**Will Brexit Change the EU's Foreign Policy?**

Ragnar Weilandt

The United Kingdom has played three fundamental and contradictory roles in the evolution of EU foreign policy. Britain has been a provider of significant capabilities, an occasional driver of policy and a regular obstacle to the construction of common institutions. Examining these three dimensions and relating them to on-going trajectories in continental Europe, this article argues that Brexit is unlikely to have a substantial impact on EU external action. Like-minded states that have previously been hiding behind the UK will become more vocal in their opposition to major integration steps. Key policies will largely remain unchanged as British and continental preferences have converged over time. Since British military capabilities were barely at the EU's disposal, their loss will not make a major difference either. Most importantly, the reputational damage the Brexit vote has caused seems to have been balanced by the unprecedented degree of unity that European leaders have shown since.

Ragnar Weilandt is a doctoral researcher at the University of Warwick and the Université libre de Bruxelles as well as an adjunct professor at Vesalius College Brussels.

With Britain set to leave, the European Union is about to lose one of only two member states with global strategic ambition, relevant armed forces, nuclear deterrent and a permanent seat in the United Nations Security Council. Brexit also deprives the EU of a driver of key foreign policies such as enlargement or trade liberalisation. At the same time, it rids the Union of a member that regularly obstructed attempts to create and strengthen common institutions or to speak with one voice on the global stage. This raises questions with regards to how the loss of these both fundamental and contradictory influences will affect EU foreign policy. Examining the UK's historical role in the evolution of EU foreign policy as well as relevant ongoing

trajectories in the European institutions and the remaining member states, this article sets out to make some careful predictions on the implications of Brexit.

To that end, it looks at four different levels: It examines both the UK's historical role in shaping the EU's institutional set-up, its policy preferences, its capabilities and the perception third states have towards it as well as Brexit's potential impact on them. It argues that Brexit will neither substantially harm the EU's role as a global actor nor entail a substantial leap towards a federalisation of EU external action. Most key foreign policies of the EU, including those ones previously driven by the UK, are unlikely to change. While Brexit provides a challenge in terms of capabilities, these challenges are likely to be overcome by a stronger commitment of the remaining member states. Finally, although the British decision to leave has negatively affected the EU's international standing, it also seems to have led to more unity among the remaining members which may reverse the reputational damage.

The article concludes that while a revolution in EU external action is unlikely, Brexit and other factors such as the Trump presidency and Russia's increasingly aggressive conduct facilitate steps towards a stronger common EU foreign and defence policy. Notably, they are likely to fast-track a range of relatively modest ideas and projects that have been in the pipeline for a while but were blocked by the UK's fundamental opposition to an EU role in policy areas it deems key to state sovereignty. While a genuine single foreign and defence policy may remain a distant Europhile dream, Brexit is set to enable a more pragmatic approach to supranational EU foreign policy and more substantial intergovernmental EU cooperation in defence and security.

**Britain and the development of EU foreign policy institutions**

Ever since the United Kingdom joined the European Economic Community (EEC) in 1973,

successive British governments have spearheaded efforts to limit European involvement in foreign and defence policy. At times, the UK showed varying degrees of openness to or even explicit support for increased coordination and cooperation in these areas. However, such openness and support were always constrained by its bipartisan position of keeping the EU's pillar structure intact, and to make sure that foreign and defence policy remained confined to the intergovernmental pillar. Moreover, Britain consistently rejected any proposals it deemed a threat to the primacy of the North Atlantic Treaty Organization (NATO) in the European security architecture or to its perceived special relationship with the United States.

To that end, the UK has regularly attempted to slow down the development of common institutions and countered efforts by other members states pushing for more integration in EU foreign affairs[1]. Following the conclusion of the Maastricht treaty, Prime Minister John Major emphasized in the House of Commons that extending the supranational institutions' role in the newly created Common Foreign and Security Policy (CFSP) 'was not acceptable to us' even though this was what 'many of our partners would have preferred'. He maintained that 'co-operation between national capitals is likely to produce the best result' and warned of the 'encroachment of the Community's institutions' into foreign policy[2]. In similar spirit, Prime Minister Tony Blair promised that his government would 'not agree to something that displaces the role of British foreign policy and our foreign minister'[3] in the negotiations for the Lisbon treaty. This line was reflected in two declarations that were annexed to the consolidated Treaty on the Functioning of the European Union (TFEU). Declaration 13 states that the upgraded CFSP would 'not affect the responsibilities of the Member States (…) for the formulation and conduct of their foreign policy nor of their national representation in third countries and international organisations', a statement that directly contradicts the member states' obligation to 'comply with the Union's action' in external affairs as specified in Article 24 TFEU.

