the "leave" vote. Accordingly, we will be focusing primarily on developments taking place in England. We have done so for several reasons: Firstly, there is a great difference in sizes of the electorate between England on the one hand and Scotland, Wales and Northern Ireland on the other. By the time of the referendum, England had an electorate of 39 million voters compared to just 7.5 million in the other constituent nations. Secondly, the referendum was to a great extent decided by the voters of England. Close to two million more votes were cast for leave in England. It would have taken extraordinary overwhelming victories for remain in Scotland and Northern Ireland to even come close to overturning the result. Lastly, we argue that the context of the referendum campaign and ultimate vote was very different in the constituent nations. This is

especially the case regarding Scotland and Northern Ireland which the following example will briefly illustrate. It would therefore have been vastly greater endeavour to examine all of the UK in equal measure. However, as the UK often in various databases appears as one nation, for practical reason we will necessarily have to refer to all of the kingdom.

In the case of Scotland, we observe an increasing divergence between England's political context and that of Scotland. This can be exemplified by the nigh dominance enjoyed by the Scottish Nationalist Party (SNP) in Scottish politics since 2011 and the marginalisation of national parties north of the border. Accordingly, the Brexit referendum played out in a wholly different context in Scotland with questions concerning membership of the EU being enmeshed in questions concerning Scottish independence and the future relationship with Holyrood and Westminster. In the case of Northern Ireland, unlike the rest of the UK, the country not only shares a land border with the EU making any disturbances related to border controls likelier to have an immediately discernible impact. Its history of a highly contentious relationship between the protestant and catholic communities undoubtedly also played a part in a referendum vote that had the potential of upsetting the fragile peace established with the Good Friday/Belfast Agreement of 1998[8].

The analysis will be divided into two parts. The first part will focus on the scale of commodification of labour in the UK. This is done with the intent of examining whether there is a potential for a countermovement in the UK. The second will focus on whether the leave vote constitutes such a movement. Here, we will examine the official leave and remain campaigns focusing on the arguments given by the official campaigns and prominent individuals associated with the campaigns.

Complicating any analysis of the Brexit campaign, however, is the fractured nature of the leave campaign. Wikipedia list no less than 8 groups arguing for a vote to leave. To simplify matters, we have chosen the two groups vying for recognition by the Electoral Commission as the official leave campaigning group. Namely "Vote Leave ltd." associated with prominent members of the Conservative Party such as (at the time) Mayor of London and MP, Boris Johnson and Secretary of State for Justice and Lord Chancellor, Michael Gove, and Grassroots Out associated primarily with UKIP and its former leader, Nigel Farage (Stewart, 2016). This choice is supported by analysis conducted in the aftermath of the referendum showing that the three figures mentioned, received the lion's share of media attention during the campaign (Moore & Ramsay, 2017 p. 32).

In addition to focusing on the leave campaign, we have also deemed it instructive to examine the arguments used frequently on the other side of the debate. Again we are confronted with many groupings and individuals arguing that the UK should remain a member of the EU for a variety of reasons. In this case, we have chosen to devote the majority of our attention to the Government's official position and members of cabinet who advocated "remain" – especially the Prime Minister and the Chancellor of the Exchequer. This too is supported by the aforementioned

[8] For further analysis of how the Brexit referendum has impacted Scotland and Northern Ireland and how the two kingdoms diverge from the rest of the UK see McHarg & Mitchell (2017) and Aughey & Gormley-Heenan (2017) respectively.

analysis showing that the by far two most quoted figures of the Remain campaign were respectively PM David Cameron and First Secretary of State and Chancellor of the Exchequer, George Osborne (ibid., p. 32).

Operationalisation

Now that the research design and delimitations employed in the thesis have been presented, the following section will describe how we have operationalised the theoretical framework used in the analysis. We will present the background and reasoning behind the operationalisation of both commodification and the social dislocations brought about thereof and the double movement.

Commodification of labour

According to Polanyi, labour is but another term for human beings and their activities in life. While the effects of commodification of nature and the monetary system are highly interesting topics, we argue that the commodification of labour has a more immediate effect on the population at large and is thus likelier, in theory, to produce a popular backlash. As already stated, The Great Transformation, is more of an inspirational source than a clear-cut framework for analysing these changes. We will therefore use Polanyi's work accordingly, while using our own parameters to explore certain areas.

Using the theoretical framework as a source of inspiration, we will attempt to operationalise the commodification of labour by looking at three different variables related to the conditions of work and wages. Respectively these will be: Trade union membership and the strength of unions, unemployment benefits and employment protections. Due to resource and time constraints, we do not presume to offer a comprehensive overview of all possible variables related to the chosen areas of analysis. Such a task is beyond the scope of the thesis. Rather we limit the focus to a few indicators deemed to give a representative picture of the overall commodification of labour in Britain. To fully capture any developments, we analyse a combination of quantitative secondary data such as OECD's index measuring employment protection and net replacement rate, and qualitative secondary data such as books, reports and journal articles detailing policy developments on the British labour market and related areas.

The double movement

After establishing whether a potential for a countermovement exists in the UK, we shall turn our attention towards the events surrounding the referendum itself. In this part, we mainly build on the work of Clarke et. al. (2017) who have an excellent overview of the course of the campaign. Their results show that three overall issues were of far greater prominence. These were: 1) whether Brexit would improve the overall state of the economy along with the wealth of individual households, 2) whether Brexit would increase or decrease immigration and 3) questions surrounding national sovereignty (i.e. would the people of Britain have greater influence inside or outside the EU). Where the leave campaign emphasised the latter issues (that the UK would be better able to control immigration and increase its sovereignty outside the EU), the Remain-campaign emphasised the former – namely that Britain would face potential financial ruin if it were to leave the Union. Having thus already established the important themes of the debate, we then proceed to analyse them in a "Polanyian" framework.

Identifying immigration as a – if not the – major case made by the leave campaign(s), we attempt to analyse the issue through a Polanyian lens. Firstly, we examine the measurable as well the perceived effects of immigration on the British labour market and welfare provisions. Secondly, we analyse how migration is framed by the leave campaign. Additionally, we will focus on the Remain-campaign and analyse the arguments put forth by leading campaigners.

In both cases, we rely on a combination of primary qualitative data such as campaign literature and media as well as speeches and statements given by prominent campaigners. In this regard, the website of Vote Leave (http://www.voteleavetakecontrol.org/) has been a particularly valuable resource. In addition, we have drawn on bodies of work exploring recent British political history to fully explore the context in which Brexit took place.

Analysis

On the 23rd of June 2016, the electorate of the United Kingdom of Great Britain and Northern Ireland[9] went to the polls to decide the country's future relationship with the European Union. The choice before them was to either remain in or leave the EU. In the run-up to the election, polling institutes had shown the election tightening, and any lead in preference for either option was well within margin the of error (New Statesman, 2016). While the difference between remain and leave had proven narrower than many had foreseen, the overwhelming expectation among academics, pollsters and journalist alike was that a majority would ultimately favour remaining (Fisher & Jennings, 2016). This expectation was even held by those advocating that the UK withdraw from the EU and prominent campaigners such as leader of the UK Independence Party (UKIP), Nigel Farage, appeared to concede as the polling stations closed in the late evening (Bienkov, 2016). To terminate more than 40 years of membership seemed a leap in the dark, especially considering that prominent leave campaigners had consistently refused to present a clear plan and picture of the UK's future outside the Union. An instructive moment came when David Cummings, Campaign Director of Vote Leave, argued in of 2015 that it would be a mistake to dedicate much time to creating a coherent and detailed exit plan. The differences in the Eurosceptic camp were simply too great, and they would in any case not be the ones negotiating a break-up (Cummings, 2015). All told, leaving was clearly the riskier option, and the assumption, that voters would in the end stick with the status quo, seemed highly credible (FitzGibbon, 2016).

A few minutes past midnight, the first results came in, and they harboured bad news for anyone hoping that the population of Britain had chosen to remain by landslide. As would later be confirmed when more votes came in, those favouring "Remain" had seen lower than expected turnout. On the other hand, the leave campaign had far exceeded expectations, especially in England. At roughly 4:45 (GMT) the major news agencies of Britain had called the election. Britain had voted to leave the EU. Before the day was up, David Cameron had announced his resignation and the pound sterling had fallen by 6,5% to its lowest level in 30 years (Bienkov, 2016). In the end, 52% of the voters had voted to leave compared with 48% voting to remain ("EU referendum results", 2017).

[9] Along with the British Overseas Territory of Gibraltar.

This thesis sets out to interpret the causes of Brexit using a Polanyian framework. As already stated, this question will be approached using the concept of the "double movement". The analysis will be divided in two parts. Initially, we will examine whether there is a potential for a counter-movement by looking at the degree of commodification of labour in the UK and the scale of the economic transformations brought about by deindustrialisation. After that, we shall proceed to analyse whether Brexit constitutes such a movement. This will be done by examining the arguments put forth by both campaigns during the run-up to the referendum and analysing the results of the eventual vote itself.

Part 1: The Potential for a Countermovement in the UK

When grappling in regards to issues of rising economic nationalism, the theoretical framework of the thesis would instruct us to look closer at the design of the British economy. Before moving to answer whether the Brexit vote can be interpreted as a "double movement", we must first proceed to examine whether the potential for such a movement even exists in the UK. In other words, has there been a commodification of labour and the associated rupture of societal relations, warranting a push-back? This shall be examined by attempting to analyse the degree of commodification of the British labour force. The focus will be on two overall areas of interest: First, our attention will be on the level of commodification of the labour market and the degree to which employees enjoy various protections – including the scope for collective action. Interlinked with the first area, we shall also examine the degree to which the individual is able to function and prosper independently of the market by looking at the development over time of various welfare provisions.

Recent developments on the English labour market

Heading into the period immediately preceding the 2016 EU referendum, the economic outlook of the UK seemed somewhat bright. While the recovery had been far slower compared to previous crises, the economy had begun growing again, reaching its pre-crisis level by 2014. Looking at the unemployment figures, the picture that emerges was even rosier. Considering the depth of the crisis of 2008, unemployment figures had remained relatively low. In the immediate aftermath of the financial crisis, unemployment did rise substantially from 5% to 8% - reaching a high of 8,5% in late 2011. Beginning in 2013 however, the rate steadily dropped, reaching pre-crisis levels in late 2015. This downwards trend would continue and would hit a 42-year low during the Spring of 2017 ("United Kingdom Unemployment Rate", 2017). This point was repeatedly emphasised by the "Remain-campaign", and as emphasised by David Cameron, voting leave would be tantamount to putting a bomb under the economy and risking the jobs of ordinary Britons and gambling with their children's future (Asthana & Mason, 2016). The message being that Britain was finally becoming prosperous again, and now would hardly be the time to strike out new ways which might jeopardise what had been gained.

However, when looking at the overall development in wages, this picture becomes decidedly less rosy. Indeed, Britain is the only advanced economy which has experienced both economic growth, a large drop in unemployment while at the same time seeing a contraction in real wages (Romei, 2017). Quite unlike the recoveries in the aftermath of the recessions of the early 1980's and the early 1990's, the large decline in unemployment had failed to translate into even a modest increase in wages. This is often cited as one of the main reasons why UK working age

households as a whole have yet to return to pre-crisis levels of prosperity (Machin, 2015; Inman, 2017). Furthermore, the UK has experienced a boom in the usage of so-called zero-hour contracts. In March 2017, close to one million citizens in the UK were employed under this type of contract - in comparison the number stood at about 200.000 in 2011 (Monaghan, 2017). The terms of such a contract implies that the employee is not guaranteed a minimum of work hours, but can be asked at any time to do a job ("Contract types and employer responsibilities", n.d.). Accordingly, a less optimistic picture emerges wherein the labour force as a result of the economic downturn has seen a downward pressure on wages and living standards, and where the types of jobs have become more precarious epitomised by an increasing share of employers on contracts which does not guarantee actual working hours. For many in the UK, the recovery has been hardly felt at all.

