

Finabel



Brexit: Its implications on European Union's Defense Policy

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FINABEL

European Army Interoperability Center

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INTRODUCTION

On Thursday 23rd of June 2016, through an historic referendum, British people voted for their exit, or Brexit, from the European Union (EU). The “leave” vote won by 52% to 48%¹. The referendum turnout was 71.8%, with more than 30 million people voting². Mrs Theresa May (current Prime Minister of the United Kingdom) has confirmed that Britain is leaving the single market to regain control over immigration and end the supremacy of EU laws³.

Participation and support of members are necessary for the legitimacy of institutions. Withdrawals of members represents a challenge to its legitimacy. Britain’s decision to leave the EU is a manifestation of a broader crisis affecting global multilateral institutions⁴. For some authors, the 20th century was the age of integration and the 21st century looks increasingly as an age of drifting apart.

This study, which does not reflect national positions about the subject matter, will provide information on potential scenarios that could occur as a consequence of this political change called “Brexit”. It will analyse the impacts on the European defense, on NATO and on the UK itself in terms of defense. It is difficult to confirm, at this stage, the definitive impact that the UK’s withdrawal from the EU will have on the UE itself. But it’s still possible to think potential and likely scenarios in different areas.

¹ HUNT Alex, WHEELER Brian, “Brexit: All you need to know about UK leaving the EU”, BBC News, March 2017

² Idem

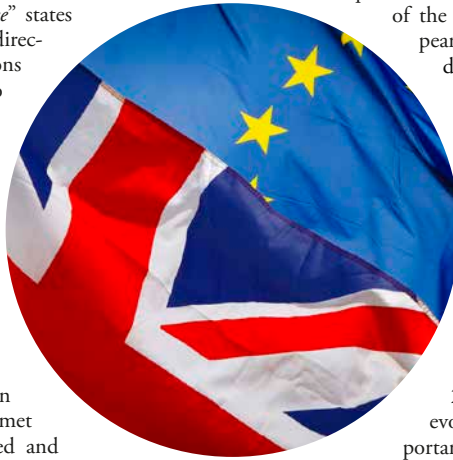
³ FOSTER Alice, “What is Brexit and what is going to happen now that Britain has voted to LEAVE the EU?”, EXPRESS, February 2017

⁴ EILSTRUP-SANGIOVANNI Mette, “The Global Crisis of Multilateralism”, E-International Relations, December 2016

HISTORICAL OVERVIEW

Historically, the whole 19th century, Britain stood as the world's preeminent power. By 1860, Britain represented 53% of the world's iron production and 50% of the world's coal production, it alone accounted for 20% of the world's total commerce⁵. During the second half of the 20th century, new global actors emerged. Europe continued to integrate, eventually creating a political, economic, and military framework that has returned a collective Europe to the forefront of global power⁶. It has allowed for the United Kingdom to share a portion of the burden and the costs of international military operations with its "European colleagues", to remain as one of the EU's so-called "Big Three" states that largely dominate the direction of EU military operations and foreign policy and to maintain its international military influence⁷.

We have to remember that London contributed to the creation of NATO in the 40's and it is one of the main contributors to the European Common Security and Defense Policy (CSDP). It started by the Saint-Malo Declaration in 1998 where Jacques Chirac met Tony Blair and they decided and allowed, for the EU, to create a European independent military capacities⁸. The UK was a contributor in setting up the CSDP. British contribution to the EU operations was significant during early EU military deployment but it gradually decreased and prevent the CSDP to evolve to its full potential. It was primarily due to the UK's fear of duplication of NATO, to the fact that several nations has been unwilling to use force to secure EU interests and finally because many member states have been unable to finance the military capabilities⁹. So the CSDP



has been more focused on threats such as terrorism, organized crime, spillover effects from political instability and the humanitarian consequences of regional conflicts¹⁰. Its operations are often not strategic but humanitarian and the CSDP is still developing and we have missions all around the world which includes UK's participation.

There is a paradox in the European defense cooperation, the UK was an important contributor but it was also the main obstruction through British negative behaviour towards a creation of European-based headquarters in Brussels or through a blockage of the budget to develop the European Defense Agency. London defends the CSDP but with the intention of confining it to security sector reforms and to the softest post-conflict missions¹¹. A Brexit can remove the obstacles that prevents the EU to develop its own defense area¹².

During the Cold War, Europeans relied mainly on NATO in terms of strategy for collective defense. Since 2003, geopolitical context evolved and we notice an importance of EU's strategy making capabilities. EU's civilian and economic powers should not be underestimated. Even Germany, which follows a culture of restraint, is a leading actor on the international scale¹³. In the case of France, it is, with the UK, the only European Union's countries that possess the largest range of military means. Without a British support, France is unable to inspire European security discourse with *realpolitik*¹⁴.

