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# Brexit and risks for the EU economy

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**Abstract**
Overall, the world economy is greatly affected by the "Brexit" problem. The Brexit is currently a global hot issue, affecting not only the countries involved, the departing United Kingdom and the sovereignty of the European Union. Not only in Europe, the referendum result in 201 also affected countries in the world including ASEAN members. It affects all socio-economic aspects, all industries from petroleum, agriculture, industry, trade to the import and export between countries in the European Union and the UK. So, what we are investigating is is the solution and orientation of countries in both sides of La Manche channel, in front of the big impacts of Brexit to help their economy develop stably.

**Keywords:** Brexit, EU, UK, vote to leave

## 1. Introduction
In general overview, the world economy is greatly affected by the "Brexit" issue. The Brexit is currently a global hot issue, affecting not only the countries involved, affecting the departing United Kingdom from the European Union and affecting also the sovereignty of the European Union. Outside the Europe, this referendum decision on 23 June 2016 also affects countries in the world including ASEAN members. It affects all socio-economic aspects, affecting all industries from petroleum, agriculture, industry, trade to import and export between countries in the world and the European Union. So, what we study here in thus article is the solution and the orientation of countries before the big impacts of Brexit to help the economy develop stably. Stemming from the reality of the Brexit problem, we chose the topic "Brexit- risks to the European Union economy" as a subject of our study and investigation. By learning about Brexit and the European Union economy with all political documents on the European Union economy and the impact of Brexit that we have at hands, we strived to clarify the risks facing the European Union economy and make recommendations for European Union economy risk management.

## 2. Theoretical framework
### 2.1. Defining risk
Risk is a common concept and almost anyone can know this category. However, there is no unified view of risk. Different schools, different authors give different definitions of risk. These definitions are plentiful and varied, which may be followed by:
AllanWillett said: "Risk is the specific uncertainty associated with the occurrence of an unexpected event", which is supported by scholars such as Hardy, Blanchard, Crobough and Redding, Klup. In a John Haynes' study, and again mentioned in Irving Pfeffer's Insurance Theory of Economics and Economics, the risk is: "the probability of a loss, is a combination of measurable contingencies by probability". However, the viewpoint considered modern and highly endorsed by Frank H. Knight when he said: "Risk is measurable uncertainty". The Modern Economics Book of the National Political Publishing House also addresses this view. The above definitions are more or less different, but it can be seen that it addresses the two basic characteristics of risk, namely: "Risk is uncertainty and the likelihood of unexpected results. Among the possibilities, there is at least one possibility of undesirable results. And this result can bring loss or damage to risk subjects".

### 2.2. Risk classification
As mentioned above, there are many types of risks and more new and complex types of risks are emerging. To classify risks people use many different criteria. Some common risk

classification criteria are such as classification by traditional risk management method, risk source classification, impact environment, classification by risk subjects and classification by branches and activities.

**Classification by traditional risk management method**
- Non-financial Risks (as results from disasters such as: earthquakes, volcanoes, wars, floods, fires, wars, terrorism);
- Financial risks (bad debts, exchange rates, stock prices, interest rates fluctuations);
- Operational risks (broken equipment, computer systems, supply chains or faulty processes, employees in accidents);
- Strategic risks (play a particularly important role, determine the survival, prosperity or decline of an organization, help turn the situation around, turn risks into opportunities)

**Classification by source of risk**
- Risks due to natural environment;
- Risks due to cultural environment;
- Risks due to social environment;
- Risks due to the political environment;
- Risks due to the legal environment;
- Risks due to economic environment;
- Risks due to the organization's operating environment;
- Risks due to human awareness.

**Classify risks according to impact environment**
- Internal environment: the internal operating environment of the organization;
- External environment: including external factors, forces, institutions, etc., the enterprise has no control over it, but affects its operation and efficiency. Including macro and micro environment.

**Classification by risk subjects**
- Property risks;
- Human resources risks;
- Liability risks.

**Classification by operating branches and fields**
- Industrial risks;
- Agricultural risks;
- Risks in commercial business;
- Risks in foreign trade activities (import and export);
- Risks in banking business;
- Risks in tourism business;
- Risks in investment;
- Risks in construction industry;
- Risks in education-training sector [13]

### 2.3. Risk management
Risk management is a systematic approach to risk in order to identify, control, prevent and minimize losses, losses, and adverse effects of risks while seeking ways to turn risks into opportunities for success.
The main contents of risk management:
- Identity - analysis - measurement of risk
- Control - prevent risks
- Sponsor risk when it appears
- Turn risks into opportunities for success

**The implementation of risk management, depending on the following factors**
- Is the organization large or small?
- Is the potential of an organization strong or weak?
- Is the organization's operating environment simple or complex?
- Perception of leadership [13].