These developments however, date back further than 2008 and already began in the 1980's when the UK experienced a great increase in inequality and a stagnation in prosperity at the lowest end of the wage spectrum. As shown by Tom Clark and Anthony Heath (2014), a large section of the population has seen little of the growth and prosperity during the last 30 years. The current crisis in this way has acted as a magnifier in reinforcing existing trends (Chu, 2017).

In many ways, this is what the countermovement came into being to push back against. For Polanyi, the commodification of labour (i.e. of humans themselves) represented a situation wherein the individual selling his or her labour would experience "(…) extreme instability of earnings [and possess an] abject readiness to be showed and pushed about indiscriminately" (Polanyi, 2001 p. 185). This would inevitably result from a situation where the price and circumstances of labour was wholly dependent on the forces of supply and demand and therefore like any other commodity have no say in matters of neither price nor purpose. Accordingly, the countermovement of the late 19th century sprang into being to put up barriers to prevent the complete commodification of labour. As Polanyi put it:

> "(…) the labor market was allowed to retain its main function only on condition that wages and conditions of work, standards and regulations should be such as would safeguard the human character of the alleged commodity, labor. To argue that social legislation, factory laws, unemployment insurance, and, above all, trade unions have not interfered with the mobility of labor and the flexibility of wages, as is sometimes done, is to imply that those institutions have entirely failed in their purpose, which was exactly that of interfering with the laws of supply of demand in respect to human labor, and removing it from the orbit of the market" (ibid., pp. 185-186).

Thus, in Polanyian terms, the labour movement successfully regulated and put in place various barriers prohibiting the immediate adjustment of wages and employment according to supply and demand. Indeed, such securities were vital because under a completely self-regulating market, the individual would have neither security of income nor work. However, such protections would inevitably interfere with the workings of the market. Accordingly, Polanyi characterises social history in the age of the market society as one wherein one group pushes for dismantling regulations in regards to the market and another group pushes to institute various protections preventing the commodification of labour, land and money. In the following, it is argued that events beginning in the late 1970's

show a gradual erosion of the various protections in regards to the labour market. This has happened on several levels.

Since the late 1970's, policies have been put in place hampering the scope of collective action. The power of unions has been greatly diminished as their overall membership has declined drastically. Furthermore, while the UK historically has had little tradition in regards to employment protection, these have been further eroded. Meanwhile, the social safety net has been repeatedly subject to cuts and various other reforms designed to make benefits conditional on certain types of work related behaviour. All told, many of these changes were present before the 2008 crisis and the following recovery. However, as the following will show, the policies enacted in response to the recession has served to greatly reinforce existing trends and thus add additional pressure in regards to commodifying labour in Britain. This has been true especially in the areas of welfare provisions and employment protection.

Collective action, employment protection & unemployment benefits

Beginning at around the turn of the 1980's, the labour market in Britain has seen a major increase in the difference between the highest paid individuals who have seen steadily rising wages year-on-year, and the lowest paid who have seen their wages stagnate. Compared to other European countries, the rise in inequality of wages has been far more pronounced in the UK (Machin, 1996; Simms & Hopkins, 2015). This would on the face of it suggest that Britain has experienced developments that to a large extent diverge from other countries, and in turn warrants a closer look a policy developments particular to the UK.

As was the case in most countries of Western Europe and North America, during the late 1970's the UK went through a severe economic crisis. Unemployment soared to levels unseen since the interwar years, inflation was rising and growth was stagnant. Government policies of the day had proven largely ineffective in dealing with the crisis, and as Chancellor of the Exchequer and later Prime Minister, James Callaghan put it in 1976: "We used to think that you could just spend your way out of a recession (…) I tell you in all candour that option no longer exists" (qtd. in Thane, 2007 p. 197). It was in this climate that the Conservative government of Thatcher would argue that the high unemployment of the late 1970's was caused by protective measures such as employment protection, welfare benefits such as unemployment protection and trade union organisation. In other words, it was argued that the aforementioned protections had interfered with the functioning of the labour market producing excessive cost to employers and an overall lack of flexibility. If only said protections were reduced, the market forces would bring the high unemployment of the early 1980's to an end (Thane, 2007).

Accordingly, some of the major policy initiatives (albeit incrementally implemented) concerned trade union organisation. Among other things the Employment Acts of the 1980's made unions liable to cover any damage associated with strike action. Furthermore, employers were given the rights to take legal action concerning solidarity actions. Combined, these laws greatly weakened the potency of strike action as a tool in labour relations as unions became more hesitant to use strikes weakening their overall bargaining position. Lastly, the usage of closed shops (i.e. situations where the employer only employs union labour) was greatly hampered by law (Childs, 2012 p. 219).

These measures all pushed in a direction as to safeguard the labour market from interferences brought about by collective action.

In addition to these legislative developments, union membership has been on a steady decline since the late 1970's. Between 1985 and 2014 trade union density (i.e. the proportion of the labour force who are members of a union) has fallen from 46% to 25% (OECD.Stat, 2017b). Meanwhile total membership has fallen from a high of over 13 million members in 1979 to just below 7 million in 2014 ("Trade union membership statistics 2016: tables", 2017). Happening roughly simultaneously, the scope of collective bargaining agreements has been greatly reduced during the period in question. In 2012 less than a third of the UK labour force were covered by collective bargaining agreement - far below the EU average of 60%. Furthermore, there are wide sectoral differences with two-thirds of public sector employees being covered compared to only 16% in the private sector ("Collective Bargaining", 2016). All told, union influence in the UK has been greatly diminished. A decline that did not reverse with the electoral defeat of the Conservative Party in 1997, but has continued to this day.

Out-of-work protections like unemployment benefits have been substantially diminished in the aftermath of the changes in policy following the Conservative victory at the 1979 general election (Thane, 2007). Before looking at specific policies and the like, it is worth taking into account the drop in income associated with being unemployed. Figure 1 illustrating the net replacement rate (i.e. benefits relative to previous earnings) regarding unemployment benefits is fairly instructive in this regard. It shows the replacement rate during the initial unemployment period for singles and families with or without children earning an average salary. The row on the left shows the replacement rate for persons or families ineligible for various social assistance schemes such as housing benefits or the like. On the right is shown persons or families eligible for such assistance.

	100% of AW[10]				100% of AW			
	No children		2 children		No children		2 children	
	Single person	Two-earner married couple	Lone parent	Two-earner married couple	Single person	Two-earner married couple	Lone parent	Two-earner married couple
OECD countries								
Denmark	58	75	67	77	61	75	76	77
France	66	80	70	82	66	80	70	82
Germany	59	83	71	88	59	83	71	88
Italy	60	77	72	80	60	77	72	80
Poland	30	59	49	60	47	59	66	64
United Kingdom	14	50	40	56	38	50	65	57
United States	45	68	43	69	45	68	46	69
EU Median	**58**	**76**	**67**	**79**	**60**	**76**	**70**	**79**

Figure 1: Net replacement rate for four types of families and households, 2014. Initial period of unemployment. Data from OECD (2016).

As shown, the UK ranks far lower than the EU median under all included circumstances. In many respects, the coverage level is closer to the United States and Eastern Europe than countries such as France and Germany and the countries of Southern Europe and Scandinavia. Thus, a single-person household earning an average wage and not qualifying for social assistance schemes on average gets just 14% of their previous earnings, if they experience unemployment. In comparison French, German or Italian employees retain between 58 and 66% of their previous earnings. Indeed, the UK is even substantially lower than comparable countries such as Poland and the U.S. Furthermore, as the figure also illustrates, the difference between the replacement level for families or singles qualifying for various social assistance schemes and those not qualifying are far greater in Britain compared to the other nations included. The figure illustrates that the labour force of the UK is more dependent on labour market participation compared to other European nations.

However, the replacement rate alone does not give a complete picture of the evolution of various out-of-work benefits in the UK. Especially in the years following the Great Recession there has been an additional pressure on various benefits as the government has sought to balance the budget and increase the supply of labour through structural reforms. The 2012 welfare reform is a good example in this regard. Among other initiatives, the government has introduced a Universal Credit replacing other mean-tested schemes such as housing, child and income support. The measure, while not in itself constituting a cut, has the effect of introducing work conditionality to areas where beforehand there had been none (Bradshaw & Bennet, 2016). Furthermore, housing benefits are

[10] Average Wage

restricted for those occupying social housing whose living accommodation is deemed "larger than they need" – popularly known as the bedroom tax. Lastly, the much discussed benefit cap was introduced limiting the total benefits to £500 a week for couples or single parents and £350 a week for singles ("Great Britain: Welfare Reform Act 2012", 2015). This amount was substantially reduced in 2016 to 385£ for couples and £258 for singles[11] (Foster, 2016). With the welfare reform of 2012 and the subsequent cuts, benefits have been substantially reduced. In addition to direct cuts, reforms have been enacted to make receiving benefits contingent on certain behaviour which you might call market conforming (e.g. showing a general willingness to improve his/her position on the labour market by joining for example a job application writing course). Where such initiatives used to be voluntary, now, in many instances, individuals are penalised through cuts to their benefits for failing to participate (Clark & Heath, 2014).

In regards to employment protection, the UK again stands out. As shown in the following figure, the degree of employment protection in Britain has remained at a consistently low level compared with other OECD-countries. Dating back as far as records show, employees in Britain has had a far lower degree of employment protection than their continental counterparts – at least when measured in terms of contractual protection against individual and collective dismissals. Only in the United States is it easier to dismiss an employee and again the UK diverges from other European countries such as France and Germany. When looking beyond contractual protections and at other parameters such as the use of temporary contracts, the picture is largely confirmed (Heyes & Lewis, 2015).

Time	1985	1995	2005	2013[12]
Country				
Denmark	2.18	2.13	2.13	2.20
France	2.59	2.34	2.47	2.38
Germany	2.58	2.68	2.68	2.68
Italy	2.76	2.76	2.76	2.68
Poland	..	2.23	2.23	2.23
United Kingdom	1.10	1.10	1.26	1.10
United States	0.26	0.26	0.26	0.26
OECD countries	..	..	..	2.04[13]

Figure 2: Strictness of employment protection – individual and collective dismissals (regular contracts) 1985-2013. Data from OECD.Stat (2017a).

This trend continued during the Con-LibDem Coalition's stay in office from 2010-2015. Overall two types of measures were introduced. Firstly, employment protection has been significantly weakened and secondly, the ability

[11] In the Greater London Area couples and singles receive roughly £50 and £40 more respectively.
[12] Latest data point.
[13] OECD average

of employees to demand recompense for violations of their protections have been restricted. To name a few of the changes, the Coalition has: doubled the minimum period of employment service in order to be eligible for wrongful dismissal claims, halved the consultation period in regards layoffs involving more than a 100 employees and introduced a scheme whereby employees would renounce protections against unfair dismissal, redundancy and flexible working hours in exchange for shares in the company. Generally speaking, legislation has been introduced making it easier for employers to fire employees. Furthermore, the cost of bringing a case against an employer has been increased while the potential compensation has been greatly reduced. Meanwhile, the principle of tripartism (i.e. participation from lay-judges nominated by employer associations and trade unions) have been done away with in the case of unfair dismissal claims (Heyes & Lewis, 2015 pp. 225-27). This introduction of higher fees for bringing a case before the Employment Tribunal has since been linked to a reduction in the Tribunal's caseload by some 70% (Press Association, 2017). Thus employees in Britain have had their protections somewhat curtailed especially in regards to unfair dismissal claims, while it has been made significantly harder to press any claims at the courts.