To conclude, there is a problematic element that cannot be neglected: Brexit is the first experience related

⁵ HELTZ Jesse, "Britain's Military Legacy and the impact of Brexit upon British Defense Policy", International Policy Digest, June 2016

⁶ Idem

⁷ Idem

⁸ FALEG Giovanni, "The implication of Brexit for the EU's Common Security and Defense Policy", CEPS, July 2016

⁹ ROMANOV Ugis, ROGERS James, "Brexit: military implications for the Baltic States" ACADEMIA

¹⁰ Idem

¹¹ Idem

¹² DUMOULIN André, "Brexit and European defense", Centre of Security and Defense Studies, June 2016

¹³ OLIVER Tim, "A European Union without the United Kingdom: the Geopolitics of a British Exit from the EU", LSE IDEAS, February 2016

¹⁴ VAN HAM Peter, "Brexit: strategic consequences for Europe", Clingendael, February 2016



to a withdrawal that EU have. It was never been done before, EU integration is a process which goes forward and not backward. We already had two overseas territories of member states like Greenland (in 1985) and Algeria (in 1962)¹⁵. According to the article 50 of the Lisbon Treaty, UK has a period of two years to negotiate its withdrawal from the EU and once negotiations are accomplished and implemented, London will be negotiating as a non-EU member state¹⁶. On the UK's side, both sets of EU negotiations will be led by the Prime Minister, working closely with the new Secretary of State for Exiting the European Union, David Davis¹⁷. On the EU side, Article 50 envisages that four institutions will be involved in conducting the withdrawal negotiations: the European Council, the Council of the European Union, the European Commission and the European Parliament¹⁸. The 27 other member states will also play a crucial role in informal negotiations on the future relationship, and will almost certainly have to ratify any final agreement¹⁹.

IMPACTS OF BREXIT ON THE EUROPEAN UNION

a. CSDP - France - Germany

The EU does not know how far the negotiations with the UK can go. The results can be positive and negative. It can lead to a united EU that functions better or it can divide the union.

If we look at this issue from an geoeconomic perspective, 50% of the UK's trade is directed to the EU. Britain constitutes 14.8% of the EU's economic area, with 12.5% of its population²⁰. British exports are 19.4% of the EU's total exports (excluding intra-EU trade)²¹. The two actors are interdependent.

For the EU, from a military perspective, a Brexit means that the CSDP will lose one of its majority shareholders, a veto player and the British expertise brought by the British personnel employed in the EEAS and military capabilities. The UK and France

¹⁵ OLIVER Tim, "A European Union without the United Kingdom: the Geopolitics of a British Exit from the EU", LSE IDEAS, February 2016

¹⁶ "Brexit Explained: negotiating the UK's exit from the EU", Institute for Government

¹⁷ Idem

¹⁸ Idem

¹⁹ Idem

²⁰ OLIVER Tim, "A European Union without the United Kingdom: the Geopolitics of a British Exit from the EU", LSE IDEAS, February 2016

²¹ Idem

represents together 40% of public defense investment in the EU²². The UK is one of the five EU countries which contribute more than 2% of their GDP to public defense (after Greece, Poland, France and Estonia)²³. As UK is a great contributor to the EU's budget, acting together give strength to the EU that it wouldn't have if each state pursue its own policies. So consequences for the EU can be various: loss of one of its three great powers, the bridge to the US, the fifth economy in the world and a proactive actor in the field of making proposals within the EU on European crisis (Ukraine, Ebola, Syria, Iran, terrorism)²⁴. On the other hand, London's membership in the EU was not met with a strong commitment to CSDP. A Brexit might "free" the CSDP from a rather assertive and sceptical big player²⁵ and push forward the development of a CSDP cooperation on the basis of EU Global Strategy recommendations²⁶. It can also contribute to the development of more solidarity between member states because in the past, British government provided staff and resources to perform operations and the lack of this help can be overcome with more solidarity from member states²⁷. In addition, countries that were hiding behind the UK's veto until now can come out and make new proposals to achieve progress in development of the CSDP²⁸.

Despite all this, a UK-EU CSDP is possible even after Brexit. Brussels and London can make treaties of mutual association to enable the UK to remain actively involved. This can allow London to push the CSDP into a direction that complements rather than duplicated NATO, thus preventing the formation of an "EU army" while maintaining some say over where and when EU crisis management missions are undertaken and allow London to have an access to additional forums to pursue its national interests (deal with the rise of religious extremism, a governance crisis across northern Africa causing migration into Europe etc)²⁹.