### 2.4. Economic union and risk of recession
Economic union is a form of deeper economic integration, in which the members agree to:
- Eliminate barriers to create favorable conditions for the movement of goods, services and production elements between member countries;
- Implement a full integration of economic policy;
- Consolidate monetary and financial policies among member countries;
- Have a common currency (or an established long-term exchange rate);
- A common tariff for member countries, the same general economic policy [13].

Members of the economic union also enacted unified product standards, formulated agricultural policies, energy and social services for the whole bloc, standardizing the laws related to the competition, mergers, acquisitions & other corporate behaviors. When an economic union uses a common currency, it is also called a monetary union. Economic union is higher than other levels of economic integration in that in addition to comprehensive coordination of socio-economic policies issues in the economic union. There are also super-national institutions where decisions are binding on member states [12]. The secession from the economic union bloc can come from many reasons. But overall, they always have many potential economic risks. Financial effects are when leaving the union will open a period of uncertainty about the relationship of the separatist economy to the rest of the future. When one member is leaving the bloc it can ignite strong economic and political tensions. The breakaway can also weaken the coalition. It can even significantly increase instability in the world economy and cause negative macroeconomic consequences.

## 3. Research results
### 3.1. Some issues related to Brexit
Brexit is a phrase composed of two words: "Britain" indicates the UK and "exit" indicates the action of leaving the EU. This is not the first time words like this have been used, because since 2012, when Greece faced a severe debt crisis, people also mentioned "Grexit" (a combination of "Greece"). "And" exit ") to refer to the risk that the country may have to leave the EU. Brexit also appeared in 2012, as more and more Britons protested the EU and doubted the relationship between the UK and the community. When the referendum was officially opened, Brexit became a "key word" used to refer to Britain leaving the EU in particular and the referendum in general [2].
The European Union or European Union (EU), also known as the European Union, or EU for short, is a political and economic union comprising 28 member states of Europe.

The European Union was formed by the Maastricht Treaty on November 1, 1993 based on the European Community (EC). The history of the European Union dates back to World War II. It can be said that the idea of European integration was realized to help prevent killing and destruction from happening again. The French Foreign Minister Robert Schuman was the one who came up with the idea and proposal for the first time in a famous speech on May 9, 1950. It was the same day that is now considered the birthday of The EU and is celebrated annually as European Day. After the historic referendum on June 24, 2016 with a vote of 51.9% of the British people in favor of leaving the EU, Britain officially left the EU [7].

The campaign for Britain to leave the EU is the "Vote Leave" campaign, while the campaign to stay in the EU is the "Stronger In" campaign. The main argument of the "Vote Leave" campaign is that leaving the EU will allow the British to regain control and use their budgets according to their own priorities. On the other side, the "Stronger In" campaign countered that Britain would become stronger, safer and more prosperous as an EU member than leaving the organization. On British politics, politicians also express different points of view. Supporting Britain's stay in the EU are: Prime Minister David Cameron (Conservative Party), Mr. Jeremy Corbyn (Labor Party leader), Treasury Secretary George Osborne (Conservative Party), former British Prime Minister Tony Blair and John Mayor. On the other side - in favor of Britain leaving the EU - is the former Mayor of London - Boris Johnson (Conservative Party).

EU leaders and other politicians around the world also have mixed opinions on this issue. European Council President Donald Tusk, US President Barack Obama and former US President Bill Clinton are some prominent figures who have voiced support for Britain's continued membership in the EU. Meanwhile, Donald Trump, the Republican presidential candidate, expressed his opposition to the EU and suggested that the British should choose to leave the community [8].

### 3.2. Economic relationship between the UK and the EU

When studying the relationship between the United Kingdom and the European Union, we cannot fail to mention economic issues. The EU is the UK's largest trading partner, accounting for 44% of its exports and 53% of its imports in 2015. Regarding employment, more than 3 million UK jobs are relevant. to export to the EU. In addition, for the UK, the European Union also acts as a major investor. In 2014, EU countries contributed £ 496 billion - equivalent to 48% of total foreign direct investment (FDI) in the UK. In contrast, the United Kingdom also plays an important role in the EU, when it contributed about 8.5 billion pounds to the EU Budget (2015), accounting for 12.57% of the organization's total budget, only behind France and Germany. However, many people believe that the UK's annual contribution to the EU is a burden for the country. They also believe that strict EU laws cost the country billions of pounds each year. Specifically, an Open Europe study estimated that the EU's top 10 "most troubling" laws cost the UK an annual cost of £ 33.3 billion [9].