In similar spirit, the Blair government was rather unenthusiastic about the establishment of the European External Action Service (EEAS) and the creation of a European foreign minister at its helm. Hence, it actively tried to curb the competences of the new institution and its leader. Notably, it tried to prevent the newly created position from chairing the regular meetings of EU foreign ministers and from having access to the resources of the previous Directorate-General for the External Relations[4]. While it failed in this regard, British opposition to the EU having a 'foreign minister' contributed to the new official's bulky and rather underwhelming title of 'High Representative of the Union for Foreign Affairs and Security Policy'.

Despite the europhile Liberal Democrats' inclusion in the coalition government, the UK's post-2010 position on EU external action changed from Blair's reserved intergovernmentalism to outright hostility to and obstruction of any EU role in foreign policy. In opposition, the Tories had been fundamentally opposed to the Lisbon treaty and the institutional upgrade of EU external action it provided for. In government, the party continued to emphasize that it valued the UK's bilateral relations over any form of common EU foreign policy. 'We cannot outsource parts of our foreign policy, for example to the European External Action Service as some have suggested,' foreign secretary William Hague declared in 2011. 'There is not and will never be any substitute for a strong British diplomatic service that advances the interests of the United Kingdom'[5].

The government's rhetoric translated into considerably harsher action. While previous British governments had unenthusiastically tolerated the EU's modest foreign policy competences, the Cameron government actively tried to clamp down on them. Following the Arab uprisings, Hague opposed budget increases for the EEAS, emphasizing that the European Commission's economic and trade portfolios should be used as a tool to support the southern neighbourhood instead.[6]  In May 2011, he sent a diplomatic cable to all British

overseas missions warning them to look out for what he called the EEAS' 'competence creep'[7]. On that basis, British diplomats started to block EEAS officials from speaking at international organisations and from making statements on behalf of the EU. For example, when EU ambassadors agreed on a common statement at the World Health Organization in Geneva, it was vetoed by the UK representative who argued that this was a matter of health policy rather than foreign policy, and therefore not an EU competence. In a 2011 Spiegel article, Pierre Vimont, then Secretary General of the European External Action Service, complained that London had blocked a total of 96 EU statements[8]. The UK's 'legal guerrilla campaign'[9] even challenged the EU Commission's exclusive authority over trade negotiations and the European Parliament's role in ratifying agreements, even though the Commission's liberal approach to trade largely reflected British preferences.

The British position on the EU's defence and security policy went through a similar development. The Balkan wars in the 1990s and Europe's failure to react appropriately led European leaders to reconsider their reluctance towards military cooperation. Although Britain remained hesitant in the 1997 Amsterdam negotiations[10], it had warmed to the idea by the time of the Franco-British St. Malo summit in December 1998. This meeting was concluded with a declaration which stated that 'the Union must have the capacity for autonomous action, backed up by credible military forces, the means to decide to use them, and a readiness to do so, in order to respond to international crises.'[11] To the surprise of both domestic and continental observers, the UK moved on to play a fundamental role in establishing a more substantial and credible European Security and Defence Policy (ESDP). Notably, British engagement contributed to the creation of the European Defence Agency (EDA) which aims at strengthening the European technological and industrial base in the field of armament. Its first chief executive was Nick Witney, a British civil servant who had previously worked for the Foreign and Commonwealth Office as well as the Ministry of

Defence. The UK was also instrumental in creating the EU battlegroups, a military instrument for rapid responses.

However, while becoming more proactive, Britain did not deviate from the orthodoxy of intergovernmentalism and the primacy of NATO in European defence. As Defence Secretary Geoff Hoon said in parliament in 2004, 'any decision to commit the United Kingdom forces to an EU Battlegroup operational deployment would be taken by the Government on a case-by-case basis'[12]. Meanwhile the EDA was set up as an intergovernmental agency. And as John Sawers, Director General for Political Affairs at the Foreign and Commonwealth Office, put it to a House of Lords' Select Committee, 'the European Union is, at the very best, second fiddle to NATO'[13]. On top of that, the Labour government's enthusiasm for European defence cooperation quickly faded away after Blair decided to join President George W. Bush's war in Iraq, which brought him into conflict with France and Germany. Without the Franco–British engine pushing for further military cooperation, the EU's Common Security and Defence Policy (CSDP)–as the ESDP had been renamed in the Lisbon Treaty–slowly lost traction. The EU battlegroups reached full operational capability on 1 January 2007 but have yet to be deployed. Most CSDP missions– and all those initiated within the past decade–have been rather minor in scope and complexity.

With the Labour government being replaced by the Tory–Liberal collation in 2010, the British lack of interest in CFSP turned into active obstruction of modest proposals to enhance defence cooperation. When High Representative Catherine Ashton proposed a European military headquarters in 2011, it was vetoed by the UK, with foreign secretary William Hague emphasizing that 'we will not agree to it now, we will not agree to it in the future. That is a red line for us.'[14] The UK also resisted proposals to further develop the EDA's role or budget[15] and rejected a French proposal to create a common defence fund. More generally, senior Tories regularly raised the spectre of an EU army, a theme picked up

by right-wing tabloids who used it prominently and extensively in their efforts to promote Brexit.

