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Editorial

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Seven years of Brexit: Economic geographies of regional de- and recoupling

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Abstract: This editorial offers a comprehensive introduction to the economic geographies of Brexit. It reviews the state of research on the multiple causes and consequences of the 2016 UK referendum and highlights the role of geographical context in the way that these factors interact in affecting voting behaviour and economic impact. Departing from an appraisal of the literature, we discuss the scope of six original studies collected in the special issue that, each using different analytical methods, present evidence on the impact of Brexit on the relocation of financial services firms, the recoupling of London with the other European financial centres, differences in regional productivity across the UK, as well as on the potential of UK regional policy to offset the disadvantages of financial decoupling from the European Union. Recognizing signs of political and economic disintegration beyond Europe, we conclude by highlighting a need for further research on the economic geographies of de- and recoupling.

Keywords: Brexit, impact assessment, relocation, economic geography, regional policy

1 Introduction

The 1st of January 2023 marked the 50th anniversary of the United Kingdom (UK) joining the European Union (EU), which was then known as the European Economic Community. However, this was not a reason for celebration because three years earlier, on the 31st of January 2020, the UK had officially left the Union. The divorce was triggered by the EU referendum held in the UK on the 23rd of June 2016, narrowly won by the Leave campaign. This led to years of uncertainty and antagonism between Leavers and Remainers in the UK. In March 2020, Brexit took a backseat both in

the UK and the EU as the COVID-19 pandemic and resulting recession took center stage. After seemingly gaining control over the pandemic, Brexit remained in the background due to the Russian invasion of Ukraine in February 2022, which sparked global inflation and the specter of an international recession. However, none of these events diminished the actual and potential consequences of Brexit; they merely made the associated challenges more complex and drained resources that could have been used to address them.

We issued a call for submissions for this special issue on the economic geographies of Brexit in late 2020. After decades of regional integration in Europe (European Union), Asia (ASEAN Economic Community), and the Americas (NAFTA, Mercosur), it appears timely and necessary to apply our knowledge to develop a comprehensive understanding of the processes and impacts of regional decoupling as well as recoupling. Brexit features as a prominent example that sheds light on the ongoing geographical transformations of our current era. Rather than being an isolated case, Brexit exemplifies the emerging dynamics of decoupling at regional, national, and international levels. We witness civil society movements and political aspirations that seek autonomy, e. g. by decoupling from the national sphere, while simultaneously recoupling at the international level. This trend is evident not only in the UK, but also in other European regions, such as Scotland or Catalonia.

As we were working on the special issue the politics around Brexit moved on. The Trade and Cooperation Agreement (TCA) between the UK and EU was signed on 30th December 2020, and entered into force on 1st May 2021. Essentially a free trade agreement, it establishes cooperation on economic, social, and environmental matters, with a focus on minimizing trade barriers between the parties. However, the agreement does not encompass trading arrangements with third parties, foreign policy decisions, or defense management. The progress of UK-EU cooperation has encountered obstacles due to the conflict surrounding the Northern Ireland Protocol, which is a part of the UK Withdrawal Agreement. As per this protocol, all goods entering Northern Ireland ports are subject to checks based on EU regulations before being allowed to remain in Northern Ireland or be transferred to the Republic of Ireland. This arrangement has sparked debate as it effectively

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establishes a border between Northern Ireland and the rest of the UK. In February 2023, the new Windsor Framework was announced, proposing the division of goods arriving in Northern Ireland into Green Lanes (exempt from checks) and Red Lanes (subject to checks), based on their destination to Ireland or the EU. The Northern Ireland Assembly would retain the right to object to certain EU rules influencing the checks, known as the ‘Stormont brake’. The EU and UK ratified the deal on 24th March, 2023, but the Democratic Unionist Party in Northern Ireland insists on the necessity of renegotiation.