It is clear that the relationship between the UK and the EU is not always "smooth," but thanks to the constant negotiations and agreements of British leaders and EU leaders, this relationship has been maintained over the past 40 years. However, since 2010, when the EU began to face many difficulties, most notably the debt crisis in Greece in 2010 and now the migration crisis, many Britons once again doubt about the relationship between the UK and the EU. Would being a member of the EU really benefit Britain? In order to meet the demands of the people, but perhaps more than persuade people to vote for their Conservative Party, in 2013, British Prime Minister David Cameron promised to open a referendum to decide the fate of the Britain is in the EU if his Conservative Party wins the House of Commons election. And now, in keeping with his promises, Prime Minister David Cameron decided to hold this referendum on June 23, 2016.

### 3.3. Brexit risks to the EU economy

#### 3.3.1 Losing the economic position of the EU bloc on the global economy

It is clear that the departure of the UK had a significant impact on the economic voice of the EU in the world, when the UK was one of the key economies in this union, following shortly after Anhh left. The EU and Euro immediately dropped sharply. Specifically, if 1 Euro was previously exchanged for 1.14 USD, when the UK left 1 Euro was only exchanged for 1.09 USD, a decrease of about 3% (the lowest level since May 2016). This is understandable because when the UK leaves the EU, there are great concerns and risks for the EU even this loss could make the EU no longer the No. 2 economy in the world [10].

#### 3.3.2 Create big "gaps" in the overall budget and the economic growth of the whole bloc

Firstly, it poses risks to economic growth. According to the Global Economic Outlook, Eurozone's economic growth rate will decelerate from 2.9% in 2018 to 2.5%. in 2019, and only increased by 1.7% in 2019 and 1.6% in 2021. In addition, the UK left also caused a large loss in the common European budget. When participating in this union, the EU requires member countries to contribute an amount to the general budget each year (EU central budget). The UK has the second largest economy in the bloc and is also a key member so when the UK leaves the EU, it will lose a huge amount of contribution from the UK (England must contribute 13 billion pounds, equivalent to 19 billion USD, if calculated on average, each British person has to contribute 300 USD / person / year). A reduction in the overall budget will cause many difficulties for the EU economy such as capital) [11].

#### 3.3.3 Reverse the trend of investment and trade in the EU

Countries with large trade relations with the UK will face many difficulties when the UK is no longer entitled to trade interests in the bloc. Therefore, the established trade tariff barriers make it difficult for countries' trade to hinder economic development. Some of the countries heavily influenced are Ireland and Germany. 32% of Ireland's exports come to the UK, and the UK is Germany's third largest export market. Another economic effect is the EU will increase trade protection policies such as increasing tariffs on imports and reducing taxes for domestic businesses. The reason for this adjustment is that in the EU, there have always been two sides in the EU: one supporting the protectionist measures, the other supporting the free trade market - including the UK. Therefore, when the UK leaves, the trend of increasing trade protection measures is very likely.

#### 3.3.4 The wave of immigrants is increasingly pressing the EU economy

While the influx of immigrants is flooding in, the UK is one of the members that receives a large number of immigrants and creates jobs for them invisible that have made it difficult to employ indigenous people, when the EU no longer has the UK, the remaining members will have to accept a larger number of immigrants, causing unemployment to rise in the remaining countries.

#### 3.3.5 Threatening free trade agreements with the US, Canada, Japan and other economies

The worst-case scenario that worries many people is that Brexit will cause a "domino" effect, spreading Euroscepticism (doubt and anti-EUism) throughout Europe. Brexit can cause a series of countries such as Denmark, Austria, and Sweden to hold a referendum to decide on EU membership of each country. And if the result of these referendums is "Leave", the risk of the European Union disintegrating will be increasingly high. In the context of the EU economy facing many challenges, trade wars, the uncertainties surrounding Britain leaving the European Union (EU) and concerns about the debt situation of Italy, Germany lost an opposition. Important economic partners are the "dark clouds" covering the EU economy [5].