Brexit clearly leaves the EU with a gap which have to be filled. It also implies the fact that the center of power of the EU can change. Some authors see this situation as a window of opportunity for the EU to seize. The first implication of Brexit is political because it implies a reconsideration of the CSDP model. A new Franco-German engine can replace the Franco-British one. In the German White Paper released on July 2016, we can find their intention to switch from a civilian power to take more responsibilities in international security, including the participation in military operations³⁰. This new scenario with France and Germany with an increasing role will provide sufficient political weight to lead integrative steps. Without British vetoes, the CSDP's governance dynamics may work more smoothly. Actually, France, Germany and Italy have already affirmed their commitment to the European Project which includes the development of the European defense and making commitments for joint operations, military capacities and industry³¹. Germany is a newcomer in promoting the CSDP; it is evolving from a civilian power to taking on greater responsibilities in international security. This includes participation in military operations as set out in the new White Paper on German Security Policy released in July 2016.

Brexit has encouraged Germany and France to look more favourably on Permanent Structured Cooperation (PESCO) as a mechanism to enhance their bilateral security and defense cooperation with a view to strengthening the EU's ambitions to arrive at a "European Defense Union"³². PESCO offers member states "whose military capabilities fulfil higher criteria and which have made more binding commitments to one another" a framework to make security and defense deals. Two EU member states suffice to activate the PESCO clause but it has not occurred yet³³. Brexit encourage France to activate the PESCO mechanism with Germany in order to open the path towards European Defense Union and maintaining close bilateral defense ties with the UK³⁴.

A successful Brexit negotiation calls for a dual-track political process to "keep the EU up and the UK in".

²² FALEG Giovanni, "The implication of Brexit for the EU's Common Security and Defense Policy", CEPS, July 2016

²³ Idem

²⁴ DUMOULIN André, "Brexit and European defense", Centre of Security and Defense Studies, June 2016

²⁵ RYNNING Sten, "Germany's return to European leadership", January 2017

²⁶ FALEG Giovanni, "CSDP after Brexit: a narrow window of opportunity", European Leadership Network, November 2016

²⁷ ARGANO Maria Elena, "The Brexit effects on European security and defense", EULOGOS, September 2016

²⁸ ANGELINI Lorenzo, "Brexit is an opportunity for EU defense policy", EU Observer, July 2016

²⁹ ROMANOV'S Ugis, ROGERS James, "Brexit: military implications for the Baltic states"

³⁰ FALEG Giovanni, "The implication of Brexit for the EU's Common Security and Defense Policy", CEPS, July 2016

³¹ FALEG Giovanni, "CSDP after Brexit: a narrow window of opportunity", European Leadership Network, November 2016

³² VAN HAM Peter, "Brexit: strategic consequences for Europe", Clingendael, February 2016

³³ Idem

³⁴ Idem

A revision of the CSDP model implies a new partnership between the CSDP and the UK as a third country³⁵. PESCO will formalize and structure initiatives within an EU context, it will create a way to a more coherent CSDP and a more ambitious vision on European Defense with a view towards creating an EDU³⁶.

Two factors have proven to be decisive. First, is that Brexit allowed the CSDP to become fully incorporated within the process of federalizing the EU but it also showed that leaving the EU is possible in cases if other member states wants to follow UK's path. Second, the EU realized that Brexit limits its military relevance. The US secretary of defense Robert Gates already warned in June 2011 that *"if current trends in the decline of European defense capabilities are not halted and reversed, future US political leaders may not consider the return of America's investment into NATO worth the cost"*³⁷. Brexit will turn the EU into a small power which have to stronger its CSDP to avoid US' remoteness.

On the contrary, according to Karen E. Smith, Brexit would not mean the end of the *"European Defense"*, NATO and the CSDP would still exist, the US would continue to guarantee the territorial integrity of its European allies and European states will continue to cooperate within NATO and bilaterally³⁸. However, Brexit will have implications for the UK's interests in the world. Brexit deprives the EU of a potential leader in the development of the EU's comprehensive approach which fits with the key British foreign policy aims such as preventing conflicts. It also deprives UK of influence in Europe.

The CSDP was not efficient, it has not helped the EU to make its voice heard in world affairs and the use of CSDP in response to international crisis has been very limited.

b. EU and NATO

First of all, there is the *"Berlin Plus Agreement"* which was signed in 2003. It allowed the EU to make use

of NATO assets for its missions and operations³⁹. However, since 2005, the two organisations have not implemented *"Berlin Plus Agreements"* because of the different vocations and aims. NATO is a defensive military power and the EU is a civil and legislative power. In the last ten years, EU has increased the enlargement path, undertook peace missions in cooperation with the UN, it has supported the development funds in Africa and has increased the internal legislature⁴⁰. NATO has, in the last decade, focused in crisis areas in the Balkans, in Afghanistan, Iraq, Libya and for post-war reconstruction in other countries⁴¹. However in the last three years they have common challenges as the ISIL⁴² and immigration. They have same objectives but different means. Brexit has had a strong effect on the relationship between the two organisations and the proof is the Warsaw summit on 8 July 2016⁴³.

During the NATO summit in Warsaw, it was important to strengthen relations between the EU and NATO. They signed a declaration on increasing practical cooperation in different areas⁴⁴.