In 2010, the UK revived its defence relationship with France in the Lancaster House treaties. This new partnership aimed at increasing and deepening military cooperation in a range of areas, including sharing and pooling of equipment, the creation of joint facilities as well as mutual access to defence markets and joint industrial cooperation. Although the Lisbon treaty's Permanent Structured Cooperation (PESCO) provisions would have provided a framework for such efforts, the treaties were explicitly bilateral and not at all linked to the EU. Notably, despite the treaties' focus on equipment, the EDA was not included. Moreover, major European-led operations such as the French–British led 2011 intervention in Libya or the French-led 2014 intervention in Mali were not conducted under the CFSP, even though these scenarios were precisely what the framework had been created for in the first place.

In light of the fundamental and too some extent bipartisan British opposition against substantial institution-building in EU external action, Brexit would thus remove a key obstacle to further integration. At the same time, Russian aggression and American unreliability in the aftermath of the election of President Donald Trump seem to have increased the desire among political elites as well as electorates across continental Europe for the EU to take on a bigger role in security and defence. Notably, support for the long-term objective of creating a European army has been expressed by several states and politicians. Most prominently both French President Emmanuel Macron and German Chancellor Angela Merkel have recently called for 'a real, true European army'[16]. Such calls have been echoed even by some national leaders that are usually opposed to transferring power to Brussels, including Hungarian Prime Minister Victor Orban[17], former Czech Prime Minister Bohuslav Sobotka[18] or Austrian vice-chancellor and leader of the far right 'Freedom Party' Heinz-Christian Strache[19].

However, at the same time British scepticism towards transferring foreign and defence policy competences to the European level is shared by a range of member states. Some of them have at times been hiding behind the UK but may express their opposition more vocally after Brexit. Moreover, recent German and French statements on defence integration should not be blown out of proportion. Former German Chancellor Helmut Kohl suggested an EU army as early as 1988[20] and Merkel's recent call echoed what she had already said in a speech in 2007[21]. Support for a European army is bipartisan in Germany, but it has never led to meaningful initiatives.

Meanwhile, France has traditionally jealously guarded its national sovereignty in foreign and military affairs. Notably, the ambitious European Defence Community (EDC)–which had been proposed and conceived by French politicians and officials between 1950 and 1952 and would have created a common European army–was ultimately rejected by the French national assembly. The intergovernmental nature of later efforts from the European Political Cooperation (EPC) to CFSP was driven by France almost to the same extent to which it was driven by the UK. Despite his push for more European integration, President Macron's proposal of a European Intervention Initiative (E2I) outside of EU structures and including the UK indicates that French preferences for intergovernmentalism in defence and security persist.

The potential for substantial progress on EU foreign policy is further constrained by the interlinked challenges the EU is still facing and that require immediate attention as well as considerable political capital. EU member states are yet to find a sustainable solution to the eurozone sovereign dept crisis and to create further instruments to prevent its repetition. They still have to come up with a response to the European economic crisis and its impact on southern Europe. They also need to find a sustainable solution to the refugee and migrant crisis. On top of that, they have to deal with populist, nationalist and Eurosceptic political

forces who managed to exploit these crises and threaten the very foundations of the European Union. All this will require major administrative and financial resources, major political capital to be invested on consensus-building as well as a certain degree of goodwill from EU citizens across the continent. How much resources, political capital and goodwill will be left to substantially advance EU external action remains to be seen.

Having said that, Brexit and other global developments do provide an opportunity for a more realistic and pragmatic approach to EU foreign and defence policy. Particularly under the post-2010 Tory government, the British position was driven by the Eurosceptic fundamentalism of right-wing tabloids and Tory backbenchers. British obstructionism served to please these constituencies by making the point that the EU should not do foreign policy in principle, but it prevented even minor steps of practical value. Other member states sharing the UK's preference for intergovernmentalism were driven considerably less by ideology and more by practical concerns. The perspective of Brexit has already sped up developments that had been in the pipeline but were delayed or blocked by the UK. Two major steps came in June 2017, about a year after the Leave vote. The first one was the decision to create a €13 billion European Defence Fund (EDF) aimed at member states' militaries and defence industries which will co-finance collaborative military research projects that involve entities from at least three EU member states. Despite British opposition to a similar fund proposed by France four years earlier, the UK government even expressed the wish to participate in the EDF[22]. A second move was the decision to establish the Military Planning and Conduct Capabilities (MPCC), a rather modest operational headquarters with limited staff that will–for the time being–only be responsible for EU training missions in Africa. The British government stated it would 'not stand in the way' of such a move but objected to the term 'operational headquarters' in the entity's official name and contributed to its size and scope remaining limited[23]. The third and most substantial step came in December 2017, when 25

member states decided to make use of a provision from the Lisbon treaty that allows for groups of member states able and willing to further integrate their defences to create a Permanent Structured Cooperation (PESCO). So far, PESCO involves 34 projects geared towards jointly developing greater military capabilities, with each member state participating in at least one of them. While the UK could not have prevented other states from using PESCO before, it is fair to say that prior to the Leave vote this would not have happened without the UK government's support, let alone against its will.