#### 3.3.6 Other risks

The Organization for Economic Co-operation and Development (OECD) publishes the global economic outlook report 2019, accordingly, the forecast for EU economic growth in 2019 from 1.8% to 1%, down to 0, 6% of the previous forecast. Meanwhile, economic experts said that the inflation in the EU in the next three years may be much lower than the 2% target set by the ECB. This forces regional policy makers to take new measures to stimulate economic growth [6].

#### 3.3.7 British people want to leave EU

The first is Greece's economic crisis. In order to pay for the activities to organize the 2004 Olympics, Greece spent more than allowed, causing the balance of payments to be in serious deficit and the economic deficit to last until 2009 - 2010, Greece. Lap officially declared bankruptcy. In this context, the International Monetary Fund (IMF) and especially the European Central Bank (ECB) were forced to spend huge sums on Greece to avoid the "domino effect" of economic collapse. for the whole EU. Every year, the UK is one of the countries contributing the most to the EU, every year the UK has to spend about 8 billion pounds for the EU's general fund. Having to spend so much money to save the ally has made the British people uncomfortable. Britain is the 5th largest economy in the world, they can completely be independent and develop, but it takes a huge amount of money for the EU, especially for Greece, making them feel unhappy. That led to populism, growing European skepticism [1].

The second is immigration. The UK government does not want immigrants from other EU countries to enjoy the same social benefits as indigenous people, such as tax breaks for low-income people within 4 years. However, this provision has faced many objections from EU countries, including Poland, Germany and the Czech Republic, which are the most strongly opposed. That has contributed to pushing the conflict between the UK and the EU to a higher and hotter level.

Third, terrorism is flooding Europe hard to control. A series of street attacks in France and Belgium have scared the British people, especially when Syrian refugees are dragging more and more to Europe. They feared that terrorists would hide in the form of refugees and come to Britain with ease, and the Paris attack on the night of November 13 last year was a drop of water that spilled a glass. The fear of the British people culminated.

Fourthly, the UK wants full economic autonomy. They want to trade easily with partners from Asian countries like Japan, China and Vietnam easily without any barriers. Especially in the context, UK exports to EU countries have dropped sharply from 55% to 45% in the last 10 years.

The UK is the fifth largest economy in the world, has the fourth largest military potential in the world, is the founding nation of NATO, and holds a seat on the UN Security Council, G8 and G20. They have the most widely used language in the world along with an extremely developed education. All of these factors make the British think they will grow stronger when they leave the EU.

## 4. Solution for Brexit risks management for the EU

### 4.1. Common EU solution

If the Brexit "hard" occurs, in the future of trade relations with the EU, the UK will have to comply with the import tax rules like those of a third country, such as the US or China., or border control principles and ensure quality standards. Statistics show that since the referendum in 2016, the pound has dropped by 15% in value and the country's economic growth has lost 0.1%. The EU determines to address past issues such as finance, civil rights or the Irish border. The two sides can then consider the future trade relationship. The EU will not accept any other principle because of the risk of affecting the integrity of the bloc's single market. The solution to avoid the hard border between the British Northern Ireland territory and the EU Republic of Ireland was agreed by the two sides under Prime Minister Theresa May, but was rejected by the British Parliament. Diplomatically, both sides are eager to find a solution to reach an agreement. If Brexit is extended, the UK will have time to research and find suitable solutions for all parties. However, the Brexit extension is only to discuss terms, the EU will certainly not agree. Providing clear solutions to the Brexit process as soon as possible plays a very important role not only for the EU, but also for the rest of the world. These solutions have a great influence on the strategic direction of import and export of countries into the UK and the EU.

### 4.2. Specific solutions at EU level for some key industries

**Investment industry**

Libor interest rates are low, the exchange rate from floating to fix is also low, and businesses will avoid the interest rate increase due to the impact of FED's rate hike. If you wait until the trend of interest rate hike becomes clear, the exchange rate from floating to fixed will also increase and directly affect the financial costs of the business. FED will continue to raise interest rates in the future. Therefore, with long-term business cycle from 5-7 years, businesses should consider using interest-rate swap products from floating to fix. Another factor of concern in the world market is that the euro / USD exchange rate is currently experiencing unpredictable fluctuations. The euro has depreciated 25% against the dollar in the past 2 years. Euro / USD exchange rate has fluctuations in the day relatively large. This makes businesses having transactions with the euro face great risks. Businesses should sell as soon as the euro is available and only buy it back when needed to prevent the risk of a devaluation of the euro. To reduce risks, businesses should buy futures, options or buy exchange rate guarantee contracts of commercial banks.