To summarize, on the three parameters examined above, we observe that the scope for collective action in the UK is somewhat limited and both in-work and out-of-work protections are significantly weaker in Britain compared to other European nations. Trade union membership has drastically declined over the last 30 years and so have their role and influence on the labour market. This is especially true in the private sector. Furthermore, employment protections such as protections against dismissal are considerably weaker in the UK compared to the rest of the EU. As shown above, the response to the economic crisis following the 2008 financial crisis has been to weaken said protections even further in hopes of increasing labour market flexibility. Lastly, also unemployment protections such as unemployment insurance and various types of social assistance (e.g. housing benefits) have been subject to deep cuts and made more contingent on desirable behaviour related to the individual's attachment to the labour market. Taken together, the above points to a highly commodified work-force in the UK with a high degree of mobility and flexibility in terms of labour and wages. These developments can be interpreted as a (in part politically mediated) push towards creating a more self-regulating market for labour. Various protections relating to wages and layoffs have been greatly diminished allowing changing the dynamics of power relations between employer and employee. Furthermore, successive governments have introduced policies not only reducing out-of-work benefits but also demanding more and more conditionalities for the unemployed to receive their benefits.

Focusing on the areas of minimum wage and union organisation, Gosling & Lemieux (2004) argue that the weakening of labour market institutions in Britain offers a "natural explanation" for the great increase in wage inequality observed since the early 1980's, and the stagnation in wages for many among the lower income brackets - especially considering the lack of similar developments in Continental Europe. Furthermore, Britain has seen a major increase in citizens earning an income below 60% of the median (once housing costs are deducted) while being employed. In the period from 2004/05-2014/15 the number of people in working families in relative poverty increased by two million to a total of 7.4 million Britons - an all-time high. Indeed, for the first time the number of poor in work surpassed the number of poor on benefits, suggesting that employment alone has become an

insufficient guarantor against poverty. In comparison, the number of workless and retired people living in relative poverty was 6.1 million in 2014/15 (Ayrton et. al., 2016). Meanwhile the number of Britons living in destitution[14] was at roughly 1.25 in 2015. While the data available does not show an increase in number, looking at other parameters such as the prevalence of food banks and homelessness, there has been a substantial increase in recent years. The number of homeless has doubled since 2010 with an estimated 4.134 citizens sleeping outside in 2016 (Butler, 2017). The increase in food banks has been even more pronounced. From 2008 to 2009 the Trussell Trust handed out handed out 25.899 three-day emergency food supplies in the UK. Eight years later that number had surpassed a million and increased to 1.182.954. The most prevalent causes given for using food banks are low income, delays and sanctions in benefits and decreases in benefits (The Trussell Trust, 2017). However, the rise of the use of food banks may also be due to increasing publicity and awareness.

Experiencing material deprivation such as the inability to buy food and other basic commodities not only carries with it adverse effects on the mental or physical well-being of individuals. A report commissioned by the Joseph Rowntree Foundation found that the above is often followed by a sense of social isolation and a degradation of social status while also putting familial relations under great strain. As one respondent put it: "It's being on your own and no company or anything. Yes, just being on your own and no food obviously and just a self-pitied feeling." (Blenkinsopp et. al., 2016 p. 47). Other respondents focused more on the stigma attached to being destitute. One woman expressed that: "'People don't really want to associate with you. You don't get invited to things because they think "she won't be able to afford it so we won't invite her'" (ibid., p. 47). Others still emphasised the stress being placed upon relationships with several respondents expressing that their relationship had suffered due to material deprivation. This was especially true for those with children. One mother put it this way: "'I mean, if they're going on day trips out or whatever, you haven't the money to go. If they want to go the cinema, you have no money to go.... At times it puts a strain on my relationship with my daughter, because her friends are getting the... shoes and things or whatever and she can't afford them'" (ibid., p. 48) (ibid.). Accordingly, it could be said that the scale of commodification in the UK – with the lack of labour market institutions capable of securing a living wage and stable working conditions combined with the low levels of benefits for individuals (temporarily or otherwise) outside the labour market – has carried with it acute social dislocations. Interestingly, the respondents not only emphasise the inability to purchase food and material goods but also the social consequences of living in destitution.

However, while many Britons have (especially in the aftermath of the Great Recession) experienced great hardship, the effects have not been evenly distributed. Clark and Heath (2014) likens the current crisis with that of a tornado, causing great devastation in some areas while leaving others virtually untouched. In following section, the attention will therefore turn to regional inequalities in Great Britain.

Transformation of the British economy and the geography of Brexit

England is a country that has deep-rooted regional inequalities which seemingly have been enhanced by austerity policies following the Great Recession. Several contributions have established correlations between share of the

[14] Individuals or families are characterized as destitute if they or their children have lacked two or more of these six essentials over the past month because they could not afford them: shelter, food, heating, lighting, clothing and footwear and basic toiletries (Blenkinsopp et. al., 2016).

leave vote and the extent of cuts to local authorities as a result of austerity policies. The larger the cuts, the higher the share of the leave vote (Becker et al. 2016; Harrop 2016). Not surprisingly, the areas that experienced the most cuts were also the most materially deprived areas. This is to be expected as the relatively more deprived areas will also have the most benefit-claimants. A study has shown that the vote share of UKIP in the 2015 general elections was higher in the areas that had experienced stagnant or even falling wages (Neville, 2016). In other words, there is some evidence to the idea that anti-EU sentiment is stronger among those at the bottom of the income scale. Determining causation in these matters can be extremely tricky. However, the results support the narrative that the referendum was determined by the left behinds who finally saw a chance to deliver a message to the political establishment as opined by Harrop (2016): "Thinking conceptually, any chain of explanation linking geographic variations in public spending with attitudes to the EU must be fairly indirect. Indeed, some other unobserved variable might be driving both factors independently. Nevertheless, we can speculate that many years of 'unreasonably' low expenditure might help to explain why communities and regions came to be and to feel left behind and under pressure; and that this in turn drove political disaffection and amenability to Brexit."

In the Resolution Foundation's study of the geography of Brexit, they similarly found that areas where leave was strongest were more materially deprived. However, they had found that recent changes in income failed to predict the vote "implying that living standard issues are long-established" (Clarke & Whittaker, 2016). Their results also point to the significance of cultural and geographical factors. Most interestingly, they found that levels of "cohesion"[15] correlated negatively with the leave vote: Where higher levels of cohesion were reported, the share of the leave vote was also lower. This study also found, as did many others, that an increase in the non-UK born population was positively correlated with the leave vote. These findings are certainly compatible with a Polanyian interpretation of the results in which deteriorating local communities is expected to lead to more political volatility.

These regional inequalities have been a constant feature of the British economy but have of course varied as to the extent of the issue. Historically, periods of growth have contributed to a convergence between regions but the latest boom in the British economy from 1993-2008 actually contributed to a widening of divergence in terms of economic growth. Far from catching up, some regions are actually falling behind leading to debates about the infamous north-south divide in Britain (Martin, 2016). This divide has been exacerbated by the decline of British industry.

A feature of most, if not all, advanced economies has been the changing nature of labour markets changing the nature of work and the types of jobs being created and the types of jobs disappearing from the labour market. Outsourcing of production and technological innovations have combined to lower the share of manufacturing jobs in most advanced economies which have on the other hand experienced booms in the number of jobs in services. These trends have been particularly pronounced in England – a once proud industrial nation which has experienced steady industrial decline for more than three decades.

[15] In this case operationalized by the percentage of respondents saying that different backgrounds "get on well" in the area.

While this dynamic is in many ways desirable (replacing in many ways unhealthy and low-paying jobs with healthier and better-paying occupations in the service sector[16]), in England the decline of manufacturing has been both rapid and arguably hurt the growth potential of the British economy as too many resources have been transferred to the financial sector while manufacturing has been neglected leading to a lack of productivity gains (Kitson & Michie, 2014; Chang, 2016).

As a new economic paradigm was emerging in the 1970s cementing itself in Britain during the premiership of Margaret Thatcher, the British political economy was also starting to transform. Thatcher's Conservative governments did so in several ways: "First, it allowed nationalised industries to source from abroad rather than from each other and so opened their markets to the forces of international completion. Second, it removed capital export controls that had been in pace since the late 1940's thereby opening the door to a shift of UK capital abroad and a loss of hundreds of thousands jobs from private sector manufacturing in the UK in the early 1980s (Townsend, 1983). Third, it destroyed a similar number of jobs in the nationalized industries as 'rationalisation' (…) became a prelude to privatization – and further losses of capacity and jobs" (Hudson, 2016, p. 146). This transformation entailed an uneven erosion of jobs: "(…) while the South-east emerged more-or-less unscathed from the assault on the formerly nationalized industries, by 2009 almost all of the 400,000 plus jobs that had existed in coal mining, steel making and shipbuilding some 50 years earlier in North-east England had disappeared" (ibid., p. 146). 22 % of the British workforce in 1982 was employed in manufacturing. In 2015, that number had stabilised at 8 % which it had been since 2008. However, that number masks big regional differentiations with London and the South East of England having very low shares of their workforce employed in manufacturing (Rhodes, 2015).

Between 1982 and 1992 the UK lost more than a million jobs in the manufacturing sector. Between 1992 and 2002 more than 600.000 jobs were lost. Between 2002 and 2012, more than a million jobs disappeared again (Rhodes, 2015). The magnitude of the decline is illustrated in Figure 3 below. The total workforce employed in manufacturing has declined from 5.7 million to 2.6 million in the span of some 35 years.

[16] Though, obviously, with the growth of working poor, it does not have to be like that.

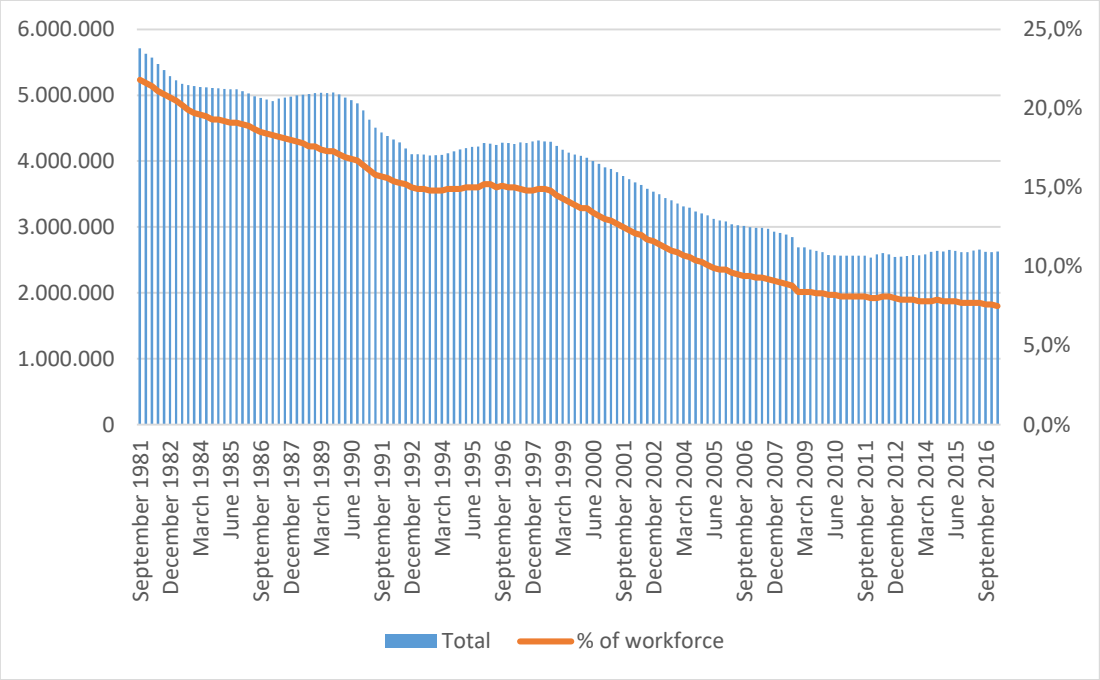

Figure 3: Number of workers employed in the manufacturing sector in the UK 1981-2017. Total number employed and percentage of the workforce. Data from Nomis (2017).