Even though these three steps remain modest in scope, they do represent an important step forward compared to the previous decade of relative deadlock. As Elmar Brok, the former chairman of the European Parliament's Foreign Affairs Committee put it, 'after the Brexit referendum we achieved more in twelve months than in the twelve years before'.[24]

**Britain and the EU's foreign policy preferences**

While some changes to the EU's institutional set-up may be expected as a result of Brexit, no major leaps towards supranational EU foreign policy are likely to occur in the short to medium term. But how will Brexit affect the EU's foreign policy preferences in the context of the current institutional set-up? The following section takes a by no means exhaustive look at key areas of EU external action and examines the UK's role in shaping them. Employing a comprehensive definition of foreign policy, it discusses British influence on the EU's preferences in enlargement, trade, development and defence. On that basis, it provides some careful considerations on whether and how the future lack of further British inputs may affect them.

*Enlargement*

The structured process of EU enlargement that emerged in the 1990s has widely been

described as one of the EU's strongest sources of influence beyond its own borders. Accession candidates' desire to join the bloc enables the European Commission to exert influence on their domestic affairs. Notably, it managed to impose democratic, administrative and economic reforms on the central and eastern European countries that became member states in 2004 and 2007.

For a long time, the UK was one of the key proponents of EU enlargement. In a 1993 essay in The Economist, Prime Minister John Major called it a 'duty towards the new democracies of Central and Eastern Europe' and crucial to 'our own long-term prosperity and stability'[25]. An article in the Times of London co-authored by his foreign secretary Douglas Hurd and German foreign minister Klaus Kinkel pointed to the economic benefits: 'The fastest-growing stock market in the world last year was not in Shanghai or Canton: it was in Warsaw.'[26] Both Labour and Tory governments also regularly expressed strong support for Turkish accession to the EU, a far more divisive issue within continental European EU member states.

British enthusiasm for EU enlargement can be partly explained by the UK's hope for political stability in central and eastern Europe and an expansion of the single market. However, further accessions were also seen as a way to safeguard the British ideal of European integration. As quipped by the fictional civil servant Sir Humphrey Appleby in the 1970s sitcom 'Yes Minister': 'The more members [the EEC] has, the more arguments it can stir up. The more futile and impotent it becomes.'[27] Particularly on the political right many hoped that an increased number of member states with veto powers on treaty revisions would hinder, if not prevent an 'ever closer Union'.[28]

British attitudes towards further enlargements slowly started to change following the Blair government's decision to immediately open the domestic labour market to job seekers from new member states. As most old member states made use of a transitional arrangement

that allowed for temporarily restricting access to their labour markets, Britain experienced substantial migration inflows from eastern Europe in general and Poland in particular. Hence, migration became an increasingly contentious issue in British domestic politics and was instrumentalised by the Eurosceptic right. As a result, the UK moved from being a major proponent of EU enlargement–and thus the increase of the amount of people eligible to seek jobs in the UK at some point–towards opposing it in the early 2010s.

In doing so, its position on enlargement converged with the European mainstream that had already been more hesitant on further increases in the EU's membership, although partly for different reasons. With the number of member states having almost doubled after the 2004 enlargement, many started to call for a period of political and economic consolidation within the EU. This sentiment got further traction when Europe was hit by multiple crises in the 2010s, prompting EU Commission President Jean Claude Juncker to exclude the possibility of further enlargements during his tenure. Hence, the lack of a British voice in the debate on enlargement is unlikely to have a major impact. More importantly, however, enlargement has lost some of its power as a foreign policy tool because current candidate countries are much less open towards EU interference in their domestic affairs due to the lack of a realistic short to medium-term accession perspective.

***Trade***

A second major source of EU influence on the global stage is the bloc's size and affluence, which makes access to its market highly desirable for third countries. The EU's power to grant or withhold access gives it the leverage to get more favourable trade agreements than its members would be able to negotiate individually and may also translate into direct political influence on trade partners as well as on global economic governance more generally. Very much like the principles guiding the creation of the single market, the principles guiding the

EU's trade policy are in line with and have been shaped by British liberal economic thinking. Former Prime Minister Margaret Thatcher demanded in her 1988 Bruges speech that

> Europe should not be protectionist. The expansion of the world economy requires us to continue the process of removing barriers to trade (..). We must ensure that our approach to world trade is consistent with the liberalisation we preach at home.[29]

Britain has been advocating the negotiation and conclusion of ambitious liberal free trade agreements as well as unilateral liberalisation ever since. Notably, it has pushed for the Transatlantic Trade and Investment Partnership (TTIP) and played a central role in helping to find common ground with the United States on regulatory questions before the negotiations were put on hold. In doing so, it has been part of a group of free traders in northern Europe that are balanced by more protectionist member states in the South. Brexit might change this dynamic in that it removes one of the biggest and most committed free-traders at a time in which the impact of liberal trade policy on employment and consumer protection has become more controversial within member states across the Union. Although the liberal approach to trade has largely become part of the European Commission's DNA over the past two decades[30], losing the British voice may therefore change the political balance in favour of the protectionists.