**4.2.1 Pharmaceutical industry**

Pharmaceutical companies have expressed the same concern about medicines. However, according to observers, the impact of a no-deal Brexit on medical supplies will also be felt not only in the UK but also across Europe. In 2016, about 45 million packages of medicine were shipped from the UK to the rest of the European Union (EU) every month with a trade value of nearly 12 billion pounds (14.5 billion USD). He also imports about 37 million packs of medicine each month from the EU. The European Medicines Agency (EMA) - the European Medicines Regulatory Authority - said the bloc has been well prepared for Brexit and has completed the licensing of nearly all 400 strains of its drug administration. in preparation for the British leaving the block. Since Brexit has occurred so far, concerns about most of these drugs have been addressed.

**4.2.2 Trade Sector**

The EU is ready to prepare for future negotiations on trade relations after the agreement has been approved by the European Parliament, so that negotiations can start as soon as the UK leaves the EU. The EU wants to establish as close a partnership as possible with the UK in the future. Regarding the "barrier" provision in the Brexit agreement that helps maintain the open border between Northern Ireland and the Republic of Ireland until the two sides reach a trade agreement, the EU affirmed that this solution is a policy to prevent the export, show a hard border on the island of Ireland and ensure the integrity of the unitary market. In addition, this provision will only be applied in the short term and last for "necessary period of time" until it is replaced by a subsequent agreement to avoid establishing a hard border. The EU is committed to making every effort to negotiate and quickly conclude a follow-up agreement to replace the "barrier" and to expect similar action from the UK.

**4.2.3 Education sector**

Before BREXIT took place, it was normal for EU member states to freely travel, study and work among European countries, but after BREXIT this became much more difficult andit greatly affects many sectors including the education sector. Everyone knows that England is a country with the world's top quality education, losing the UK means that the EU students (the rest of the bloc) will lose great incentives in their education. Brother. Previously, students from EU countries studying in the UK will receive support such as tuition reduction, facilitation of part-time jobs and accommodation support for students, now those supports are no longer available. Moreover, it creates a lot of pressure and difficulties for EU students who want to come to the UK to study in the current period. We need to agree with the UK about education, because this is a two-way negative effect (pressuring the invisible EU students in general reduces the attractiveness of British education to international students). It is recommended that students should consider before choosing the UK to study abroad if the UK does not agree. The EU should direct its students to countries with similar or not inferior education to the UK such as Germany, France, Sweden, etc. to help students with a good study environment and ensure the rights of student.

**4.2.4 Transportation industry**

It can be said that transportation is one of the industries most affected by BREXIT, specifically as follows: customs checkpoints are operating again, checking each means of transport from the UK to the EU and vice versa. It would take a lot of time to estimate if this situation from France to England could be blocked by traffic up to 27 km. In addition, previous British driver's licenses and airplane licenses when they were members of the EU are now no longer valid, causing unintended negative consequences with a 10% tax increase (if those cars were made in the UK). First, find ways to discuss and agree with the UK to solve transportation problems, build more highways with the countries that follow the UK to solve traffic, accelerate the reissuance of driver's and aircraft licenses to legalize BREXIT.

**4.3. National level solutions**

**4.3.1 Import and export activities of countries**

Major economies in the world are such as Germany, France, Spain and the United States. In which the US economy suffered a lot of losses from trade and investment with Britain. In 2015, the United Kingdom was the seventh largest trading partner of the United States, the amount of US goods exported to the United Kingdom reached US $ 56 billion and imports from Britain were US $ 58 billion. The largest export item of the United States was aircraft and aircraft engines, while the United States imported the most from cars and trucks. Brexit caused the pound to depreciate, simultaneously pushing up the USD, weakening the ability of US exports. Since then, the US government has policies to mitigate risks from Brexit, helping businesses find new partners in other developed countries. Cooperation to import equipment for cars and trucks are to replace the loss of British imports. For the Japanese economy, Brexit will have a negative impact on the country's investments in the UK when there are many Japanese businesses based in the UK and there are about 1,000 Japanese companies operating in the country. . Thereby, Japan has policies for workers and quickly overcome the risks caused by Brexit, causing the depreciation of the yen to affect financial and mandatory policy adjustments both at the national level and region.