By the end of 2022, and in pursuit of recoupling the UK to other regions, the UK had managed free trade agreements with Japan, Australia, New Zealand, Singapore, Switzerland, and Ukraine. Negotiations on further free trade agreements are ongoing with the US, Canada, Mexico, Israel, and India. There are also negotiations on multilateral trade agreements, including those with several countries of the Persian Gulf and in Southeast Asia. While some of these agreements contain new elements, focusing on digital trade, and mention new concepts, such as sustainable finance, they do not get close to the degree of global economic access the UK enjoyed within and beyond Europe when it was within the EU and hence part of its extensive external trade agreements. The UK financial services firms, for example, lost passporting rights that would give them unhindered access to the EU markets, while a planned Memorandum of Understanding to establish EU-UK structured regulatory cooperation on financial services has not been signed yet due to disagreements over Northern Ireland. As of the middle of 2023 more divergence between the UK and EU laws and regulations was expected, in finance and other areas (e. g. Petit and Beck, 2023). This divergence is to be facilitated by the Retained EU Law (Revocation and Reform) Bill going through the UK Parliament.

When we embarked on the special issue project we called for submissions on the nature of Brexit, as well as its short- and long-term economic effects at various scales of enquiry, ranging from individuals and households (including EU migrants in the UK and UK citizens living abroad), workplaces, firms and other organizations, to whole industries, markets, regions, and countries. We sought contributions that examined these aspects from diverse theoretical perspectives and employed original research methods encompassing qualitative, quantitative, and mixed methodologies. Out of the submissions received, six articles were selected for publication, focusing on key themes such as finance, trade, productivity, and regional policy. In this editorial, we provide a concise overview of the broader economic geographical literature pertaining to the causes and consequences of Brexit, setting the stage for the six

featured papers in the special issue. To conclude, we offer reflections on future research directions concerning the economic geographies of Brexit and regional decoupling and recoupling.

2 Causes of Brexit

Economic geographical studies on the causes of Brexit highlight multiple factors, including demography, education, populism, nationalism, imperialism, regional fragmentation and economic inequality (e. g. Bachmann and Sidaway, 2016).

Regarding demography, it has become evident, that an absolute majority of the elderly voted for Brexit, and the percentage of people voting for it across the UK rose with age (Manley, Jones, and Johnston, 2017). Dorling and Tomlinson (2019) relate this factor to the legacy of imperial education, with older generations being attracted to the idea of Brexit as ‘taking back control’ of the country and ‘making Britain great again’.

Another factor that has been studied is education, including the role of skills and human capital. Research suggests that the probability of a Leave vote increased with lower levels of educational attainment. Accordingly, Beecham, Williams, and Comber (2020) found education as the single most important variable explaining the Brexit vote. They suggest that the impact of other factors depended on the region, including a strong influence of material disadvantage driving Leave vote in deindustrialized regions. As such, explanations focused on education blend into those focused on relative incomes and wealth. In this guise, Rodríguez-Pose (2017) has argued that Brexit, like other instances of populism, can be explained as a ‘revenge of the places that don’t matter’ and called for more place-sensitive economic policies. Similarly, Dijkstra, Poelman, and Rodríguez-Pose (2020) presented quantitative evidence of the fact that across the EU “the anti-EU vote is mainly a consequence of local economic and industrial decline in combination with lower employment and a less educated workforce” (p. 737). In a study corroborating such views, Bromley-Davenport, MacLeavy, and Manley (2019) focused on how the experience of stagnation and distrust of elites led older working-class white men in Sunderland to vote Leave. Yet, Nurse and Sykes (2019) reminded us that the ‘left-behind places’ thesis should not be treated as deterministic. Instead, they illustrated how selected localities in the Liverpool City region, despite being relatively poor in comparison with the rest of the city-region, voted differently in the Referendum, thus highlighting the significance of local context and culture shaping the vote.

In addition, cultural and psychological aspects have also been demonstrated to have a role in the Brexit votes. Both quantitative and qualitative research demonstrates the significance of cultural attitudes and values behind Brexit. Abreu and Öner (2020) analysed the results of the British EU referendum and found that in addition to age and education, cultural attitudes and normative beliefs, e. g. regarding immigration, same sex marriage or redistribution attitudes, played a crucial role in accounting for the voting behaviour. Moreover, Garretsen et al. (2018) argued that openness was the most important psychological trait that explains behavior in the Brexit vote. Gordon (2018) tested a large range of economic and social factors for both the Brexit vote and populist party support in Europe, showing similar results to the above, with a mixture of economic, social, and cultural factors.