These jobs have evaporated from a wide range of industries: Textiles, coal, steel, and many others. What caused this rapid decline and whether Britain has developed too large of a dependence on its financial sector is not of interest in this endeavour. What is, however, of interest is that England went through a rapid transformation of vast swathes of its economy felt especially hard in the industrial north, a region that have gone on to form one of the core voting blocs of the UKIP constituency (Goodwin & Milazzo, 2015). Polanyi explained why such transformations of our economies can lead to political instability: "Improvements (…) are, as a rule, bought at the price of social dislocation. If the rate of dislocation is too great, the community must succumb in the process" (Polanyi, 2001, p. 79). The transformation of advanced economies means the countries of the world are richer than ever. This is in fact the best time to be born throughout the history of the world. However, the gradual transformation of our economies has also meant the displacement of vast regions that have not managed to catch up to neighbouring regions. Nowhere has this been clearer than in the two places that sent tremors through the Western democracies in the last year: In the US, the Rust Belt made an invaluable contribution to propel Donal Trump into the presidency and in Britain in which the industrial north voted for Brexit.

Jobs lost in the formerly industrial North turn into jobs created in services in the South-east which is a region heavy on services. This also creates a dynamic in which especially older workers (males) are replaced by women in the service sector. There is absolutely nothing wrong with integrating women in the labour market but the British labour market has, broadly speaking, been characterised by an inequality in terms of the geographical distribution of job creation (Hudson, 2010). As Ford and Goodwin (2014) have argued previously, these structural economic shifts have contributed to create a class of voters known as the "left behinds" characterised by being white, working class

and with low educational levels. According to Ford and Goodwin (2014), these voters formed the base of UKIP's support. Without this surge in support for a Eurosceptic party, a membership referendum would in all likelihood not have happened.

Polanyi explains why it is in fact simply preposterous to expect that a transformation such as the one the UK has gone through would not lead to defensive measures on the part of those who are caught in the middle of this transformation: "Indeed, to expect that a community would remain indifferent to the scourge of unemployment, the shifting of industries and occupations and to the moral and psychological torture accompanying them, merely because economic effects, in the long run, might be negligible, was to assume an absurdity" (Polanyi, 2001, p. 224). The lesson from Polanyi, simply, is that the process of change or progress[17] needs to involve substantial protection in order to avoid the self-protective measures from society that, as we have seen, can produce political instability.

However, as observed in the previous section of the analysis, such protections have been somewhat lacking in Britain. Social benefits, ensuring the individual against a drastic fall in living standards and social standing in case of unemployment, are weaker in the UK compared with the rest of the EU. Meanwhile, union influence has been severely curtailed since the early 1980's leaving the avenues for collective action diminished. Indeed, one of the centrepieces of Thatcher's reforms was to reduce the power of unions and increase labour market flexibility. Therefore, the ones hit hardest by the transformation of the British economy brought about by deindustrialisation have had comparatively fewer protections than their continental counterparts. Furthermore, rather than acting to slow down the pace of change, the governments of the day acted to speed it up by e.g. dismantling labour market institutions which might otherwise have acted to slow down the pace of change. This has meant that both the scale of deindustrialisation and the effects of the associated transformation of the economy have been decidedly more intense in the UK compared to the rest of Europe.

This part of the analysis has illustrated that the scale of commodification of labour is markedly higher in Britain than in other EU member states. Wage inequality has grown with low-income households seeing their wages stagnate from the 1980's and onwards and in some cases even contract. Indicative of this trend, from 2014-15 the number of employed Britons living in relative poverty is greater than the number of workless and pensioners who live in relative poverty. Furthermore, both in terms of employment protections and the influence of trade unions, the UK ranks low in a European context. Not that those out of work have seen their material standing improved. Again Britain ranks substantially lower in comparison with nations such as France and Germany regarding the net replacement rate, and the scale of the cuts enacted in response to the crisis would suggest that the rate is set to get even lower in the future.

Besides the scale of commodification, the previous part has also illustrated that the transformations brought about by deindustrialisation and the deleterious effects thereof on some types of work have been highly pronounced in the

[17] As already implied, it is very much a matter of debate if the transformation of the British economy was in fact a success story and whether it in fact benefitted a greater good.

UK. These changes have acted to reinforce regional inequalities with some regions (especially London and the South-East) prospering while others (especially the formerly heavily industrialised North) declining. In addition to this, several scholars researching the topic of Brexit have found statistically significant correlation between material deprivation, cuts in public services and stagnation in wage growth and voting to leave the EU. This on its own would support our hypothesis that Brexit is at least partially tied to economic developments happening over the course of the past 30 years and escalating with the onset of the Financial Crisis of 2008.

Considering the scale of the commodification of the British workforce, the scope of the transformation the British economy has underwent during the period of deindustrialisation and the social dislocations brought about by the above, we argue that the conditions are present for the emergence of a protective countermovement. However, while correlations between the leave vote and welfare cuts and stagnant incomes have been established, it remains to be seen whether the leave campaign actively appealed to such concerns. The following will attempt to establish whether the decision by a majority of the British electorate to vote to leave the EU can be interpreted as a counter-movement. This will be done by examining the messaging used by the leave campaign in their mission to convince the citizens of the UK to leave the Union.

Part 2: Brexit and the Double Movement

The following section will analyse the important themes of the referendum debate. Having identified three major issues (the economy, migration and sovereignty), we then proceed to analyse them and the Brexit campaigns using Polanyi's work.

The studies done on Brexit mostly come to similar results. Three main issues were at the heart of the debate around Brexit: Economy, migration and sovereignty. The relationship between prioritising either of these and voting intention is very strong. If voters prioritised the economy, they voted to remain while voters that prioritised migration or sovereignty overwhelmingly voted to leave. On the face of it, such numbers seem to overwhelmingly support a strictly nativist explanation of the vote. However, digging a little deeper into the data reveal that perhaps it is not that straightforward. As several contributions have noted, the opposition to migration has a tendency to be quite instrumental in nature[18]. In other words, it is not necessarily immigration per se that people have an issue with but rather the perceived (or real) drag on public services that immigration creates. Specifically, the British population is particularly worried about the state of the National Health Service (NHS) as economist Simon Wren-Lewis (2017) has noted. Cavaille and Ferweda's (2017) findings suggest that competition for public housing between natives and immigrant in Austria led to a boost in support for anti-immigrant parties among native residents of public housing. Similarly, Hatton (2016) finds that the fear that immigration will erode welfare services or benefits is a major reason that anti-immigrant parties have seen a surge in support.

[18] Tellingly, the Vote Leave campaign argues on its website that a Brexit would mean welcoming "people to the UK based on the skills they have, not the passport they hold" (Voteleavetakecontrol, 2017).

Wren-Lewis notes that 55 % of the British public believe that immigration has had a negative effect on the NHS. The NHS was a particularly hot topic of debate during the referendum when the remain side warned of the consequence a Brexit would have while Vote Leave infamously toured the country with the claim that £350m weekly left the British state and went straight to Brussels arguing "let's fund our NHS instead" (Henley, 2016). This claim underlines the intertwined nature of the many topics in the Brexit debate. However, the polarisation between those worried about the economy and those worried about immigration and their subsequent voting patterns underlines the completely different angles at which the question of EU membership was approached by voters.

The Eastern Enlargement and opposition to the EU.

When analysing the topics of Brexit and migration, one would be negligent to avoid the 2004 enlargement of the EU also known as the Eastern Enlargement. As several member states had concerns about what the biggest enlargement to date in terms of population would mean for migration flows, the option of having transitory restrictions on migration from the new member states was put in place for a maximum of seven years. However, rather infamously, the UK decided to have no restrictions except on the welfare benefits available to migrant from the eight new members. When Bulgaria and Romania joined in 2007, restrictions were imposed in terms of numbers.

As figure 4 shows, net migration rose significantly after 2004 while 2007 does not show the same increase. Immigration from other EU member states has since steadily grown but will in all likelihood now peter out in the wake of the Brexit vote. As Ford et al. (2015) have shown, the British public seem to be responsive to changes in the level of migration and the composition of the migration. When migration increases, the salience of the issue among the public also rises. Though the British public is generally quite wary of immigration, it is more accepting of students and skilled labour.

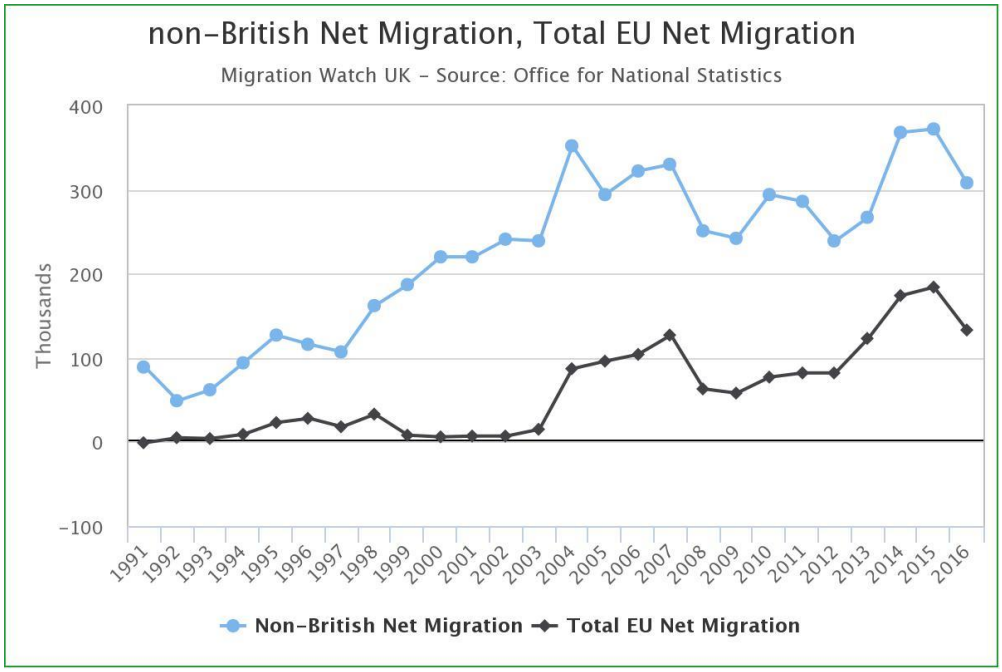

Figure 4: Net migration to the UK from EU members 1991-2016. Data from Migration Watch UK (2017).