Central European countries putted their faith in NATO for territorial defense and recognize the EU for what it is: a civilian actor. Brexit solidifies an already existing division of labour between the EU and NATO where the EU capitalizes on its comparative advantage as a solid and savvy economic and trade actor and NATO does defense⁴⁵. But only few members participate in combat operations. Governments seem to prefer to avoid a more structured EU and NATO decision-making in which all have to say. Brexit can increase this tendency and the UK may see an interest in deepening bilateral relations with those it sees as key European partners like France. Since 2010, the UK and France are linked by the Lancaster House Treaty on defense cooperation⁴⁶. Ad hoc coalitions may remain the most common format to initiate non-Article 5 combat operations.

³⁵ Idem

³⁶ European Defense Union

³⁷ VAN HAM Peter, *"Brexit: strategic consequences for Europe"*, Clingendael, February 2016

³⁸ E.SMITH Karen, *"Would Brexit spell the end of European defense?"*, LSE International Relations Department, July 2015

³⁹ ARGANO Maria Elena, *"The Brexit effects on European security and defense"*, EULOGOS, September 2016

⁴⁰ Idem

⁴¹ Idem

⁴² Islamic State of Iraq and the Levant

⁴³ Idem

⁴⁴ Idem

⁴⁵ VAN HAM Peter, *"Brexit: strategic consequences for Europe"*, Clingendael, February 2016

⁴⁶ BISCOP Sven, *"European defense after Brexit: flying on one engine"*, January 2017

c. Possible win-win solutions for foreign and security cooperation

With Brexit, the EU should seize the opportunity to relaunch its foreign and security policy and sharpen its profile as a comprehensive power. The EU should put its full weight behind the implementation of the Global Strategy and generate common political will. It should also maintain close relations with the UK after Brexit. UK is important for the EU for many reasons as this country has a seat at the United Nations Security Council, has soft power resources as for example English language and BBC International Service⁴⁷. The UK was an important driver behind the EU's fight against climate change and the enlargement policy. UK also played a major role when it came to combine EU sanctions and diplomatic pressure. Even if UK was not for a pooling of sovereignty at the European level and for an empowering of the High Representative and the EEAS to speak with a single European voice, with Brexit EU will lose an experienced diplomatic and active driver behind EU foreign policy⁴⁸. Finally, the EU-28 is the second military spender after the US and with a Brexit, China will become the world's second military spender⁴⁹.

To maintain a good relationship with the UK after Brexit, there are, according to Nicole Koening, four possible models of cooperation⁵⁰:

1. *“Strategic partner”*: The UK can be out of the EU but it can join the list of the EU's strategic partners. UK can reinforce multilateral defense cooperation within NATO and stronger bilateral foreign and security policy cooperation. The Lancaster House treaty could be, for instance, opened to some other EU member states.

2. *“Norwegian model”*: Norway is a non-EU but a NATO member. It has a separate agreement with the EU on foreign and security policy. Norway frequently participated to EU sanctions, statements and interventions. It contributed to the EU's development aid effort and participated to the programs and projects of the EDA since 2006. This model can be applied to the UK but the influence on the decision-making process is limited in this formula. The country in this model is a decision-taker not a decision-maker.
3. *“Norway Plus”*: selective inclusion in informal and operational decision-making through a creation for the UK of an *“upgraded agreement”*.

4. *“Foreign Affairs Council Plus”*; it's a more integrated model of cooperation with a systematic inclusion of the UK in formal decision-making process.

British representatives could obtain an observer status in the PSC or even in the Foreign Affairs Council. If UK in this scenario will agree with a decision it will be politically bound by it and if it disagrees with a decision there would be no veto right but a constructive abstention.

Thus UK would continue to be at the table and influence EU decision-making process and would have a maximal flexibility in terms of its own contribution. The problem with this solution is that EU treaties do not provide a legal basis for such an observer status. This solution could be useful for the EU as a mean to secure Britain's continued commitment and material contributions but without a legal basis, the model will break with the principle of EU decision-making autonomy and other states could perceive it as a form of *“cherry-picking plus”* that would raise the probability of a contagion effect of Brexit⁵¹.



⁴⁷ KOENIG Nicole, *“EU external action and Brexit: relaunch and reconnect”*, Jacques Delors Institute Berlin, November 2016

⁴⁸ Idem

⁴⁹ Idem

⁵⁰ Idem

⁵¹ KOENIG Nicole, *“EU external action and Brexit: relaunch and reconnect”*, Jacques Delors Institute Berlin, November 2016

NATO AFTER BREXIT

UK took the first steps towards the creation of NATO in the 40's because it realised during the second World War that maintaining a favourable balance of power on the European continent would require investments from the UK but also of the whole of North America.