Of course, none of these variables affects voting behaviour alone. Instead, Tubadji, Colwill, and Webber (2020) have offered a culture-based development model to account for the interaction of various factors in the Brexit referendum. Specifically, they suggested that people unable to emigrate from a declining locality, often because of low human capital, had no other option than to engage in Brexit by a protest vote. Their empirical analysis at the local level shows that support for Leave was stronger in areas with lower local government expenditure on culture and with higher outflows of UK residents, thus supporting the theory. This finding modifies the ‘left-behind places’ thesis into one about ‘left-behind people in left-behind places’. The policy implication is nevertheless similar. There will always be people who cannot leave left-behind places. Place-based policies should look after them to prevent disintegration and further decoupling. The fact that even workers in a European-owned factory could vote for Brexit in droves (Crescenzi, Di Cataldo and Faggian, 2018) illustrates that international integration itself is not a remedy against the threat of political and social decoupling. UK communities that experienced the highest inflows of immigrants from the EU, such as the town of Boston in Lincolnshire, often witnessed the highest percentage of Leave votes. As Tubadji, Colwill, and Webber (2020) explained, such inflows can further exacerbate the sense of being left behind for those unable to migrate.

What truly matters are the actual effects of globalisation on specific locations, how these effects are perceived, and how politicians can exploit these perceptions. The interplay of the factors that drive populist protest votes like Brexit depends on the geographical context. Within the EU, these votes have concentrated in regions with economic decline and high immigration (Rodríguez-Pose, Terrero-Dávila, and Lee, 2023).

3 Consequences of Brexit

Apart from understanding its enabling conditions, researchers in economic geography have also focused on the negative and uneven geographical consequences of Brexit. All studies, irrespective of their method, agree on the predicted negative impacts of Brexit on the UK as a whole, its regions, as well as regional inequalities (e. g. Brakman, Garretsen, and Kohl, 2018; Capello, Caragliu, and Fratesi, 2018; Figus et al., 2018; McCombie and Spreafico, 2018; Welfens, 2018). Extant research has also shown the propensity of future negative effects, including trade and productivity, on those EU economies being most connected with the UK, particularly the Republic of Ireland, the Netherlands, and the export-dependent industrial regions of Germany (Chen et al., 2018; Tserekis, 2021; Watt, 2020). Others have expected negative impacts on the EU budget and cohesion policy (Bachtler and Begg, 2018). In a study of hypothetical effects of Brexit, Los et al. (2017) showed that “the regions that voted strongly for leave tended also to be those same regions with greatest levels of dependency on European Union markets for their local economic development” (p. 786). Consequently, these were the regions likely to lose most because of Brexit, in contrast to the narrative of Brexit as punishment for the ‘metropolitan elites’ of London and the Southeast of England. Du, Satoglu, and Shepotylo (2023), for instance, documented how these negative and uneven impacts have materialized, particularly through Brexit damaging UK exports, both in terms of value and its variety. Bailey and Rajic (2022) showed that the negative impacts of Brexit on regions that voted for it are related to the fact that these regions host manufacturing firms who export mainly to the EU.

The detrimental economic consequences of Brexit appear ironic in the light of those Leave campaigners’ who argued that Brexit would fuel economic development of the UK. The so-called ‘free-market Brexiters’ felt that continued membership with the European Union would have imposed more state control and risked impinging on personal freedom and liberal economic development (Bateman, 2016). McCann and Ortega-Argilés (2021) studied the related narratives of Brexit and post-Brexit ‘levelling up’ policies aimed at helping ‘left-behind places’, mainly in northern England. While ‘the geography of discontent’ behind Brexit was genuine, Brexit was never a sensible solution to their problems. Brexit and ‘levelling up’ got entangled through narratives on the need for rebalancing the UK economy and the privileged position of metropolitan elites, mainly in London. This contradiction is neither mentioned in the UK government policy, nor in the official narrative of the Labour party, who leads the opposition, yet

fears losing votes on selling the bad message. Though now in minority, a large part of the UK population still supports Brexit. As Anderson et al. (2020) suggested, there are many perceptions of Brexit present in the UK society. While some estimate that only about 40 % of adults in the UK are currently supporting Brexit, the real question is why so many still do. Bailey (2019) described grassroots-led solidarity initiatives in the UK that reject both the ‘Nationalist Brexit’ and ‘Ardent Remain’ approaches.