As total net migration rose from 185.000 in 2003 to 268.000 in 2004, it was made adamantly clear to the British population that the level of immigration to Britain was connected to EU membership though as figure 4 shows, the levels had been rising before 2004 as well. Since 2004, the levels have remained persistently high though and might very well tail off after the Brexit vote. Measuring the effects of migration is notoriously difficult as migrants tend to move to areas that experience high growth making it somewhat difficult to distinguish cause and effect. Meanwhile, an influx of labour into one geographical area may lead to the dispersion of labour to other areas against making it difficult to completely capture the effects of immigration as the effects are dissipated. Furthermore, migration will have different effects at different levels on the wage-scale. For some, immigration may be entirely beneficial while for those at the bottom of the wage-scale, it may mean increased competition and the need to lower one's reservation wage[19]. A frequent complaint is also the paucity of reliable data.

Ruhs and Vargas-Silva (2015) at the Migration Observatory have reviewed the recent literature about the effects on employment and wages of immigration in the UK. Their results point to a low effect on average wages but significant downward effects on the wages of low-wage workers while medium and high-paid workers gain. However, the authors caution, these effects may be offset in the long run. In terms of employment, the report finds no significant effects. In terms of the characteristics of the migrants joining the British labour force, Rienzo (2016) has tried to characterise them. Foreign-born workers are generally slightly younger, and while the gap has been narrowing for years, their employment rate is lower than that of the UK-born while the unemployment rate is slightly higher but narrowing. Male migrants are concentrated in lower paid occupations and higher paid professionals. In other words, somewhat polarised. Female migrants work primarily in services, professional jobs or processing and elementary occupations.

In 1957, the Treaty of Rome established the European Economic Community bringing together Belgium, France, Italy, Luxembourg, the Netherlands and West Germany creating a customs union. Enshrined in the treaty is the free movement of people amongst members which remains a central pillar of the EU and one of the four "freedoms": goods, capital, labour and services. Article 48 of the Treaty of Rome states: "Freedom of movement for workers shall be secured within the Community by the end of the transitional period at the latest. Such freedom of movement shall entail the abolition of any discrimination based on nationality between workers of the Member States as regards employment, remuneration and other conditions of work and employment." (EC Treaty, 2002)

Freedom of movement means the freedom to live, work and study for its citizens throughout Europe. However, it also represents an expansion of the scope of the labour market and a restriction of the state's scope of action in terms of managing migratory flows – though, obviously it is something that the state has itself chosen. As labour can now move freely between countries, it also means that employers benefit from a greater supply of labour weakening the bargaining power of the national labour force. Tellingly, there is evidence to suggest that the lack of restrictions on the number of migrants from the A8 was due to an expectation that it would help avoid bottlenecks on the labour market and keep wage growth in check (Wright, 2010). Whether immigration has actually contributed to stagnant

[19] The wage at which one is willing to accept a given job.

wage levels for large swathes of the British labour force is, as underlined above, a matter of debate. However, as they say, perception is reality. Though migration may not actually be a threat to the living standards of the British worker, there is vast evidence to support that it is viewed that way.

Anti-immigration sentiment and Brexit

As has already been noted, the opposition to migration is – at least to some extent – instrumental. The leave campaigns were well aware that the referendum presented an opportunity to link the issue of migration with the issue of the NHS, which had suffered from austerity policies enacted in order to balance the budgets after the Great Recession. The leave side repeatedly connected the pressure the NHS was facing to the high numbers of net migration. Here prominent leavers Boris Johnson, Michael Gove and Gisela Stuart:

> "(…) the demand for NHS services is only set to grow. NHS Improvement, the NHS regulator, has identified rising demand as one of the principal challenges for the NHS's future funding. If we vote to leave the EU on 23 June, we will be able to do something about one of the main causes of higher demand - uncontrolled and unlimited migration from the EU into the UK. In 2015, 270,000 people came to the UK from Europe, a population movement equivalent to all the inhabitants of a city the size of Newcastle arriving in our country. Net migration was 184,000, a population increase equivalent to adding a city the size of Oxford to the UK population. Year after year, similar numbers arrive (Gove et al., 2016).

Tellingly, the statement is served with a by-line which is nothing if not protectionist in tone: "A stronger NHS and more money for those in need – why leaving the EU helps protect working people". In other words, the many promises to lower the number of migrants and the general aversion to migration can be understood as a way to embed the labour market within the United Kingdom again. This re-embedding will serve to protect the British labour force from unrestricted flows of migrants by limiting the supply. The leavers, however, do not just connect the issue of migration to the British labour market. During the campaign, migration was also alleged to contribute to rising costs of housing and to put pressure on the state education system. See for instance Ross (2016) and Fox (2016). In other words, the issue of migration is connected to the very fabric of British society – education and health are among the most important welfare services – and even something as basic as having a place to live. Becker and Fetzer (2016) had found that migration did indeed increase pressure on public services and housing.

In this sense, the restoration of national sovereignty and subsequent restrictions on migration would serve as "shock-absorbers" as finally Britain would have the opportunity to protect its valued welfare services and control the strain on these services. Though migration might very well have contributed to the restoration of the state finances after 2010, the leavers were highly successful in connecting the strain put on for instance the NHS to migration and EU membership via among other things the aforementioned assertion that EU membership cost £350 million pounds a week – an assertion embraced by prominent leavers such as Michael Gove and Boris Johnson: "If we Vote Leave, we can take back control of our borders and our money. By 2020, we can give the NHS a £100 million per week cash injection, and we can ensure that the wealthy interests that have rigged the EU rules in their favour at last pay their fair share. That is why we believe a Vote to Leave is the right choice for social justice, safer for public services,

jobs, and families and better for the next generation" (Gove et al., 2016). In fact, "(…) across all of the surveys the percentage of people thinking that leaving the EU would do more to help the NHS was greater than the percentage thinking staying in the EU was a preferable option" (Clarke et al., 2017, p. 48).

The migration issue speaks to the feeling of impotence citizens can be left with in a globalised world in which the national scope of action is ever-decreasing – hence the slogan "Take back control". Imagine the once-great power of Britannia, and now it is no longer even capable of controlling its own borders. Especially in terms of the migration issue, it has repeatedly been made clear to the British population that, no matter what the politicians say and who they vote for, migration will remain high (Ford et al., 2015). This feeling of impotence was also successfully translated into a feeling of insecurity as the European refugee crisis as UKIP unveiled their "breaking point" poster but the view that the EU was an impediment to British security was also supported by for instance Michael Gove (Dominiczak, 2016).

Obviously, the issue of migration cannot only be understood in instrumental and to a large extent economic concerns. There are strong cultural components to the opposition to migration. However, it is interesting that the areas with the highest increases in foreign-born population were more likely to vote for Brexit – as revealed in the review. Polanyi emphasises that the rate of change is important for the double movement. The higher the rate of change, the more likely this change is to lead to calls for protective measures and the more likely the less efficient are to suffer: "Improvements (…) are, as a rule, bought at the price of social dislocation. If the rate of dislocation is too great, the community must succumb in the process" (Polanyi, 2001, p. 79). Fittingly, Polanyi believed it was the role of government to control this rate of change: "This role consists often in altering the rate change, speeding it up or slowing it down as the case may be; if we believe that rate to be unalterable – or even worse, if we deem it a sacrilege to interfere with it – then of course, no room is left for intervention "(Polanyi, p. 39, 2001). In this light, the dismissal of migration controls following the Eastern Enlargement is a failure by the government to manage changing circumstances in order to lessen the burden of adjustment perceived or experienced by its citizens.

As areas experienced an influx of migrants, they also witnessed austerity measures following the Great Recession making it easy to attach an experience of increased migration to an experience of diminishing quality in public services. Though the NHS has not been privy to cuts in a strict sense, the service has been tasked with major financial and operational challenges as demand for its services has risen more than its funding. The increases have slowed from its historical trends to circa 1,1 % as warnings about the finances of NHS have been rampant (Luchinskaya et al., 2017; Maguire et al., 2016; Campbell, 2014). Simultaneously, several cuts have been made to various allowances and benefits and in health and social care leading scholars to speculate whether a rise in mortality can be explained by these austerity measures (Hiam et al., 2017).

In fact, contributing to the squeeze faced by the NHS was a reorganisation agreed to by the coalition government between the Liberal Democrats and the Conservatives. The main aim of this reorganisation was to promote competition and choice in the health care sector – in other words an attempt to use the market mechanism to improve the functioning of the health care sector (Clarke et al., 2016). Though the NHS had been exempt from cuts,

the rising demand for its services coupled with a reorganisation in a time in which the budgetary increase was down from historical trends led to increasing pressure on its services. Furthermore, as a results of austerity policies, local authorities witnessed major cuts severely decreasing their social care budgets (ibid.). Through a combination of tax hikes and welfare cuts, the new coalition government set out to bring down the deficit: "(…) Osborne raised VAT from 17.5 to 20 per cent, froze child benefit for three years, curbed housing benefit, reduced tax credits for better-off families and froze the pay of public sector workers earning more than £21,000 a year. He also introduced a bank levy and raised capital gains tax for higher rate taxpayers. On public spending Osborne said that the health and overseas aid budgets would be protected, but otherwise departments would face overall cuts of 25 per cent on average in their current budgets over the next four years" (ibid., p. 3).

The demographics of the leave vote reveal a highly polarised country along age lines as shown in the review. Just two of 30 oldest areas in Britain voted to remain (Kirk & Dunford, 2016) whereas according to Lord Ashcroft (2016), 60 % of those aged 65 or above voted to leave. While this pattern may not fit very well with an explanation emphasising the increased competition in the labour market brought by greater migratory flows as older people are less likely to work, they are, however, more dependent on public services and, thus, will be the first to experience the diminishing level of welfare services as a consequence of austerity policies.

This section has shown that the issue of migration was not just connected to the cultural concerns wrought by increased migratory flows. Migration was also connected to increased pressure on housing, schools and the quality of public services. The official leave campaign sought to create the impression that a vote to leave the EU would leave to an improvement in the quality and availability of public services. These public services had indeed been put under increasing pressure though mostly from austerity measures enacted in the wake of the Great Recession. Creating the impression that diminishing public services stemmed from increased migratory flows due to EU membership was central to convince the public that leaving the EU would again improve the living conditions for the British people. The campaign appealed to a spirit of economic nationalism and protectionism resonating with voters experiencing the inability of successive governments the curb migration numbers while services and benefits were put under pressure. The leave campaign successfully connected EU membership to threats to the living standards and safety of the British population.

A quick note on the "market" case for Brexit

Contributing to the confusion as to how to interpret the referendum result was probably the lack of consistency in the messaging of the various leave campaigns. Whereas only one campaign made the bid to become the official remain campaign, by subjective count there were up to 8 different leave campaigns. They could broadly be defined in three camps. There was the case for a "Lexit" argued for by certain strands of the British left and some trade unions. And then there was the more prominent split between those wanting a more open, more liberal, less regulated Britain free to trade with the world and those in favour of a more protected and closed-off Britain. This is a view espoused by several commentators – for instance The Economist (2016a). Considering the confusion regarding what a Brexit should actually lead to, the campaign slogan "Take back control" is brilliant in its simplicity and lack of clarity as to what it is that control should be taken back from and what it is that a Brexit would again

allow the nation to control. The slogan is a powerful empty signifier allowing the recipient to determine what actually should be controlled.