However, while it is easier to organise majorities having a large country like Britain on board, decision-making procedures on trade usually do not hinge on individual member states. Mandates for trade negotiations are decided by consensus in the Council of the EU and mixed trade agreements such as the EU–Canada Comprehensive Economic and Trade Agreement (CETA) require ratification by all member states, at times through parliamentary consent. Hence, these mandates tend to be compromises between more liberal and more protectionist member states anyway. Meanwhile, some protectionist measures such as anti-

dumping and countervailing duties only require a simple majority. The biggest change to the status quo may be expected in policy areas that require a qualified majority, which applies to unilateral trade liberalisation on behalf of the EU or to the recent efforts to introduce a screening mechanism for foreign direct investments. However, as this latter initiative was pushed for by Germany, France and Italy, it seems unlikely that British opposition would have prevented the corresponding regulation from being adopted. More generally, it seems that the changing attitude towards free trade among citizens across member states will have a more profound impact on the future of EU trade policy than Brexit.

*Development assistance*

The European Commission is one of the biggest individual donors and the EU provides more than half of global development assistance if its member states' aid budgets are included. This constitutes a further source of actual or potential influence as EU development assistance often comes with conditions attached. Such aid conditionality can be used to incentivise third states to implement political reforms that are in line with the EU's norms and values such as democracy, rule of law or market liberalisation. However, the EU can also use aid to make third states act in line with its more direct interests. A recent example are its efforts to link aid to recipient countries' willingness to engage in migration management or to cooperate on the deportation of irregular migrants, even though such links may not always be officially acknowledged.

In recent decades, the UK has had a highly ambitious development agenda. This is reflected by its role as the third biggest bilateral donor after the US and Germany, and as one of only four EU member states meeting the target of spending 0.7 per cent of its gross national income on aid (in 2017)[31], a commitment that was enshrined in British law in 2015. Britain is also the third biggest contributor to the European Development Fund (EDF)[32], the

EU's main instrument for providing development assistance. These commitments have enabled Britain to directly influence the EU's development agenda. Moreover, with large parts of EU development funding being channelled through Non-Governmental Organisations (NGOs) that are based in or originated from the UK, British influence also occurs in more indirect ways.

As major financial contributor and former colonial power with a global outlook, Britain has played an important role in shaping EU development policy ever since it joined the EEC. At its inception, European policy towards developing countries was largely driven by France–both with regard to its geographical priorities as well as the methods used. The Directorate General in charge was initially dominated by former French colonial officials and aid distribution was guided by France's interests and often implemented in rather opaque ways. British accession strengthened the camp of those pushing for an extension of the geographical scope beyond France's sphere of interest, a needs-based distribution of aid as well as more rational, transparent and efficient methods. Moreover, the UK started to advocate for a stronger link between the distribution of aid and the compliance with human rights norms[33].

This rather progressive approach to development aid persists. As part of the 'Nordic Plus' group of like-minded donors, Britain has been pushing for a rights-based development policy and a managerial approach geared towards effective use of the assistance provided. This agenda may be partly explained by the political entrepreneurship of individual UK politicians. However, its deeper roots lie in a public that is comparably attentive to and concerned about human rights causes. As a result, some of the most influential NGOs such as Amnesty International or Oxfam originated and continue to have their headquarters in Britain, which further influences domestic debates in favour of an ambitious, rights-based aid policy.

Losing the British voice is unlikely to entail major changes with regards to development assistance. However, while rights- and needs-based approaches to aid have become second nature to the European institutions, they may be challenged by member states with a more interest-based approach towards aid or those with less progressive views regarding gender equality, minority protection or reproductive health. Most importantly, however, we might see geographical shifts away from countries with historical ties to the UK towards regions in which the EU has more direct interests, notably its neighbourhood and sub-Saharan Africa. Such tendencies are already reflected in the 2016 EU Global Strategy[34] or the 2017 'New European consensus on development'[35]. Moreover, central and eastern European member states are increasingly advocating for more aid to be directed towards the EU's eastern neighbourhood, whereas southern European member states push for a stronger focus on the southern Mediterranean. Generally, there is an increasing desire to focus aid on fighting the root causes of the migration flows that Europe has been experiencing in recent years as well as to use aid to incentivise recipient states to cooperate in migration management. However, based on recent debates on development assistance within the UK, the British position within the EU might very well have moved in a similar direction.