Research using qualitative approaches to studying the effects of Brexit has offered little optimism. Fuller (2022), focusing on the West Midlands and Wales, found that only few of twenty foreign corporate subsidiaries had responded to Brexit by creating new competences or seeking new markets, whereas the absolute majority was exploiting existing competences to minimize the damage. Bailey et al. (2022) confirmed the detrimental effect of the decoupling of the supply chains in the automotive sector in the Midlands, and the policy challenges that this disruption had created. Billing et al. (2021) called for more voice to experts in British regions, who had been silenced during the referendum campaign but also during post-referendum negotiations. The central government conducted all these negotiations, often without or only limited consultation with local and regional voices.

In spite of their forecasts and empirical assessments of the negative impacts on many UK regions, economic geographers did not expect major disadvantages for the position of London as an international financial centre (Hall and Wójcik, 2018). The agglomeration of financial and business services in London, and its position in global financial networks is unparalleled in Europe, and globally comparable only with New York, with which London co-exists in a complementary relationship (Haberly and Wójcik, 2022). Although it is unprecedented to see a financial centre (London) decouple from its economic hinterland (EU), history has given evidence that more severe geopolitical events, e. g. wars, are needed to induce the dislocation of major hubs of global finance (Cassis and Wójcik, 2018; Panitz and Glückler, 2022). Lavery, McDaniel, and Schmid (2018) predicted limited impact on London, but opportunities for other EU centres, including Frankfurt and Paris. Focusing on the FinTech ecosystem in London, Sohns and Wójcik (2020) emphasised its persistent strength, which cannot be easily replicated elsewhere in Europe. Panitz and Glückler (2022) proved expectations of limited impact on London as a financial centre correct. They showed that relocations of financial services firms from London followed a combination of two strategies: ‘least necessary’ relocation to meet requirements for operation in the EU, and ‘selective relocation’, which reinforced the functional specialization

of European financial centres. As a result, London’s position by and large has held, while the division of labour among established European centres has been growing deeper.

4 Papers in this special issue

De- and recoupling is a common theme in this special issue although the six original papers rarely use precisely these terms. Whereas all contributions examine aspects and impacts of Britain’s decoupling from the EU, the recoupling activities of the UK and its regions with the EU and global markets are addressed less consistently, and it will require and inspire future research. The contributions look at (i) the impact of Brexit on the recoupling of London with the European financial centres (Dymski et al. 2023; Hall and Heneghan, 2023), (ii) the repercussions of Brexit on financial services firms’ intentions (Sohns and Wójcik, 2023) and decisions (Panitz and Glückler, 2023) to relocate from the UK to the EU, (iii) the differential effects of decoupling from UK-EU trade relations on regional productivity in the UK (Fingelton et al., 2023), and (iv) the potential of UK regional policy to compensate for the decoupling from European Structural Investment Funds (Nurse and Sykes, 2023). Together, these articles help trace the economic geographical footprint of political decoupling. In this way, the special issue links with a tradition in economic geography to scrutinize periods of economic crisis (e. g. Harvey, 2011; Martin, 2011; Dijkstra et al., 2015; Brinks and Ibert, 2020), regional resilience (e. g. Hassink, 2010; Martin and Sunley, 2015; Gong et al., 2020), political economic transformation (Scott, 1998; Amin, 2011; Storper and Walker, 1989) and regional technological transitions (e. g. Leamer and Storper 2001; Storper, 2018), in which the decoupling of extant relations inspires new paths of recoupling among communities, firms, and regions.