The Economist (2016a) cites noticeable leavers Boris Johnson and Michael Gove as examples of the more cosmopolitan approaches to Brexit. Yet, in the campaign material examined, their speeches cannot be said to be particularly cosmopolitan in nature though Johnson does refer to himself as such in one particular speech (Johnson, 2016a). While Johnson's speech is certainly much more liberal in its outlook than most campaign material of the various strands of the leave campaigns, he simultaneously rehashes several of the most common leave arguments. Johnson does paint a picture of an EU eroding in endless bureaucracy and centralisation while global competition leaves it behind due to its lack of innovation and envision a Great Britain outside the EU as Great Britain finally able to trade with other great nations of the world. All a bit ironic as Johnson also complains that EU trade has not benefitted Britain enough. However, as much as the speech is a vision for a post-Brexit Britain, it is a story of the erosion of democracy in the EU – an EU in which the UK does not have enough of a say. As the EU is being transformed into a "federal superstate", Great Britain's influence is lessened by an ever-more integrated Eurozone: "We are already drowned out around the table in Brussels; we are outvoted far more than any other country – 72 times in the last 20 years, and ever more regularly since 2010; and the Eurozone now has a built-in majority on all questions" (Johnson, 2016a). Johnson also recycles the argument that migration is putting pressure on Britain's public sector.

The ambiguity of the "cosmopolitans" arguments is probably not coincidental. They are well aware that saying that Brexit will lead to a more liberal, open, free-trading Britain is a message that only appeals to certain segments of the voting base. Therefore, their messages also entail references to social justice and inequality(ies). That is why Johnson must simultaneously rail against "our City fat cats" in a piece in The Telegraph. While Johnson again lambasts the EU for its excessive regulations, he also makes reference to the remarkable fact that the average FTSE100[20] CEO takes home more than 150 times as much as his or her average employee (Johnson, 2016b). Besides the excessive regulatory burden imposed by the EU creating "oligarchic" positions for the "fat cats", these firms benefit from an unlimited supply of cheap labour: "They like uncontrolled immigration, because it helps to keep wages down at the bottom end and so to control costs, and therefore to ensure that there is even more dosh for those at the top. A steady supply of hard-working immigrant labour means they don't have to worry quite so much about the skills or aspirations or self-confidence of young people growing up in this country. And as denizens of Learjets and executive lounges, they are not usually exposed to some of the pressures of large-scale immigration, such as in A&E, or schools, or housing" (Johnson, 2016b). While the cosmopolitan case for leave was indeed made, it had to simultaneously send a message of social indignation at a state of affairs in which British workers felt unfairly treated.

Framing a vote to leave as a vote for social justice is not uncommon. Conservative MP Iain Duncan Smith delivered a speech urging Britons who have done well in recent years to vote leave in order to let Britain develop policies that

[20] A share index of the 100 most valuable companies of the London Stock Exchange.

compensate those "who often find themselves at the sharp end of global economic forces and technological change" (Duncan Smith, 2016). Though Duncan Smith also portrays the EU as a stalling power in the world economy, he implies an incompatibility of EU membership with social justice in the 21st century. The euro disproportionately benefits Germany, the EU is a friend of the banks, migration artificially keeps wages low, creates pressure on housing and schools etc. These are the same arguments we have already presented and underline a leave campaign patently focused on appealing to the working classes of Britain – the exact classes that have been pressured by the extension of market mechanisms for the last 30-40 years. Furthermore, the remainers are – just like in Johnson's speech – portrayed as the distant creative classes living in the cities: "We are going to see increasing divides between people who have a home of their own and those who are, to coin a phrase, at the back of a queue – a lengthening queue - to ever get on the housing ladder. People who have jobs that aren't threatened by automation and people who live in the shadow of the impact of technological innovation. People who benefit from the immigration of cheap nannies and baristas and labourers – and people who can't find work because of uncontrolled immigration."

Though the "cosmopolitan" leavers did in fact talk about a Britain outside of the EU as one finally able to trade with the rest of the world and freed from the red tape of Brussels, it was not the defining characteristic of the case made by even Johnson or Gove. Rather, they promised a more just and equal Britain outside the EU alongside its global ambitions. In the following, we shall turn our attention to the remain campaign.

The case of the remain campaign

When Polanyi wrote "The Great Transformation" in the 1940's, one of the main topics of the book was the gold standard. The gold standard was a system of global economic governance by which the value of the national currency theoretically should adjust automatically to fluctuations in transactional flows between countries. A country in a deficit position would have gold flow out to foreigners while the domestic supply of money and credit automatically shrinks, interest rates rise, prices and wages decline, demand for import falls, and these events serve to make exports more competitive. Therefore, the gold standard in theory serves to make the global economy more or less self-adjusting. As is well-known by now, however, the gold standard put deficit countries under enormous strain. When facing a persistent deficit, the only option for a country to adjust was to deflate until consumption reduced enough to erase the deficit, and wages were competitive again. In other words, the gold standard forced citizens to bear severe adjustment costs. Eventually, the standard would be undermined by protective measures such as tariffs though it remained in effect. The costs of the gold standard have been credited with contributing to the political instability leading up to the first and second world wars (Block, 2001).

Polanyi's account of the gold standard has two different but interconnected themes. Polanyi emphasises the arguments of proponents of the gold standard – free market liberals in Polanyi's terminology. As the free market is merely a theoretical construct, its proponents can always point to the flawed implementation of their ideas – what Fred Block (2001) has termed "the consequences of impossibility". The impossibility of disembedding the economy from society also underlines the political nature of any economic idea. The gold standard looked brilliant on paper. Yet, when it came to the implementation of it, there were numerous obstacles – chief among them the democratic

foundation of politics. When bearing the costs of adjustment, society will naturally work to protect itself from the consequences undermining the very functioning of the gold standard. Arguably, some of the tensions around globalisation in the current moment are similar to the tensions around the gold standard – a battle between market and society[21].

The arguments espoused by Polanyi's "market liberals" in many ways mirror the arguments used by the remain campaign. The campaign emphasised the economic necessity of staying in the EU arguing that a Brexit would permanently damage the growth potential of the British economy. This point was hammered home throughout the campaign – so much so that opponents dubbed the campaign to remain in the EU "Project Fear" (Clarke et al., 2017). In fact, while the leave campaign was deeply divided (as underlined by the contesting bids to be recognised as the official campaign and the infighting between the two most prominent leave campaigns), the remain side maintained remarkable discipline in hammering home its message. It was a message that was backed by major national and international organisations and institutions and authorities within the field of economic policy – as well as a majority of economists. Among the many warning of the dangers of a Brexit was the Bank of England, the IMF, the OECD, the British government, investment banks, various political figures, and the list goes on and on[22]. To the extent that the people of Britain broadly acknowledged that it would probably cost the country economically to leave the EU, the campaign was a success. To the extent that it mattered for enough of them to change their minds, the campaign was a resounding failure.

The remain campaign's rhetoric was in many ways similar to the "There is no alternative" (TINA) mantra used by Margaret Thatcher to argue that, essentially, liberalisation, monetarism and free trade and markets were the only ways to build a truly prosperous nation which would thereby also provide the most possible wealth and freedom to its citizens (Bateman, 2002; Flanders, 2013). In other words, the mantra signalled not only that more radical economic ideas should be abandoned but also that economic policy making was of a more technocratic nature than other policy fields and, thus, best left to experts. As these discussions took place in a context in which socialism was in some ways a tangible alternative to capitalism, the idea that only capitalism and only one type of it could be successful was rather controversial. As the literature on varieties of capitalism has since argued, it is also probably wildly misleading (Hall & Soskice, 2001). This is also perfectly in line with Polanyi's legacy which emphasises that the design and embedding of markets is contingent upon historical and local contexts. This could also be witnessed by the vastly different "capitalisms" within Europe – for instance Britain, Germany and France.

Thus, the struggle between the proponents of free(r) markets and society's protective mechanisms have been ongoing for centuries and continue to colour central political debates – namely around what might very broadly be termed economic globalisation. The "free marketeers" emphasise the necessity and inevitability of succumbing to their ideas of liberalisation and deregulation, and the protective countermovements emphasise the dangers of

[21] For further discussion of the tension between democracy and economic globalisation see Dani Rodrik's "The Globalization Paradox" (2011).
[22] This could also explain the ambivalence with which some remainers and particularly Labour leader Jeremy Corbyn campaigned (or maybe it was solely his long-held scepticism to the European project).

expanding the scope of markets or granting too much power to markets by putting the needs of the market before the needs of society. This struggle is probably best witnessed in discussions around austerity policies.

Having had success with a similar strategy in the Scottish independence referendum[23], the official remain campaign repeatedly emphasised the risks and economic costs of leaving the EU. As put by Clarke et al. (2017)," (…) the *Daily Mail* claimed that [David Cameron's] team was set to launch an unprecedented 72-hour propaganda blitz making the case for Remain and warning of the risks that flowed from a vote to leave. However, in reality the so-called blitz would turn into a sustained bombing campaign that would continue for four months as a relentless stream of intervention sought to frame Brexit as a threat to the country's economic future" (p. 37). And later, when describing the warnings about the prospects of a Brexit for the British economy from the OECD, David Cameron and the Japanese Prime Minister, Shinzo Abe: "No economic threat was left unarticulated" (p. 45).

Hence, it is safe to say that the remain campaign relied heavily on the idea that the economic risk was too great for people to "take the plunge". However, the repeated hammering home of this core message was not unproblematic for remain. First of all, the campaign never engaged with the concerns about immigration that large numbers of voters had. Secondly, the incessant repetition of arguments concerning economic risk (and at times threats to British and international security) by the end came off as shrill. If the risks involved in a Brexit were so great, why would the Prime Minister propose to hold a referendum on the matter in the first place? This probably contributed to the leave side being considered more honest than remain. According to Clarke et al. (2017), by the end of the campaign "(…) 46 per cent judged that leave understood the concerns of ordinary people 'very' or 'fairly' well. In contrast, only 30 per cent felt that way about Remain. When asked who they thought the respective campaigns represented – the establishment, ordinary people or both equally – a much larger percentage (41 versus 19 per cent) thought that Remain represented the establishment, while leave was significantly more likely (26 per cent versus 10 per cent) to be seen as representing ordinary people" (p. 42).

The strategy did work to some extent as the remain side was considered to "own" the economy, and people mostly believed that the British economy and their personal finances would be in better shape if the UK were to stay in the EU. When it came to migration, terrorism and, crucially, the NHS, leave held the lead. Much of the remain side's bluster came to be seen as exactly that. For instance, when George Osborne warned that a Brexit would trigger an emergency budget either cutting spending or increasing budgets, 47 per cent thought this was "probably false" (ibid., p 51).

That remain eventually won the argument over the economy was probably not unexpected. In fact, Nigel Farage had previously stated that he would be fine with having slightly lower economic growth in exchange for fewer migrants: "I'd rather we weren't slightly richer, and I'd rather we had communities that were united and where young unemployed British people had a realistic chance of getting a job. I think the social side of this matters more than pure market economics" (Holehouse, 2014). Farage's campaign was spent travelling to struggling and declining places consisting mainly of white working class voters that had historically voted Labour and talked mostly about

[23] And arguably again in the 2015 General Election (Clarke et al., 2017).

immigration. As the referendum was nearing, the official leave campaign Vote Leave pivoted to a message very similar to Farage's (Clarke et al., 2017) – perhaps because it was realising it could not win on economy. So it chose to emphasise immigration more and more. EU membership involved ever-increasing migration threatening the fabric of British society and its welfare services. Having previously been divided, the two main leave campaigns converged on a similar message managing to rival "Project Fear" in scaremongering.