The reaction of the USA is important when security changes occur on the European continent. In 2011, during Obama's state visit to the UK, he underlined that Europe remains the cornerstone for US global engagement and the greatest catalyst for global action in the world today⁵². But the fear of the US is that Europe will continue to free-ride on a US-security guarantee provided by NATO. Europe's inability to deal with security issues in its near-abroad frustrates the US⁵³. The US asked to member states to increase their defense budgets, such call means a growing American concern that the US is becoming unwilling/unable to serve as a rampart for European defense⁵⁴. In addition, the US's increasing focus on China and Asia constitutes a structural change in the transatlantic security relationship: more often, the US try to push Europeans to take initiatives themselves⁵⁵.

During the Warsaw meeting of the 8th of July 2016, Barack Obama announced that *"the US-European solidarity would not be affected by Brexit"* because for him Washington's relations with Europe is *"one of the greatest economic and political achievement of modern times"*⁵⁶. Poland's president Andrej Duda said that *"the UK is one of the strongest members of NATO and I have no doubt that its participation and cooperation in the alliance will continue at least at the same level"*⁵⁷. We can notice that the intentions of NATO's member states are positive towards the participation of the UK into NATO even after Brexit. There is still motivation to cooperate together. There is cooperation and a willing to continue smooth relations but there is also a warning that Europe should be capable to procure its own security.

Then, the pro-Brexit supporters argue that they are for a US-led military alliance which is important to the UK's defense and power projection. At a short term, we can notice a more implicated London into NATO because NATO's transatlantic dimension always fitted London's geopolitical orientations better than the EU and because the alliance never putted UK's sovereignty in the military domain under pressure⁵⁸. The remain supporters think that the withdrawal will have negative impacts on NATO.

UK AFTER BREXIT AND ITS FUTURE ROLE

According to some authors, there are pessimistic conclusions for the UK leaving the EU. Among them we can find David Cameron's speech during which he explained the importance of Europe for a stronger UK at home and on the international scene. For him, it is important to cooperate to realise UK's interests. Within Europe, UK can operate as a global player because it has the status of the Europe's supreme military power which allows UK to guide EU military operations. In May 2016, a retired British Army Colonel, Angus Loudon declared that *"being part of Europe expands the capacity of our Armed Forces by bringing in troops alongside them. It also allows for specialisation (...). Clearly, NATO is the cornerstone of Britain's security but the EU can do things and go places that NATO cannot"*⁵⁹.

In addition to that, we see that UK's military capabilities are not limitless and its economic leadership is under threat by the developing countries. To maintain its military strong position they need to increase their defense budget but it will not be the case because of the reforms they are planning to realize in their domestic policy after Brexit⁶⁰.

⁵² OLIVER Tim, "A European Union without the United Kingdom: the geopolitics of a British exit from the EU", LSE IDEAS, February 2016

⁵³ Idem

⁵⁴ HELTZ Jesse, "Britain's Military Legacy and the impact of Brexit upon British Defense Policy", International Policy Digest, June 2016

⁵⁵ BISCOP Sven, "Brexit and defense: where is the strategy?", Long Posts, January 2016

⁵⁶ BORGER Julian, "NATO summit: US says it will deploy 1000 extra troops to Poland", The Guardian, July 2016

⁵⁷ Idem

⁵⁸ "Brexit: what are the security risks for the EU and NATO?", Defense Matters, May 2016

⁵⁹ HELTZ Jesse, "Britain's Military Legacy and the impact of Brexit upon British Defense Policy", International Policy Digest, June 2016

⁶⁰ HELTZ Jesse, "Britain's Military Legacy and the impact of Brexit upon British Defense Policy", International Policy Digest, June 2016

Then, the world is facing an EU which strategic role became crucial. EU now takes strategic decisions and engage military operations. With the withdrawal, London risks to put itself out of the forum where decisions are taken and made⁶¹. There is a contradiction because London considers itself as a key factor which influence policies but what we see in reality is that it contributes to a European and American cooperation but that it does not create strategic decisions⁶². Without the EU, UK cannot think strategic engagement with the world.

The UK's Strategic Defense Review of 2015 indicated that NATO is the heart of their defense policy and it also confirmed British special relationship with the US⁶³. But, under Donald Trump presidency, the relation with the US can be more special than expected by the UK because D. Trump claimed that he will apply the "*America first approach*" to NATO, that he will lift sanctions on Russia and dismantle the deal with Iran (two deals that were conducted by the UK)⁶⁴.

More optimistic consequences for the UK is that the exit offers them opportunities to use their particular relations with the US, the Commonwealth and with the Anglosphere⁶⁵. UK is opting now more for bilateral relations because Brexit offered the UK the opportunity to not be subjected to the EU law, to not contribute 9,2£ billions to the EU's budget and to have the liberty to make trade agreements⁶⁶.