In the first article of this special issue, Dymski, Gavris and Huaccha (2023) show that the main challenge to the City of London in the 20th century was the disintegration of the British Empire, on the power of which the City of London was built. The City reinvented itself by recoupling with international financial markets and becoming an extra-territorial platform for the US financial power, by hosting Euro-markets in the 1960s and leading the EU financial market integration and Americanisation from the 1980s onwards (Wójcik, Urban, and Dörny, 2022). Its activity was no longer focused on British intermediaries and export of capital, such as in peak imperial times, but on linking foreign providers, intermediaries, and customers in London. This platform imploded during the financial crisis in 2008, doubling UK sovereign debt and leading to austerity, which

was introduced by the Conservative government in 2010. Around the same time, the EU, wounded by the Eurozone crisis, embarked on a major path of financial re-regulation to shore up its own financial resilience.

As Dymski, Gavris and Huaccha (2023) argue, all these events have much to do with Brexit. The reinvention of the City of London exacerbated regional and social inequalities in the UK, aggravating the geography of discontent, which led to the Brexit vote. The City's own discontent with the direction of EU financial re-regulation in 2010s made many in the City support the Leave campaign, indulging themselves and Conservative politicians with visions of more Global (again) Britain. The alliance of Conservatives and The City conveniently blamed the EU, rather than the City or the Conservative government for the UK's economic stagnation. Meanwhile, an idea to revive the City of London (and UK economy at large) with connections to China, spearheaded by the Conservative government, fell victim of growing US-China tensions, the pandemic, and the Russian invasion of Ukraine. The City's solution to the disintegration of the British Empire worked (particularly for The City), but the decoupling from the US financial power, maybe a step too far.

Hall and Heneghan (2023) examine the impact of Brexit on relations between the financial centres of London and Paris, by focusing on corporate and policy networks. The paper is a powerful reminder of how distance matters in the relocation of financial firms. All the five leading destinations (Paris, Dublin, Amsterdam, Frankfurt, and Luxembourg) are within a 90-minute flight from London. In addition, Paris has a quick and convenient railway connection with London. You can leave London in the morning, work in any of the five cities, and return to London in the evening or vice versa. Readers paying attention to the details in the paper will also notice that no major US bank or asset management firm moved European headquarters from London. This suggests that for the time being the platform role of the City of London holds. This is despite the fact that financial firms effectively experienced a no-deal Brexit. Their level of access to EU markets depends on the EU deciding whether UK regulations in a particular area of finance are equivalent to those in the EU. The EU decisions in this regard are non-negotiable and if equivalence is granted, it can be withdrawn with a 30-day notice. In practice, whereas the UK granted the EU equivalence in over 20 areas of financial services, the EU offered only two temporary concessions.

Sohns and Wójcik (2023) analyse the effects of Brexit on relocation intentions in the UK's FinTech industry. As Dymski, Gavris and Huaccha (2023) also discuss, the UK government, financial industry, and Bank of England hope that London will become a global hub of the FinTech indus-

try and a model for its regulation. The paper is a sequel to Sohn and Wójcik (2020), which investigated London's FinTech ecosystem and its vulnerability to Brexit. By applying a factorial survey, a method rarely used in economic geography, it shows that FinTech managers' relocation intentions were common, and affected by their perception of the economic consequences of Brexit, territorial embeddedness of their firms, and their nationality. Additional analysis demonstrates that most firms that intended to relocate as of late 2018, did so by early 2022. This highlights the value of studying intentions as a predictor of behaviour and a tool that can help develop strategy as well as public policy. Factorial studies can be a useful method, especially in uncertain periods of de- and recoupling.

Panitz and Glückler (2023) examine the repercussions of Brexit on the relocation of the financial industry from the UK to the EU. Adopting a relational approach, the authors explore the association between the timing and destination of relocation decisions made by UK-based banks and the interlocking directorships within their board structures. Their empirical analysis is grounded in a unique database of public relocation announcements of financial services firms in the UK, and a relational database of interlocking directorships in the financial industry. On the one hand, their network analysis confirms earlier findings that interlocking directorships are significantly linked with corporate behavior (Ang et al. 2018; Davis 1991). Yet, on the other hand, the direction of this relationship is found opposite to previous evidence: rather than increasing the similarity, connectivity across banks decreases the similarity of relocation decisions. The authors interpret these findings as indicative of a behavior that effectively mitigates competition for limited localized resources, thereby contradicting the forces of agglomeration and perpetuating the geographical fragmentation of specialized financial centers in post-Brexit Europe (Heneghan & Hall, 2021; Van Kerckhoven & Odermatt, 2021).