Even the "cosmopolitan" leavers led by Boris Johnson and Michael Gove followed suit. Justice Secretary Gove pointed to previous statements by Cameron on the topic of EU expansion and claimed that such an expansion would lead to further migration and further pressures on services such as the NHS. The potential membership of Turkey, Serbia, Albania, Montenegro and Macedonia was presented as a ticking time bomb under the NHS by Gove in a campaign speech: "The idea of asking the NHS to look after a new group of patients equivalent in size to four Birminghams is clearly unsustainable. Free movement on that scale will have huge consequences for the NHS" (Mason, 2016). As a senior source among the remainers put it to The Guardian: "Michael Gove may be mouthing the words but Nigel Farage is writing the tune. They originally had lofty ambitions of talking about the economy but since they have lost that argument so catastrophically, they have reached for the Ukip playbook to create fictitious stories to scare people about immigrants and release video nasties about Turkish people" (Mason, 2016). This strategic shift was probably a necessary roundabout for the leave side to emerge victorious (Clarke et al., 2017).

Taking back control

Why do these things matter, and in what way is this related to the issue of TINA? The leave campaign's message could be boiled down to three key arguments: Leaving would finally allow Britain to have lower immigration. Leaving would restore British sovereignty and renew its democracy. Leaving would see Britain have the opportunity to spend more money on the NHS (Clarke et al., 2017). Despite its fearmongering over immigration, the leavers did in fact manage to articulate more positive and visionary messages than remain which never managed more than articulating a dystopic vision of what Britain would look like *outside* the EU.

This is important because these things are arguably tied together. When leavers complain that EU membership is incompatible with progressive social policies and a "generous" welfare state, it is not true. There are several instances of these within the EU. However, due to the increasingly technocratic nature of policymaking (and particularly economic policy), the EU becomes an easy target for this type of argument. While the sovereignty argument may not necessarily be a protectionist one, it is a prerequisite for restoring certain types of protections (examples could include freedom of movement and competition rules). In this way, the slogan "Take Back Control" could be understood as a revolt against the outsourcing of certain policy areas to supranational institutions or independent technocratic agencies. This is a process in which the nature of the democratic political sphere has transformed leading some to speculate that these developments have contributed to the process of falling voter turnout across Western democracies (Mair, 2013).

It is also a process to which the EU has not been immune. Most of this delegation of political power to independent agencies or institutions has concerned the field of economic policy. Nowhere has this been clearer than in the EU and particularly the Eurozone. Members are bound by shared rules ensuring fiscal discipline and intended to

promote competition and commerce and restricting in certain areas – specifically fiscal policy – the opportunities for governments to intervene in the market.

It is thus not a surprise that remain managed to receive the support of every authoritative voice within economic policy. However, maybe the remain side should have been more conscious of what this alignment of supranational and independent national agencies signalled. The relentless and uniform message of what a Brexit would mean also revealed the power structure of the global economy: "What was revealed was the kind of fragile monolith that more canny political strategists, the kind of people working for Putin, try to avoid at any price. *Never ever* reveal the power structure in its entirety" (Tooze, 2017). Here was the embodiment of the TINA mantra, and it unequivocally warned Britain to leave the EU. It was also the perfect chance to finally get one back at these "elites": "In fact, the failure of the Remain campaign exposed 'the economy's' ambiguity in the current moment as a political terrain. 'What's the economy, stupid?' ought perhaps to be the question of the moment. The Remain campaign articulated one particular, monolithic answer. The economy is 'the blob'. It is everything. You have no choice. EVERYONE says so. EVERYONE who is ANYBODY. The spectacular degree of alignment created a perfect target for populist attack. If you wanted to punish the entire elite of the last few decades with one vote here was your chance. They had all arrayed themselves in a compact, supposedly overwhelming mass, ready to be mowed down" (Tooze, 2017).

In this way, the leave campaigns tapped into an anger at the way these institutions had contributed to the transformation of our economies and the administration of the 2008 Financial Crisis. The Brexit referendum revealed a severe lack of trust in expert bodies such as the IMF, and the warnings of these bodies fell on deaf ears for many. Why would people worry about British growth numbers when it had been made clear to them that growth in Britain did not necessarily mean growth in their purchasing power? Michael Gove exclaimed after the referendum "(…) people in this country have had enough of experts" (Mance, 2016). As Wolfgang Streeck has rather polemically put it, trust in experts had reasons to be low:

> "(…) with the neoliberal revolution and the transition to 'post-democracy' associated with it, a new sort of political deceit was born, the expert lie. It began with the Laffer Curve, which was used to prove scientifically that reductions in taxation lead to higher tax receipts. It was followed, inter alia, by the European Commission's 'Cecchini Report' (1988), which, as a reward for the 'completion of the internal market' planned for 1992, promised the citizens of Europe an increase in prosperity of the order of 5 per cent of the European Union's GDP, an average 6 per cent reduction in the price of consumer goods, as well as millions of new jobs and an improvement in public finances of 2.2 per cent of GDP. In the US, meanwhile, financial experts such as Bernanke, Greenspan and Summers agreed that the precautions taken by rational investors in their own interest and on their own account to stabilize ever 'freer' and ever more global financial markets were enough; government agencies had no need to take action to prevent the growth of bubbles, partly because they had now learned how to painlessly eliminate the consequences if bubbles were to burst" (Streeck, 2017, p. 7).

This development was the target of Michael Gove's attack on experts and helps to explain why some were happy to acknowledge the superior economic benefits of EU membership but still chose to vote to leave the EU. In order to achieve economic protectionism in a Polanyian sense, national sovereignty is a prerequisite. As remain made it clear

that membership of the EU was serving the interests of "the economy", the more EU membership came to be seen as an elite project associated with the same experts and supranational bodies that had promised economic prosperity. Exposing British society to the perils of the market has – as argued above – mostly been the doing of British governments. Membership of the EU is not incompatible with high levels of social protection as evidenced most obviously by the Scandinavian countries, and it is not clear that being outside of the EU would bring about increased sovereignty. But a confluence of factors ended up making it very easy for leave to paint remain as the defender of a status quo that had in fact come to be very unpopular. Furthermore, as Hopkin has put it: "(…) the feeling of 'loss of control' that was expertly exploited by the leave campaign can be seen as the consequence of a quarter-century long process of liberalisation driven by both British politicians and the forces of economic internationalisation and European political cooperation. The demand to 'take back control' is, in part, a demand for protection from a globalized market economy and a plea to re-embed the market in the national social fabric" (Hopkin, 2017, pp. 473-474).

Discussion

In the following we will discuss how further research might benefit from a more holistic application of the concept of commodification as well as theorising as to the conditions shaping the form and nature of the double movement. Additionally, we will discuss the implication of the findings of the thesis.

A further look at commodification

As already stated, mainly due to resource and time-constraints, we chose to limit the analysis concerning (re)commodification in the UK to the commodification of labour. Even then, the focus was narrowed to somewhat easily conceptualised areas of employment and unemployment protections. However, future research seeking to employ the works of Polanyi regarding current events might benefit greatly from an expanded scope of analysis in order to better capture the transformations in society and the economy at large. Arguably such an approach would be more in keeping with the spirit of The Great Transformation, wherein Polanyi seeks to cover transformation over a wide range of areas spanning a truly staggering period of time. Considering recent events in London with the Grenfell Tower fire, one example is perhaps more illustrative than others - namely the commodification of land and the transformative effects thereof. In fact, the Grenfell Tower fire and its aftermath could perhaps be an interesting research object wherein the double movement is considered at the micro-level which would also make the concept more analytically precise and somewhat easier to operationalise. The commodification of land is also closely related to the commodification of money as the drive for home ownership incentivises the taking on of debt.

For Polanyi, land was but another name for nature or alternatively man's surroundings, the ownership and use of which, vital to his very being, was embedded in social relations. Put differently, land was distributed according to principles of reciprocity and redistribution, not according to motives of profit and gain. The possession of land mattered only insofar as it enhanced the social standing of the possessor. This is not to look at feudalism with rose-tinted glasses, but rather to suggest that the freedom of contract (i.e. the unrestricted selling, purchasing and renting) being applied to land is something of an abbreviation from a historical perspective and represented a sharp break

with previous practice – the effects of which were that centuries old societal relations were threatened with annihilation. While Polanyi was mainly concerned with the effects of commercialisation of rural landholdings and agricultural land, a more relevant example of today would be within the area of housing and, in the context of Britain, the gradual retreat of state from being a provider of housing since the late 1970's[24].

During a process beginning in the late 19th century and especially gaining momentum in the post-war era, housing was partially removed from the orbit of the market and subject to state interventions – either through regulations concerning minimum standards, lease obligations and price controls etc. or through direct interventions in the market by building and leasing public housing. Epitomising the period was when the Conservative Party and Labour effectively engaged in a bidding war as to which party could construct the most homes during the 1960's. However, with the election of Margaret Thatcher in 1979, things began to change on multiple levels. Firstly, the emphasis shifted from the number of units to issues of home ownership (Broughton & Keohane, 2013).

Through the Right to Buy scheme, tenants of social housing gained the opportunity to purchase their homes at a heavily discounted price and, accordingly, home-ownership rose greatly while the share of public housing fell. Secondly, the state gradually retreated from the property market and the building of new public housing slumped. Thirdly, there was a general spate of deregulations intending to create (or move the needle closer to) a truly self-regulating housing market. Prices (i.e. rent) would be allowed to reflect actual demand (ibid.). This process reflects a partial disembedding as availability, conditions and affordability of housing was to a greater extent than before subject to the forces of the market and partially removed from the public sphere. Since then, housing in Britain has undergone something of a transformation. As better-off tenants of public housing became home owners (coincidentally purchasing the better houses in the process), public housing has increasingly become the purview of the poor (Harris, 2009). Furthermore, private investors have consistently failed to keep up with demand, leading to soaring prices and putting ownership out of reach for many. This has been exacerbated by a lack of affordable public housing, leading to long waiting periods as well as an increase in homelessness. Meanwhile there has been a marked increase in so-called rogue landlords[25] (Niemietz, 2016).

The scale of an emerging crisis has generally produced an increase in public awareness, especially in the areas most affected. For instance, during the 2016 mayoral election in London, 56% of respondents in inner London listed housing as their number one concern ahead of both terrorism, immigration and healthcare. Compared to four years earlier this represents a marked increase ("London mayoral election: Housing top concern, poll suggests", 2016). Meanwhile, initiatives to launch associations in order to represent tenants and increase their protections, have seen increasing momentum in recent years with the attempted launch of renter's unions in London and other major cities such as Glasgow (Dalziel, 2017).

[24] The current discussions regarding Airbnb are prescient in this regard.

[25] Landlords who knowingly flout their obligations by lending substandard or unsafe property(ies) to tenants.

The above is just one example as to how the concept of commodification and the response hereto can be expanded to other areas of British society. Others can arguably be found in other areas such as health care and education. Indeed, in attempting to capture the extent to which, and whether, British society has been transformed, and the effects thereof, future research would benefit from a more encompassing analysis. Accordingly, a more holistic approach would allow for a more in-depth analysis of the nature of the past embeddedness, the process through which commodification has been happened, the effects thereof as well as the protective responses from affected groups.

Theorising the countermovement

To restate the premise of what might be termed Polanyi's theory as to the protective countermovement, he argues on the one hand that it is in many ways the inevitable consequence of the extension of market principles to the realms of labour, land and money. However, as to the specifics concerning the nature of the countermovement rising in opposition hereto, and the extent to which it succeeds, Polanyi leaves room for a more conditional interpretation, arguing that it is dependent on the political constitution of the polity in question. This encompasses both the institutional framework and the responsiveness of the political system as well the immediate economic circumstances. For instance, political systems with restricted franchise might provide for a less conducive environment. The same would hold true during times of economic plenty. However, instructive as these insights might be, they do not easily translate into an analytical framework.