According to Miller Vaughne and Arabella Lang, there is no great impact of Brexit on UK's armed forces because British status at NATO remain unchanged and the projection of its military power is unaffected⁶⁷. UK leaves the EU with less military capabilities at its disposal but there is always a solution to cooperate outside a framework of "*member states*" but more as UK being a third party in collaboration with the EU or it can collaborate bilaterally with individual European nations⁶⁸.

To conclude this chapter on the impact of Brexit on the UK itself, let's clarify some relevant arguments putted forward by Nicole Koenig. First, Brexit will deprive London from seats at the EU institutions but it won't mean UK is leaving Europe because they will continue to develop bilateral and intergovernmental relations with various partners. Second, UK will lose the amplifier of its power by losing the world's bigger donor club. For example, during the Ebola crisis, UK managed to influence the EU to increase the financial contributions and to upgrade their joint response⁶⁹. Third, where the EU is facing a gap in military capabilities, NATO is facing a gap in civilian capabilities. The two organisations complements each other. Leaving the EU for UK means to lose influence on a recognized civilian security toolbox which complements NATO⁷⁰. The last argument is that at a short and medium term, leaving the EU can have negative impacts on the ability for the UK to project power. A deterioration of trust with european partners can occur during the negotiation process which can additionally mobilize national resources and personnel (according to Deloitte consultants, the leaving process will require 30000 extra civil servants)⁷¹.

Finally, it can be stated that UK's exit arouse various consequences. Some are positive and others are more pessimistic. But it is important to not forget that UK is part of Europe geographically and thus European security matters for the UK. They have the intention, even after Brexit, to collaborate together as it was said by the UK's exiting the EU Department: "*We will continue to work with the EU to preserve UK and European security and to fight terrorism and uphold justice across Europe*"⁷². United Kingdom and France will continue to be important global actors in the international affairs. British people are proud of their position in the Security Council of the UN, of the fact that they respect recommended percentage of GDP and GNI expenses on defense and overseas aid and they are optimistic to face challenges⁷³. In what concerns the CSDP, they already participate to missions and operations and the priority for London is to ensure that EU's defense policy and role are respecting NATO's role.

⁶¹ BISCOP Sven, "*Brexit and defense: where is the strategy*", Long Post, January 2016

⁶² Idem

⁶³ VAN HAM Peter, "*Brexit: strategic consequences for Europe*", Clingendael, February 2016

⁶⁴ KOENIG Nicole, "*EU external action and Brexit: relaunch and reconnect*", Jacques Delors Institut Berlin, November 2016

⁶⁵ Idem

⁶⁶ Idem

⁶⁷ MILLER Vaughne, LANG Arabella, "*Brexit: What happens next?*", House of Commons, June 2016

⁶⁸ Idem

⁶⁹ Idem

⁷⁰ Idem

⁷¹ Idem

⁷² "*The United kingdom's exit from and new partnership with the European Union*", HM Government, February 2017

⁷³ Idem

OTHER SCENARIOS: SCOTLAND, GIBRALTAR, THE BALTIC STATES

a. Baltic States

The withdrawal of the UK from the EU implies economic recession which is due to the drop of the value of the pound. Defense spendings may also follow and be reduced. The risk is the politisation of this budgetary question and the difficulty to spend resources in other domains. There is a triangular relation between NATO, the UK and the Baltic States. Baltic States are considered as “*the frontier of democracy*” and according to the president of Estonia, if in the future, Russia will manage to broaden its influence on these countries, NATO will fall⁷⁴. NATO is an important actor in the UK’s defense and is the centerpiece of the UK’s strategic effort. If NATO fails it can lead to world’s insecurity because with this failure, all UK’s guarantees provided to countries East of Suez would not be realized⁷⁵.



Another debated question is to know if London will continue to pay taxpayers’ contributions to secure Baltic states. The Baltics have always supported EU solidarity, and they supported Britain’s remain in the EU. UK is a strong supporter of EU’s sanctions towards Russia, if the European position towards Moscow will change it implies pressure from the Baltic states against an appeasement in political negotiations.

In terms of military implication, David Cameron stated during a NATO Summit that no changes would take place in European security initiatives after Brexit. Britain’s plan to lead a military battalion in Estonia is still in force, alongside pledges to patrol Baltic airspace until 2018⁷⁶.

At a long term, the three Baltic states should develop a closer unification and use Brexit as a learning op-

portunity. Beyond this, the Baltics must maintain a strong case for continued protection against Russian aggression, if the EU shifts away from this commitment. They must keep in mind that the UK is not only a core member of NATO, but is a permanent member of the UN Security Council, and should be maintained as a close ally regardless of its relationship with the EU. In terms of security, it is to be hoped that Western Allies will continue working with the strong posture they have until now.

b. Scotland

The Prime Minister of Scotland, Nicola Sturgeon, stated that she will explore all options for protecting Scotland’s position in the EU. For her, a second referendum on the independence of Scotland is possible because all local authority areas in this country voted in favour to remain in the EU⁷⁷. Scotland cannot be considered as a state capable of signing international treaties and leading international relations as, according to the international law, it does not possess the status of an independent state. These powers are reserved to Westminster through the Scotland Act of 1998 : “*international relations, including relations with territories outside the UK, the EU and other international organisations, regulation of international trade and international development assistance and co-operation are reserved matters*”⁷⁸.