*Defence*

Despite the UK's fluctuating position on how much of an EU role it wanted in European defence, Britain played a decisive role in shaping two debates on European strategic culture. Along with France, Britain is relatively open towards the deployment of robust military force. Both countries also conceive of themselves as global actors with a responsibility for global security and are willing to act unilaterally if they deem it necessary. This contrasts with Germany, where military activism is not only constrained by a general reluctance towards any use of force within both the political elites and the general public, let alone deployments in

distant theatres or outside of multilateral coalitions sanctioned by the UN Security Council. It is also constrained by the German basic law, which makes deployments for reasons other than self-defence rather difficult and entirely prohibits unilateral action. Despite the fact that even Germany's modest contributions to collective missions over the past two decades stood on rather shaky legal ground, there is very limited appetite to change the constitutional provisions regulating Germany's armed forces. In that light, German support for EU defence may be mainly understood as a symbolic step of major political integration whereas France wants to create stronger common defence structures for the sake of using them. Hence, it is not surprising that President Macron invited Britain to join his proposed European Intervention Initiative and that he suggests keeping it separate from the EU.

The second debate revolves around member states' geopolitical orientations, with Britain being one of the foremost advocates of a strong European commitment to NATO and an opponent of anything that might undermine the alliance's primacy in the European security architecture. The UK's Atlanticism manifested itself both through its preferences regarding the above-mentioned institution-building and the capability building discussed in more detail below. Moreover, it translated into advocacy for European support of US military deployments–both politically as well as through actual military contributions.

The UK-led Atlanticists compete with a Europeanist camp that calls for more European strategic autonomy. While Brexit will weaken the Atlanticist camp, there is little reason to believe that the remaining member states will try to replace NATO as the main pillar of European defence and security. This is partly due to the EU and its members being nowhere near having the capacity to go alone. More importantly, however, there is no political will to replace NATO with a similarly ambitious European framework. Notably several central and eastern European states seem as reluctant as Britain to create anything that may undermine the centrality of NATO in European defence. Even France, as the foremost

Europeanist member state, is committed to NATO, whose joint command structure it only recently re-joined. And while the current French government is pushing for a stronger European defence, it does so both within and outside EU structures.

However, while Atlanticism is here to stay, President Trump's conduct may influence what Atlanticism means to the remaining EU member states. With the strongest opponent of such developments leaving, the EU may gradually move towards more strategic autonomy. This would primarily involve the development of a stronger common European pillar within the transatlantic alliance as well as European capabilities that complement NATO's core competencies, for example in peace-keeping or cyber defence. However, it could also involve EU member states gradually overcoming their current dependence on American political and material support, which gives America de-facto veto on EU military action. While none of this poses a challenge to NATO, it might reduce the United States' ability to sit at the table when EU decisions in defence and security are made.

**Britain and the EU's foreign policy capabilities**

Having discussed the UK's role in shaping the EU's institutions and policies, the article now moves towards a more indirect British influence on EU external action. Britain might not have been overly keen on contributing to the EU's capacity as an actor on the global stage, but it certainly did. Its political and military power gave the EU clout in the international sphere, its financial contribution to the budget helped to pay for EU external action, its staff was a valuable asset in EU foreign policy making and its domestic market increased the EU's overall market power. The following section discusses these capabilities and capacities in more detail and discusses how Brexit may affect them.

*Budget*

Brexit involves the EU losing one of its biggest net payers. How this will affect the European Union's overall budget for foreign policy will depend on whether and to what extent the remaining members are willing and able to step up their contributions as well as how future budgets are going to be structured. Despite Brexit, the European Commission's proposal for the next Multiannual Financial Framework (MFF) suggests that the EU's budget will remain constant and include a big increase in funding allocated to foreign, security and defence policy[36]. While it remains to be seen what the Council of the EU will make of the Commission's proposal, the absence of Britain in the budget talks may be conducive to securing a larger tranche for external action.

However, Brexit might have a more substantial effect on the European Development Fund (EDF), which is directly funded by member states and managed outside of the MFF. With Britain being its third biggest contributor, Brexit will lead to a funding gap of at least 15 per cent in the EDF's budget.[37] In a 'future partnership paper' published in September 2017, the British government indicated that 'continued close working with European partners will form an important part of the UK's future international development strategy' but also qualified that ´such close collaboration would be on a case-by-case basis'[38]. Whether and how the UK will be able to participate in EU programmes remains to be seen. So far, non-EU members are not party to the EDF. However, in light of the UK's big contribution, the remaining EU members have a strong incentive to facilitate its continued inclusion in the EDF. However, this would become more difficult if the EDF is integrated into the regular EU budget, as proposed by the European Commission.