Kim Wonik's (2010) attempt in regards to theorising under which conditions the "latent" countermovement becomes an "actual" countermovement provides a useful starting point in such an endeavour. In it, Wonik argues that the success of a countermovement is dependent on the ability of mediating institutions such as civil society organisations to translate underlying shifts in attitudes into actual political demands. It is further theorised to depend on strength of the organisations to see said demands turn into state policy and their link to the political system. Expanding on his approach, we might include not just the determinants regarding the ultimate successes of a given protective countermovement measured by the enactment of social legislation, but also determinants concerning the movement's nature, composition, tactics and ideology. Indeed, we argue in the thesis, as did Polanyi himself, that a countermovement is not to be automatically considered socially progressive, and it would not be unjust to label several groups pushing for protective measures as being essentially reactionary in nature. This opens for questions regarding what accounts for the great divergence between what might be characterised as counter-movements. Not merely in terms of internal composition but also the focus of their activities. Here one might reasonably include various historical and cultural variables as well factors related to the political economy of the area in question.

To give an example of such theorising Rodrik (2017) has conducted a quasi-Polanyian analysis of populism in different contexts and has tried to develop an explanation of why populism emerges in left and right wing variations in different places. Rodrik argues that variations are due to different types of "globalisation shocks". In places like Latin America and Southern Europe the "globalisation shock" took the form of trade openings, financial crises, IMF programs and privatisations of previously public enterprises (p. 25). The populist movements therefore were likelier to emerge from the left. In Northern and Central Europe, the globalisation shock took the form of increased

migration and refugees which contributed to creating a populist movement focusing on cultural/religious cleavages (p. 25).

Market and society

If it is true, as the analysis has argued, that the Brexit vote can be explained in part by the concept of the double movement, then what possible lessons are to be drawn from the British case? European democracies and the US have seen dramatic rises in populism in the recent decade, and, potentially, there are things to gleaned from the British case that could be applicable elsewhere. At the very least, the results suggest the need for a rethinking of the relationship between markets and society in the UK.

Having couched austerity measures in terms of necessity, it had been made abundantly clear that markets demanded deficit reduction from the UK. Most hyperbolically, it was claimed by George Osborne on several occasions that the UK could end up like Greece. If it did not manage to control its rising debt levels, it would lead to preposterously high interest rates (Osborne, 2009; Elliott, 2015). Thus, according to Osborne, the UK had to recognise that it was at the mercy of the market. Polanyi's musings about the gold standard are prescient: "The repayment of foreign loans and the return to stable currencies were recognised as the touchstone of rationality in politics; and no private suffering, no restriction of sovereignty, was deemed too great a sacrifice for the recovery of monetary integrity. The privations of the unemployed made jobless by deflation (…) were judged a fair price to pay for the fulfilment of the requirement of sound budgets and sound currencies, these *a priori* of economic liberalism" (Polanyi, 2001, p. 148). The needs of the market were put above the needs of society in the 1920's just as they had been by the austerity policies enacted since 2010 in the UK.

A further point worth making here is that perhaps the weak credibility of these expert bodies can to some extent be traced to a frustration with years of economic developments that have not benefited a lot of people in the UK. Why would a prediction of imminent economic doom be powerful to someone who feels left behind anyway? Therefore, the image of representing the status quo came to harm the remain campaign. What was the potential upside of voting to remain if one was already impoverished? At least, change offered the hope of a different tomorrow.

Wolfgang Streeck's reference to "post-democracy" refers to a concept first used by political scientist Colin Crouch. It is used to describe states that formally function as democracies but in which the involvement of citizens is reduced to accommodate a more technocratic conception of the functioning of democracy: "(…) while elections certainly exist and can change governments, public electoral debate is a tightly controlled spectacle, managed by rival teams of professionals expert in the techniques of persuasion, and considering a small range of issues selected by those teams. The mass of citizens plays a passive, quiescent, even apathetic part, responding only to the signals given them. Behind this spectacle of the electoral game politics is really shaped in private by interaction between elected governments and elites which overwhelmingly represent business interests" (Crouch, 2000, p. 1). Peter Mair (2013) developed a similar hypothesis and used this transformation of democracy to explain the consistently decreasing turnout to elections in Western democracies. While turnout in General Elections has been on the rise since it reached a low of 59,4 % in 2001, the Brexit vote drew a turnout of 72,2 % in 2016 while the 2017 General Elections saw 68,7 % of registered voters show up at the polls – the highest since 1997 (and the highest number of votes since

1992). So, do perhaps the event of Brexit (and the rise of Jeremy Corbyn's labour party?) signal another kind of change? A revolt against "post-democracy" and an expansion of the political scope of action?

In this way, the urge to "take back control" could be understood as a way to reconstruct the national democratic space by taking back decision-making power from national and supranational technocratic decision-making bodies that have not been subject to democratic debate[26]. Whether the EU in fact suffers from a democratic deficit has been subject to much debate (Follesdal & Hix, 2006; Moravcsik, 2004; Majone, 1998) but there is evidence to support that politics has become "depoliticised", and the evidence is particularly strong in the case of economic policy (Polillo & Guillén, 2005; Bibow, 2010; Panico & Rizza, 2004; Rodrik, 2011). Whether these developments have in fact shrunk the national scope of action is a different matter entirely. The UK in particular has not been immune to these changes. In fact, the New Labour years between the mid 1990's until 2010 came to be viewed as a model for social democratic parties to reinvent themselves and embrace market economics. New Labour argued for the inevitability of global competition and came to embrace supply side reform and active labour market policies rather than the more traditional social democratic position of demand side policies and expanded social security (Blyth, 2003). New Labour enhanced a rules-based approach to economic policy by creating counter inflationary instruments by outsourcing certain governmental responsibilities to non-governmental bodies. This was done by for instance granting the Bank of England increased responsibilities in the 1990's. Similarly, much of the public sector was reorganised in line with New Public Management (Burnham, 2001).

Conclusion

In we thesis we have set out to answer whether Brexit can be interpreted as a case of a double movement. Now, it should be stated that there are as many reasons for voting leave as there are Brexit votes. This makes a comprehensive account of the vote a highly complex endeavour. Obviously, such a vote is comprised of vastly different individuals and groupings in society with their own motivations. Thus, to come to a useful understanding of the vote it is necessary to analytically simplify the event. As has been shown in the review, there are many extremely valuable contributions to the literature on Brexit. The thesis has not made these contributions expendable nor diminished their explanatory power. However, what this thesis has contributed is a different way of conceptualising what might be termed "populist events". We believe this framework goes beyond the somewhat artificial distinction between cultural and structural/economic explanations of Brexit.

In order to answer the research questions, we have, inspired by Wonik (2010), suggested a distinction between a potential countermovement and an actual one. In regards to identifying the potential for a countermovement in the UK, we have focused on variables related to the commodification of labour. We have found that the degree of commodification of labour is higher compared to other European countries. Trade union density is markedly lower, and so is the use of collective bargaining agreements. Furthermore, both employment protections and unemployment benefits are significantly lower in the UK. Developments after the 2008 financial crisis suggest that the degree of

[26] Here it must of course be made clear that the UK has been more insulated from this process in terms of EU membership as it is not a member of the euro and are also exempted from the Stability and Growth Pact.

commodification has accelerated. Benefits have been cut substantially with the introduction of the benefit-cap, and the labour market has become more deregulated through the removal of certain employment protections. Meanwhile, there has been a marked increase in the use of so-called zero-hour contracts.

In Polanyian terms these developments can be said to have increased the commodification of labour, increasing the dependence of individuals on their position on the labour market and making that position more precarious in the sense that employment protections have eroded. In other words, the market for labour has moved closer to the ideal of a disembedded market. We have furthermore observed that transformations of the British economy have disproportionately benefitted certain geographical areas. This has led to an increase in regional inequalities of the UK. The areas bearing the brunt of the decline have also been hardest hit by austerity measures. The leave vote was strongest in these areas. This would seem to imply that the vote is somehow connected to the aforementioned concerns.

Having established, measured by these variables, that there is a potential for a countermovement in the UK, we then set about examining whether Brexit constituted such a movement. In this endeavour, we have examined arguments by both campaigns in the referendum. As shown, one of the major arguments made by the leave campaign was that leaving the EU would enable Britain to manage migration flows better. Our findings show that speeches given by prominent leave campaigners such as Boris Johnson and Michel Gove on the topic often link migration to pressure on available jobs, wages and services. In that sense the leave campaign's opposition to immigration was very much couched in instrumental terms. It was argued that leaving the EU would improve the quality and availability of public services – most importantly the NHS. The leave campaign in fact managed to frame itself as representing the interest of "ordinary people" and the guardians of public services, while appearing more trustworthy in the eyes of the voters.

On the other side of the debate, the remain campaign aligned itself with global institutions such as the IMF and the OECD etc. The main argument of the remain campaign was that leaving the EU would permanently harm Britain's growth potential. While at times connecting this to the overall state of the NHS, the remain campaign never managed to persuade voters that remaining would be better for the NHS and public services. However, where the campaign did prove successful was in persuading a majority of Britons that leaving would cause some harm to the economy. This, however, did not prove to be enough. Aligning itself with expert bodies governing the global economy might very well have contributed to perception that the remain campaign became associated with the "elite" or the "establishment". Remain came to be connected to unrestricted migration, diminishing quality of public services and austerity. In other words, the campaign was associated with factors that had come to be linked to the perceived deterioration of everyday life.

In conclusion, we have found that anti-immigration sentiment expressed by the official leave campaign was more often than not couched in instrumental terms. In other words, increased migration was linked by the leave campaign to pressure on public services, on wages and available secure jobs. Whether that has any truth to it is a matter of contention; in fact, one could argue persuasively that what put public services under pressure was austerity measures voted for by several of prominent leave campaigners, and that the stagnation of wages and lack of job security is a

matter of policy. However, it was certainly framed in instrumental terms and such frames resonated with a large segment of the population. This lends credence to a reading of migration backlash where the distinction between more culturally conditioned opposition – e.g. the infamous comment by Nigel Farage where he said he felt awkward when he did not hear English spoken on the carriage – and economic conditioned opposition – e.g. concerns about pressure on local schools and health care – becomes blurred.

This interpretation is to some extent compatible with a Polanyian framework in the sense that certain groups in society act defensively in the face of change. For many in England, the last decade in particular has become associated with increased hardship. Wages have consistently failed to keep up, job security has become more precarious, public services have come under increasing strain and the unemployed have seen their monthly earnings decrease considerably. While one might reasonably question the focus of their energies on the EU and increased migration, these concerns shone through during the debate on Brexit. We therefore argue that the vote to leave the EU can, at least in part, be successfully interpreted as a result of a countermovement as a result of the political-economic model of the UK which has been characterised by market conforming policies at least since the early 1980's. Furthermore, since 2008 austerity policies have increased the exposure of vast strands of the British population to the forces of the market with welfare cuts and decreasing job security. Studies have shown that the areas most exposed to these forces to some extent predicted the vote to leave the EU.

There is no doubt that Britain has never been the most EU-friendly of nations. However, if Brexit can be successfully interpreted as a double movement, a lower degree of commodification of its labour market, would have made the UK considerably less likely to have experienced the increase in Euroscepticism leading to Britain voting to leave the EU. At the least such a state of affairs might have successfully weakened the instrumental side of the anti-immigration case.

Looking beyond the UK and Brexit, we have witnessed a surge in support for populist parties and movements in Europe and North America. From Donald Trump's successful presidential campaign to the rise of the Five Star Movement several instances have taken place illustrating the weakness of established political parties. The results of this thesis suggest that one would do well to consider the degree of commodification and changes to the political economy when attempting to explain these phenomena.

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