Some countries have a special relationship with the EU without necessary being a member state. These “*overseas countries and territories*” (OCT’s) have duty-free access to the EU market for goods and they automatically receive better terms of trade in services

⁷⁴ ROGERS James, ROMANOV Uguš, “*Brexit: military implications for the Baltic States*”

⁷⁵ Idem

⁷⁶ SELGA K. Eriks, “*Brexit and the Baltics*”, Foreign Policy Research Institute, September 2016

⁷⁷ MILLER Vaughne, LANG Arabella, “*Brexit: what happens next?*”, House of Commons, June 2016

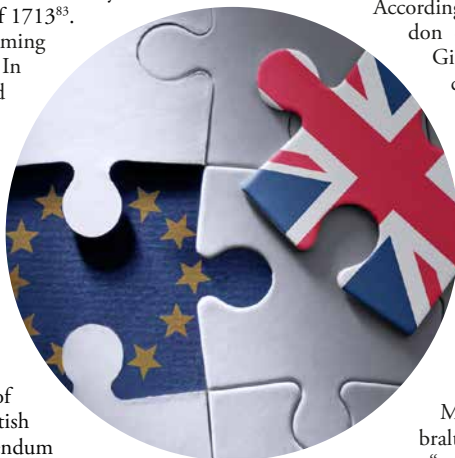
⁷⁸ MILLER Vaughne, LANG Arabella, “*Brexit: what happens next?*”, House of Commons, June 2016

and establishment⁷⁹. However they do not participate directly to the decision making process of the EU and EU law and treaties do not apply there. Currently an OCT is “a non-european country or territory which have special relations with Denmark, France, The Netherlands and the UK”⁸⁰. If Scotland want to become an OCT, modifications need to be done to the EU treaties.

On Tuesday 28th of March 2017, Scotland’s Parliament, by a vote of 69 to 59, approved plans to ask for a second referendum on its independence before Brexit is completed⁸¹. British Prime Minister Theresa May rejected that timing, she is the person who must agree to any legally binding referendum on Scotland’s future⁸².

c. Gibraltar

Gibraltar is a British overseas territory since the Treaty of Utrecht of 1713⁸³. Spain has not given up claiming sovereignty over the Rock. In 1969, General Franco closed the frontier entirely, turning a generation of Gibraltarians against Spain. It was not opened properly again until Spain began negotiating entry to the European Union in the 1980s. There were two referendums organised in Gibraltar (one in 1967 and the second in 2002) in order to know if residents of Gibraltar wish to remain British or not. Results of both referendum showed that the majority wants to remain British. In 2002, a shared sovereignty deal was nearly reached, but both the conservative Spanish prime minister José María Aznar and the 30,000 - strong population of Gibraltar – who voted 98% against – walked away from it⁸⁴.



In June 2016, British voters decided at a referendum to leave the European Union. Gibraltarians were also allowed to vote. Realising that departure from the EU would leave them exposed to Spanish demands for sovereignty, they voted 96% in favour of staying. But when the UK leaves, Gibraltar must leave, too. The EU has since awarded Spain a veto over any future EU deals with the Rock. This means, in effect, that leavers have given Spain its strongest hand in Gibraltar. The surprise clause gives Spain the ability to exclude Gibraltar from any UK-EU transitional single market access arrangement or future trade deal if it is not satisfied with the status of the territory. It says that once the UK leaves the bloc “no agreement between the EU and the United Kingdom may apply to the territory of Gibraltar without the agreement between the Kingdom of Spain and the United Kingdom”⁸⁵. It demonstrate the lack of British sovereignty over Gibraltar.

According to spanish population, London did not gave importance to Gibraltar in their negotiation concerning the exit of the EU. The fact that it was forgotten shows that the importance of Gibraltar is too underestimated by the British Government and Spanish people consider this behaviour as a neo-colonialist one towards Gibraltar. Esteban González Pons, the vice-chair of the European People’s party, told El País newspaper that May’s failure to mention Gibraltar in the letter on Wednesday was “very relevant”, adding that the omission was “because Gibraltar isn’t part of the United Kingdom; it’s a colony like the island of St Helena”⁸⁶. Sources closed to the Spanish government considers that the absence is not a bad sign it can give to Spain the opportunity to negotiate Gibraltar’s issue in the future bilaterally with the UK⁸⁷.