*Military capabilities and power projection*

Britain is one of only two EU member states with relevant and combat-proven armed forces.

It is the only EU member state that has been involved in high intensity warfare in Iraq and Afghanistan. It is one of only two EU member states with a nuclear deterrent and one of only four that fulfils NATO's target of spending a minimum of two per cent of GDP on defence. Moreover, the UK possesses a range of military assets that the remaining EU member states lack, such as tactical airlift or intelligence, surveillance and reconnaissance capabilities[39]. Hence, Brexit will reduce both qualitatively and quantitatively the military capabilities at the EU's disposal as well as the EU's general ability to project power.

However, although the UK had been crucial in creating the EU's limited role in defence and security, British involvement has been rather limited over the past decade. Despite its military capabilities, the UK's contribution of troops to the EU's Common Security and Defence Policy (CSDP) are modest, ranking only fifth when it comes to military operations and seventh for civilian missions.[40] While Britain had more than 13,000 military personal deployed overseas in 2017, less than 100 of them served in EU operations[41]. The Ministry of Defence's Permanent Joint Headquarters in Northwood serves as operational headquarters for the Atalanta naval mission fighting piracy in the Gulf of Aden, but the UK is not contributing any vessels. Britain did devote more substantial capabilities to some 'European missions', but this happened outside of the EU's structures, for example in the context of the 2011 Franco-British-led military intervention in Libya. Hence, although Brexit drastically reduces the EU's military potential, its effects on the EU's existing operations will remain limited. As a senior EU official summed it up:

> While they have been very active in policy shaping, while they have been very active in sharing intelligence and in offering headquarter services for various missions we have abroad, they are hardly present in those missions themselves. Three per cent of staff in those field missions are British. Three. That's all. They could walk away tomorrow, and you wouldn't note much of a difference.'

Brexit may indeed have an operational impact when it comes to the headquartering side or intelligence sharing. However, it should be noted that the British government has regularly emphasized that it wishes to maintain a close and cooperative relationship with the EU when it comes to security and defence, and that it seeks the creation of structures to allow for corresponding contributions.

### *Market power*

The power the EU can exert through trade depends on the size of its market as well as its international trade volume. With Britain having accounted for 16 per cent of the EU's GDP (2016)[42] and 14,8 per cent of the EU's imports (2017)[43], Brexit will make the EU less attractive to its trade partners and thus reduce its bargaining power in trade talks. At the time of writing, it remains unclear whether Brexit will involve Britain leaving the Customs Union. However, even without the UK, the EU remains a large trade bloc. Moreover, the Trump administration's increasingly protectionist approach to international trade may even increase the EU's attractiveness as a trade partner. The EU's on-going trade talks do not indicate that the Leave vote has undermined its market power.

### *Diplomatic and administrative capabilities*

Finally, the UK has mayor diplomatic and administrative capabilities that could be put at the EU's disposal in various ways. Britain was one of only two EU member states with a permanent seat at the United Nations' Security Council. It was one of the member states with the biggest network of embassies in third states. It also has a highly competent civil service that regularly provided the European Commission with valuable foreign-policy related inputs, for example when it came to gathering evidence to make the legal case for sanctions against Russia in the aftermath of the invasion of Crimea[44]. Finally, both seconded and permanent

British officials in the EEAS and the Commission have been valued for their skills and training. Some of them were key drivers of EU foreign policy, such as Robert Cooper who drafted the first European Security Strategy or Nick Whitney who became the first leader of the European Defence Agency. More generally, British officials have the advantage of being native speakers of the predominant language of international diplomacy.

Whether losing British diplomatic and administrative capabilities will be detrimental to EU external action depends both on administrative decisions on the EU side as well as on the post-Brexit UK–EU arrangement. While the UK's seconded experts will be withdrawn from EU institutions, British officials currently employed by the European institutions are expected be able to stay, although their careers may be on hold until they obtain the nationality of another EU member state. Whether the UK made its national capabilities available for European external action in the past largely depended on its goodwill or whether it deemed doing so in its interest. Brexit might make future cooperation more difficult, but Britain and the EU are likely to remain aligned on major global questions and thus to continue cooperating on them.

**External perceptions of the EU**

A wide body of research[45] has argued that the EU's potential to exert influence on the global stage is not only affected by its institutional set-up, its policies and its capabilities but also by the way it is perceived by third states. The EU's credibility on the international stage had already suffered as a result of the southern European sovereign debt and Mediterranean migration crises as well as its inadequate reaction to either of them. Brexit has been a further blow, raising 'significant questions about the future of European integration' as former US President Barack Obama wrote on the eve of his last NATO summit.[46]

This is partly due to the fact that the EU loses a key member state with major strategic, economic and diplomatic capabilities. With one of only two members who have a global strategy, nuclear weapons, capable military forces and a permanent seat of the UN Security Council leaving, the EU is set to lose clout on the global stage. Moreover, the Leave vote has painted the picture of a fractioned and disunited Europe. Whether this perception persists depends on the remaining member states' political unity on the political challenges they are facing. This includes Brexit and perceptions of the EU as an actor in international affairs will also be affected by the way the negotiations with the UK are conducted. Notably, cohesion and coherence among member states in the course of the negotiations will affect whether or not the EU is seen as a united and powerful foreign policy actor. And at least so far, it has surprised observers from Britain, continental Europe and the rest of the world with the extent to which it kept a united front.

