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Preparing British foreign policy for the post-Brexit era: why swift and sudden institutional change is not the answer

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Preparing British foreign policy for the post-Brexit era: why swift and sudden institutional change is not the answer



A policy vision backed up by energetic leadership and greater investment will do more to strengthen the institutions of UK foreign policy than hastily introduced institutional changes, explains <u>Nicholas Wright</u>.

Having successfully navigated the general election and with Britain's formal withdrawal from the EU just a matter of days away, Boris Johnson is believed to be considering major structural changes to the machinery of government. The rationale – and temptation – is obvious: at the

same time as refashioning the bureaucratic and administrative structures that must deliver his manifesto promises, he can stamp his authority in perhaps the most eye-catching way available to a Prime Minister. Consequently, several departments – <u>most notably the Department for Exiting the European Union (DExEU)</u> – are rumoured to be facing the axe.

The ministries responsible for Britain's foreign policy are no exception and perhaps inevitably the Department for International Development (DfID) is one of those under the spotlight. Long a target of those critical of Britain's aid policy, it has been suggested – most recently by the former International Trade Secretary, Dr Liam Fox – that DfID should be brought back into the Foreign and Commonwealth Office (FCO), responsible for overseas development aid until 1997 when DfID was established by the first Blair government.

In a recent speech at the Institute for Government, Fox criticised the long-term degradation of the FCO's capabilities as a consequence of significant cuts imposed by the Treasury under both Conservative and Labour administrations. These have seen the FCO's budget fall dramatically over the last three decades, leaving it increasingly 'hollowed out' in its analytical and diplomatic capacity. By contrast, today DfID, with its statutory responsibility to meet the government's target of spending 0.7% of GDP on overseas aid, has a budget around five times that of the FCO. His logic is that returning this to the control of the FCO would hugely increase its financial clout and international influence.

Fox also argued that the UK has room for 'only one foreign policy, not two'. This echoes the long-held belief in some quarters that both DfID's operations and what it represents amount to a rival foreign policy that weakens or even undermines Britain's wider foreign policy objectives. His claim – made previously by others <u>including Boris</u> Johnson – is that merging the two departments would resolve this tension by re-establishing a single focal point for British foreign policy. In short, losing DfID would kill two birds with one stone.

However, although Fox's critique of the failure of successive governments to invest sufficiently in the FCO and the UK's diplomatic capabilities is persuasive and supported by frequent parliamentary inquiries, his proposed solution – a major institutional reorganisation – is not. There are a number of reasons for this, of which the three outlined below are arguably of most importance.

1. Foreign policy is not the sole preserve of the FCO

While the FCO remains central to the development and pursuit of UK foreign policy and the management of its diplomatic network, it is not the only institution which matters. For example, it works closely and effectively with the Ministry of Defence and/or DfID to tackle a range of issues around defence and security. Indeed, all three played a leading role in establishing the cross-government <u>Stabilisation Unit</u> which is tasked with developing and implementing comprehensive approaches to international stability and conflict prevention and which has become a model for other states. But in broader questions of economics, international trade, climate change etc., other departments, such as the Department for International Trade, also play important and ongoing roles, while the Prime Minister is a key arbiter on the most important questions.

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This reminds us that UK foreign policy has many sources. For it to be developed and enacted effectively, what matters is the capacity of government to coordinate and agree policy positions that can then be pursued coherently and with a singularity of purpose at the international level. The FCO plays a critical role in this both in London and across the UK's global diplomatic network, but it cannot operate alone. Indeed, the fact that other departments can feed effectively into the policy process whilst bringing different perspectives is arguably one of the great strengths of the British system.

2. Institutional change is highly complex

The creation or abolition of departments is a high-profile way for governments to signal change and a new direction. The establishment of DExEU and the the Department for International Trade in 2016 following the Brexit vote are prime examples of this. However, it is one thing to decide to restructure the machinery of government and quite another to enact it. It takes time for new departments to build up human capacity and expertise, for ministerial vision to be translated into detailed policy and implemented, and for results to be seen. And yet, as a 2019 Institute for Government report warned, 'changes are frequently made with little consultation or recognition of the costs involved'. This is not to say that institutional change should not happen. Rather, there needs to be a clearly and properly thought through case for change and a strategy for ensuring it is implemented as efficiently as possible.

With the government about to embark on its promised 'thorough and careful review of the UK's place in the world', an opportunity now exists to look at all aspects of UK foreign policy and how it is implemented. In the case of DfID, that should include a consideration of whether the supposed advantages of bringing its responsibilities and budget back within the purview of the FCO would outweigh the challenges. These include the task of merging two institutions with different cultures and focuses; how long the process of integration would take and what resources it would require; and the potential negative consequences of DfID's abolition. Andrew Mitchell, a former International Development Secretary, has described it as 'a huge soft power asset', and it has certainly been an important tool for British influence internationally. At a time when the FCO's bandwidth will be taken up with expanding and strengthening Britain's engagement with the wider world post-Brexit, the government would need to be absolutely certain that the upheaval such a change entails will be worthwhile.

3. There is no substitute for investment, strategic clarity, and leadership

While it would be overly simplistic to say the solution to the challenges faced by the FCO today is money, the reality is that a significant boost to its budget (and not just in the short term) is essential if the UK is to have an effective foreign policy in the coming years. For more than two decades, the FCO has sought to do more with less but that will have to change. If the government is serious about pursuing a policy of 'Global Britain', greater investment is needed in the FCO's analytical capacity, its expertise, and in the UK's wider diplomatic network. In relative terms the UK has been punching above its weight internationally for many years and its multilateral memberships – including of the EU – have helped it do so. Outside the EU, we have to start spending more to ensure our voice is heard.

Allied to this is the need for strategic clarity over our international priorities. For example, our status as a permanent member of the UN Security Council brings influence but also significant responsibilities, as does our NATO membership and the commitment this entails to our allies. These obligations cost money, of course, but also require us to match our rhetoric with action. Ultimately, this comes down to leadership and vision, not areas where the UK has been especially effective internationally in recent years. If the UK wishes to retain its relevance – and, as pledged in the Conservative manifesto, 'bolster the alliances and institutions that help project our influence and keep us safe' – we need to determine what kind of international power we wish to be as well as ensuring sufficient resources to make this a reality.

Conclusion

In many respects, the challenges outlined above are not new: when it comes to developing and implementing our foreign policy, how and on what do we spend our money, and how do we organise to best effect? There is a clear and obvious case for an increase in the FCO's budget. To accompany this, though, clear and effective political leadership is essential. Whatever the appeal, institutional change does not offer a real alternative to these. Indeed, the risk is that it may cause more problems than it solves. It is not a path to be embarked upon lightly.

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About the Author



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