On the foreign exchange market, the pound has depreciated sharply against other major currencies such as Euro, USD or Japanese Yen. At the same time, the Euro also depreciated slightly against the USD. The Pound has been continuously falling and establishing its lowest level in 31 years. By the end of June 30, the GBP had depreciated 11.6% compared to the time before the referendum. Meanwhile, EUR also dropped by 3% in value against USD. Concerned about the uncertain future of the UK and European economy in the coming time, investors were looking for other safe currencies and assets. The two currencies that are most interested in at the moment are the USD and JPY. The Japanese Yen, in a different direction, is considered the safest currency at the moment. Even, this currency is still in an upward trend compared to the value of the dollar. The value of the Japanese Yen increased by 3.0% and 4.4% respectively in the end of Q2 and Q3 against the USD on June 23. Countries are looking for ways to stabilize their currencies.

## 5. Conclusion and recommendation

### 5.1. Conclusion

As such, the UK leaving EU bloc poses a lot of economic risks to this union from economic position, common budget to employment issues, economic development speed, trade. free tomorrow. These issues cause great concern for Europe and to solve the consequences of BREXIT for the bloc, it takes a lot of time and effort.

### 5.2. Recommendation

Strengthening the economic position of the EU bloc

- Increasing the solidarity of the remaining members of the bloc, sharing and solving the difficulties faced by the BREXIT. Discuss and propose measures to minimize difficulties for the worst case scenario when BREXIT (also called hard BREXIT) could take place on October 31st. From there, it became a springboard to revive the economic position of the bloc and towards a powerful European economy without the UK.
- Support "life buoys" for affected businesses affected by BREXIT. The European Commission (EC) may consider providing assistance to up to two funds, the European Solidarity Fund (FSE) and the globalization of workers support fund (FEM), in the immediate future the EC needs to propose The Council of Europe revised the terms of these two funds. Raising a specific source of capital from these two funds to help businesses affected by BREXIT (excluding UK businesses) to help businesses somewhat overcome this shock to ensure stability. of the European economy as well as trying to maintain the growth rate of the economy.
- Make "reciprocal" claims with the UK. First of all, to ensure that Europe's common budget uses it to address current difficulties, it is possible to ask the UK to contribute to this shared budget in the years 2020 and 2021 until the EU is truly stable when not. yes UK offset UK will still be a member of some select EU programs or projects.
- Control the number of immigrants to the EU. The EU no longer has the UK, which means that its ability to accept migrants and solve job problems is no longer optimal, directly affecting the economy. Therefore, the EU must quickly tighten the flow of immigrants, minimize the unemployment rate which has a negative impact on the European economy, which has been in crisis for a long time.
- Accelerate the negotiation process to a joint agreement with Britain. Both the EU and UK can give each other a chance. For example, the UK leaves the EU, but the UK market will be a priority market by Europe, then the tariffs will be thinly applied to British businesses and British products, customs procedures. will be shortened time and some other priorities. In contrast, the UK will assist the EU in economic difficulties, employment and projects, budgets, and organizations within the UK's capabilities and with the permission of the British. Britain's departure from the EU was a big shock, but it could not collapse the EU, it only made the remaining 27 member states more united, the sharing of Austrian President Alexander Van der Bllen. The EU is bound to overcome the economic difficulties that BREXIT brings.

### 5.3. The general lesson of the world

Britain's departure from the EU has left a lot of lessons for countries around the world, in which Asia seems to be the continent most learned because in Asia, there exists an organization like the EU is a community of countries. Southeast Asia, referred to as ASEAN, is still far from being comparable with the EU, but drawing experience from the EU is extremely true. Some lessons can be mentioned as:

The first is to nurture the sense of community for the public, that is, to make sense of the community that always exists in the hearts and minds of the people, so that they love community cooperation and community sharing. Do not let negative emotions like the British people, they are always forced to become a member of the EU, to do common work and use common currency.

Secondly, integration and community building contribute to the prevention of wars and conflicts, before the EU was born in Europe, the continent also experienced countless bad struggles and the formation of The EU has helped to prevent the 3rd world war. This is important for the world in general and Asia in particular, because there are many hot spots in Asia today, like in the East Sea, Korea. Building and developing a common community in Asia has become more necessary.

Thirdly, building a common community must be based on independence, respect for sovereignty and mutual trust.

Fourth, always pay attention to the socio-economic conditions of the member countries in the community, without letting any member suffer from disadvantages or inequality.

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