However, the EU's credibility is also undermined by the fact that it loses a member at all. The fact that the Union is not sufficiently attractive for one of its very own members could reduce its ability to promote its model of integration as well as its norms and values towards third states. This potentially further undermines the power of its enlargement policy, which is based on candidate countries finding membership so desirable that they are willing to comply with EU dictates on domestic reforms. It also undermines the EU's ability to promote its model of integration as well as its norms and values towards third states and regional organisations.

Having said that, the initial fears of Brexit paralysing the EU or even triggering its disintegration have proven to be baseless. Support for EU membership has risen in all member states since the Leave vote. In the EU and beyond, Brexit is widely seen as an irrational decision that strongly undermines the UK's interests. Rather than a challenge to the EU, it is increasingly perceived as a very British problem. In contrast, the EU has been

looking more united and decisive than before the Leave vote. Along with the election of Trump as well as Russian President Vladimir Putin's aggressive foreign policy, Brexit rather seems to have galvanized continental Europe's political elites to tackle the Union's challenges and engage for substantial reform. Should the EU manage to resolve its multiple crises as a result, it might be able to restore and even further improve its reputation as an attractive club that is worth joining or emulating.

**Conclusions**

The United Kingdom has played three contradictory roles in the evolution of EU external action. First, Britain has always been a provider of significant foreign policy capabilities through its military and diplomatic assets. Second, it has been an occasional driver of EU foreign policy, most notably in the aftermath of the 1998 Franco-British St. Malo declaration or when promoting EU enlargement in the 1990s and 2000s. Third, it has obstructed various attempts to build common institutions aimed at enabling the EU to speak with one voice and to act coherently in international affairs. Assessing the British role within the EU along these three dimensions and relating them to political trajectories in the EU, the article argues that Brexit might end up not having a strong impact on the short to medium term development of EU foreign policy. While Brexit removes a key obstacle to further and more substantial common EU external action, the view that foreign policy should remain the prerogative of member states is by no means limited to London. As one senior EU official put it, 'the UK has been an awkward member, but almost every member is awkward in some ways.'[47] Along with the currently rather Eurosceptic climate in parts of continental Europe and the EU's various crises that are tying up substantial administrative and financial resources, and that are consuming a lot of political capital, this lets major leaps towards a more integrated EU foreign policy appear unlikely in the short term. Having said that, Brexit might lead to a more

pragmatic approach on how EU foreign policy is done as modest steps towards further cooperation and integration may face less fundamentalist opposition.

Meanwhile, the substance of key EU foreign policies is unlikely to change too much. The British exit will slightly change the balance between free-traders and protectionists towards the latter and the EU loses an advocate of an ambitious and progressive rights-oriented development policy. However, by and large, British and continental European preferences on trade, development and enlargement have increasingly converged over time and changes to current policy are more likely to be driven by other factors. There is also no reason to believe that NATO will be challenged as the bedrock of European defence in the short to medium term, even though a stronger European pillar might emerge within the transatlantic alliance. However, in light of the fundamental differences between French and German strategic culture, such a pillar might also be created outside of EU structures and include the UK.

The EU's capabilities might be affected if Brexit was followed by a significantly reduced budget. At the time of writing, however, the European Commission's proposed budget for 'global Europe' in the next multiannual financial framework suggests a substantial increase for EU external action. A bigger gap might occur in the European Development Fund. Moreover, the EU will lose the UK's quite relevant military and diplomatic capabilities, but it is worth noting that these were not always at its disposal even with Britain as a member. Although Brexit will reduce the overall size and thus the appeal of the EU's market, the EU will remain the largest trading bloc in the world and thus continue to have major leverage in trade negotiations.

The strongest impact might be expected with regard to the EU's external perception. The EU's international credibility has already suffered as a result of its inadequate reaction to the eurozone sovereign debt crisis and the refugee situation in the Mediterranean. An entity

that cannot handle its finances, lets refugees drown and starts losing members will struggle to convince others of its political system's ethical and practical superiority. Brexit thus contributes to undermining the EU's soft power. Having said that, losing Britain enables the EU to act more coherently in international affairs, which might contribute to the perception of a stronger and more united Union in the medium term. Much also depends on how the EU will handle Brexit and how it will respond to its various crises. And at least for the time being, the EU seems to be doing much better than has been universally expected.

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