⁷⁹ Idem

⁸⁰ Idem

⁸¹ CASTLE Stephen, “Scotland votes to demand a post-Brexit independence referendum”, New York Times, March 2017

⁸² Idem

⁸³ BOFFEY Daniel, JONES Sam, MASON Rowena, HENLEY Jon, “Gibraltar’s future at stake in Brexit negotiations”, The Guardian, April 2017

⁸⁴ Idem

⁸⁵ Idem

⁸⁶ Idem

⁸⁷ Idem

Gibraltar's position is attractive for the UK. Possessing Gibraltar allows to control shipping going into and out of the Mediterranean from the Atlantic⁸⁸. Currently British presence is less important than the NATO military presence. Britain and Spain are NATO allies, it is a detail which should be taken into account.

According to the former Conservative leader Lord Howard, Theresa May would be prepared to go to war to protect Gibraltar as Margaret Thatcher once did for the Falklands to protect the sovereignty of Britain's overseas territory and to defend the freedom of another small group of British people against another Spanish-speaking country⁸⁹.

Sir Michael Fallon, the defence secretary, said the negotiations had to cover both a trade deal and issues such as counter-terrorism and police cooperation. For him, *"it is very important to link trade and security because what we are now looking for is a deep and special relationship that covers both economic and security cooperation. Those two things go together"*⁹⁰. Fallon then talked about sending 800 troops to Estonia, others to Poland, and Romania, which are all under Britain's NATO commitments not linked to EU membership.

*"We are stepping up security because it remains our continent and this is a very uncertain time for Europe and right we should be playing our time on that. We'd all be worse off if there wasn't a deal – we are expecting to have a deal"*⁹¹.

Finally, the solutions on that territorial dispute are various. One of them is for Gibraltar to remain entirely British, run all future EU deals past Spain and accept the risk of these being blocked⁹². Another one is to share sovereignty. That would allow Gibraltarians to stay in the EU and enjoy joint British and Spanish nationality. They would remain EU citizens, with all the rights that come from that, while keeping their current institutions and legislation but Spain would become a co-sovereign⁹³.

⁸⁸ TREMLETT Giles, "Will the UK lose Gibraltar?", The Guardian, April 2017

⁸⁹ ASTHANA Anushka, "Theresa May would go to war to protect Gibraltar, Michael Howard says", The Guardian, April 2017

⁹⁰ Idem

⁹¹ Idem

⁹² TREMLETT Giles, "Will the UK lose Gibraltar?", The Guardian, April 2017

⁹³ TREMLETT Giles, "Will the UK lose Gibraltar?", The Guardian, April 2017

CONCLUSION

We can conclude that a part of the European question in UK policy is also about national British security because the UK is still located in Europe, it does trade with European countries, its security is related to the security and stability in the European region and it relies mainly on NATO for its security and defense interests. Collaboration is a synonym for stability in the region. The relations between these two blocs which are NATO and the EU will remain strong because we can notice the interdependence and a strong will to collaborate even after the exit of the UK.



Then, member states of the EU can seize this window of opportunity to redefine the scope of the CSDP and to put forward the integration of the European security and defense. Another possible scenario is less optimistic. The withdrawal of the UK can develop a temptation of other countries to follow the example and lead, at a long term, to an end of the European integration process and even to a disintegration of the EU.

Other actors as the US are making pressure on the EU to push it forward towards the capacity to take initiatives on the defense of the European region. The superpower faces other priorities as the rise of China and an assertive Russia. Thus, sharing the burden and collaborate by a complementarity by each other is necessary.

Another point is that inside Europe we see a potential rise of several actors as Germany and France. Germany can switch from its civil and economic power and start to reinforce its military capabilities and France can finally go forward in its European defense capabilities developments. British vetoes are not anymore obstacles to such developments.

All this does not mean that the cooperation between the UK and the EU will cease. The UK will still have the capacity to participate to the European policy but as a third party and/or through bilateral or multi-lateral relations or treaties. The High Representative and the Vice-President of the European Commission, Federica Mogherini, states in her speech on November 2016 that a cooperation on the international level

is important. She also stated that Europe must take responsibility for its own security. NATO still remains the cornerstone of European defense but there are many challenges according to her that do not fall under NATO's mandate and which need to be tackled as a matter of urgency and this is where the EU need to strengthen itself⁹⁴. A stronger Europe and a stronger cooperation with NATO are two things which go together.

Finally, the cases of Scotland, Gibraltar and the Baltic States were briefly discussed. These countries are touched by the impact of such a political change as Brexit. Scotland is a country which voted in the majority for a remaining of the UK in the EU, as the "leave" vote won, Scotland wants to organize a second referendum on its independence. Gibraltar is a disputed territory between Spain and the UK also raise challenges on collaboration between the triangle in the future.

To conclude, for the UK, they will remain a global power and will continue to work with European partners to tackle shared challenges⁹⁵.

⁹⁴ "Speech of Federica Mogherini on the future of EU-NATO cooperation", EEAS, November 2016

⁹⁵ "The UK's exit from and new partnership with the European Union", HM Government, February 2017

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