In contrast to previous studies that primarily examine the overall impact of Brexit on national growth and productivity, Fingleton et al. (2023) adopt a novel perspective by focusing on the repercussions on regional productivity within the UK. Overcoming the limitations of prior research, the authors present an original approach that involves developing and testing a model of regional productivity. It considers the influence of agglomeration effects, regional exports, and stocks of regional capital and human capital on regional output. To empirically assess the impact of Brexit on regional productivity, Fingleton et al. (2023) utilize their model to compute empirical estimates for the 41 NUTS2 regions in the UK during the period from 2001 to 2019. Subsequently, they conduct simulations to explore the

potential future effects of different reductions in regional exports from the UK to the EU, which arise as a consequence of Brexit, on regional productivity. Overall, the authors reveal that Brexit is likely to have varying effects across different UK regions. According to their findings, London's productivity is projected to experience a more pronounced short-term impact compared to other regions. However, in the long run, London's productivity is anticipated to be less negatively affected than that of other regions within the country. The meticulous modeling methodology and robust econometric simulations employed by Fingleton et al. (2023) lend support to these assertions, highlighting the differentiated consequences of Brexit on regional productivity in the UK.

Expanding beyond the examination of Brexit's impact on the financial industry or the broader UK economy, Nurse and Sykes (2023) present a critical analysis of sub-national policies implemented since 2016 in response to Brexit and, ideally, to replace the European Structural Investment Funds (ESIF). Their focus lies on scrutinizing whether the rhetoric surrounding the 'levelling-up' agenda aligns with the actual allocation of funding streams proposed by the UK Government to its regions. To shed light on the inconsistencies and contradictions underlying the levelling-up agenda, Nurse and Sykes (2023) adopt the lens of the Strategic Relational Approach (Jessop, 1990). Through this theoretical framework, they uncover the strategic selectivity exercised by the central government in channeling funding and financial resources through policies and programs, which often prioritize electoral votes over left-behind places. Consequently, this partiality tends to dilute the original intention of reducing regional disparities. The authors cast doubt on the policies' ability to effectively address spatial inequalities and call for further research to explore ways in which these places can be integrated into long-term development agendas. In essence, Nurse and Sykes' (2023) critical analysis serves as a cautionary reminder that even with good intentions, a levelling-up agenda may inadvertently lead to the opposite outcome by exacerbating inequalities in certain regions.

5 Outlook on Brexit and economic geographies of de- and recoupling

In our view Brexit calls for economic geographies of de- and recoupling. The concept of de- and recoupling has been used in different contexts, such as sustainability transitions (e. g. Vadén et al., 2020; Wu et al., 2022), international economic development (e. g. Kim et al., 2011), and global

production networks (e. g. Yeung, 2009; Yang 2013; Horner, 2014). In economic geography, MacKinnon (2012) discussed the challenges associated with the decoupling and recoupling of local economies to the global economy. Whereas decoupling refers to disinvestment, the exit of foreign firms, and the loss of foreign markets, recoupling describes the integration of regions into global economies by attracting investment and enhancing trade and exchange with other regions (MacKinnon, 2019). Horner (2014) explored how decoupling from global value chains may eventually lead to positive development outcomes for regions and countries. His research points to the experience of India and the pharmaceutical industry where he found a sequence of decoupling and recoupling to offer an alternative route to economic development. Similarly, Yang (2013) traced the divergent engagements by Hong Kong and Taiwan-based MNEs in decoupling from source regions in coastal China, and in recoupling with the inland provinces. These findings suggest that decoupling per se need not necessarily lead to isolation and decline. Consequently, a longer-term interest in the UK's post-Brexit economic trajectory requires more explicit research on its recoupling with Europe, differently though, and the global economy. Future research should extend our perspective of de- and recoupling (i) to other sectors beyond the financial industry, (ii) to longer-term historical periods to reveal evolutionary path constraints as well as opportunities of new path creation, and (iii) to the institutional and cultural contexts in which these processes are embedded.

First, to capture the broader repercussion of Brexit, more research is needed on how Brexit has influenced the global value chains of UK, EU, and non-EU firms operating in Europe. Whereas geographers have revealed a proper understanding of financial sector relocations, more knowledge is needed about the potential relocation of non-financial firms. How, for example, do UK-based manufacturing firms recouple their supply and value chains? This recoupling could be organized, e. g., by relocating to the Republic of Ireland to retain proximity to the UK or to shift foreign direct investments to Central and Eastern Europe to enjoy cost advantages. Data on foreign direct investment, corporate reports, surveys, in addition to case studies and other methods should increasingly enable answers to these questions.

Second, to understand Brexit as an event in the evolution of Britain, we need to analyse the processes of de- and recoupling on a much longer timescale than existing macroeconomic data, which span a few decades at best, allow. We agree with Dymski, Gavris and Huaccha (2023, p. 3) that to gain a "more holistic understanding, it is necessary to consider adaptability from a historical perspective and in

the context of broader political and macroeconomic developments”, especially because “resilience to a specific shock or short-term crisis is often the outcome and reflection of longer-term processes of adaptation and response to longer transformations in markets, global trade, technologies, practices and so on” (Sunley, Martin and Tyler, 2017, 384). This means that we should see the roots of Brexit, and the ongoing de- and re-coupling of the UK, in the long history of its economy, culture and international relations.

Third, a comprehensive understanding of Brexit also requires an inclusive analysis of the broader institutional and cultural contexts, such as macroeconomic ideologies (e.g. neoliberalism) and populist-nationalist movements around the world. In a rare geographical paper on Brexit and geopolitics, Sidaway and Bachman (2021) draw attention to post-Brexit as an era in the UK defined by Brexit. They highlight the lack of any stable post-Brexit narrative, let alone solution for the ailments of the British economy and culture. Elsewhere, introducing a special issue of *Space and Polity*, Boyle, Paddison, and Shirlow (2018) write about “Brexit geographies” leaving “an enduring signature on the history of Anglo-European geographic thought” (p. 97). Hudson (2017), for example, sees Brexit as a consequence of failed neoliberalisation and neoliberal globalisation in the UK but also the EU. This, however, as Walby (2015) argued before Brexit, assumes implicitly that society is based on an equilibrium between movement and countermovement, and restores this equilibrium if distorted. As such it is a simplification that underplays both positive and negative feedback mechanisms in social systems, with the possibility of multiple equilibria along different paths of development. Another problem with the narrative of Brexit and other recent instances of regional decoupling as a result of neoliberalism is the lack of a long-term geopolitical perspective. Their broad political and macroeconomic context certainly includes the declining economic significance of Europe and the declining power of the US, juxtaposed by the rising power of China and growing economic significance of the Global South. Ideas, such as ‘Global Britain’ promoted by Brexiteers, or Donald Trump’s ‘make America great again’ (Parnreiter, 2018) are also about societies expressing anxiety about their place in the world. It is plausible to suggest that such anxieties are typical in periods of major geo-economic and geopolitical shifts, not only in societies of ‘declining powers’ but also in those that are growing but rethinking their ambitions and international alliances. Ultimately, economic geographies of de- and recoupling are contingent on their underlying institutional and cultural contexts and trajectories.

At the end of the day, short-term decisions and events, mid-term structural developments hiding in decadal data,

and long-term evolutions unfolding over centuries are all interconnected in complex ways. As in chaos and complexity theory, a small event may unleash a big change. Just as David Cameron’s decision to hold an EU Referendum in 2016 was not predetermined, so the personalities and sentiments of those in charge in the White House and in Beijing matter, not to mention the next decision of Vladimir Putin. Over the last 15 years we have seen a cascade of crises within the UK and beyond. The financial crisis of 2008, followed by recessions, the pandemic, the war in Europe, and the rising US-China tensions, all engulfed in the growing environmental crisis. Just as the UK society, scarred by domestic and international decoupling, is looking for a narrative to move forward and to re-couple with the EU and other world regions, so does the world at large. Economic geographers need to understand processes of de- and recoupling to help everyone build a better future.

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