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Written evidence to the House of Commons Foreign Affairs Committee's inquiry into: 'the costs and benefits of EU membership for the UK's role in the world'

### Monograph [other]

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## Written evidence from Dr Tim Oliver (Dahrendorf Fellow, LSE IDEAS) and Almut Möller (Head of Office and Senior Policy Fellow, ECFR) (EUM0019)

#### European and World Views of the UK-EU Relationship

- 1. The summaries set out below come from the report *The United Kingdom and the European Union: What would a "Brexit" mean for the EU and other States around the World? European and Global Perspectives* (DGAP Analayse 16, 1 September 2014). Published by the German Council on Foreign Relations (DGAP) and available for download on their website (a copy has also been sent to the House of Commons Library), it looked at what a Brexit could mean for various member states in the EU and around the world. The series was commissioned following David Cameron's Bloomberg Speech in January 2013. It was edited by Tim Oliver and Almut Möller, then of the SWP and DGAP respectively. It was clear that while the topic of what a Brexit could mean for the UK had been the subject of a great deal of analysis, the topic of what a Brexit could mean for others had not received any particular attention. The UK itself needs to be more aware of how others view its behaviour. As we set out below, the UK's attitude to the EU has not necessarily cast it in a positive light on the world stage.
- 2. The views were written by authors based at think tanks or universities in each country, or on some case an author wrote about their home country while based outside it. Authors were selected for their knowledge of the EU, UK-EU relations and the politics of their country.
- 3. We have recently begun a second series focusing on the UK-EU renegotiation. The LSE's EUROPP blog is hosting the series. The series will be made up of short reports from every other EU member state in which the author of each report sets out what debate if any there has been in their country on the UK's attempt to renegotiate its EU membership. As part of the second series we have also commissioned views from several non-EU states that we were unable to secure for the first series. We hope in the near future to publish views from Russia, Ukraine, Turkey, India and possibly others.
- 4. Below you will find some relevant excerpts (with names of authors given in the footnotes) that we as editors have drawn from the views collected in the 2014 report. We feel the excerpts will help in understanding what the UK is seen to contribute to the EU; what a Brexit could mean for the UK's bilateral relations with these countries; and how these countries might view the UK's place in the world after a Brexit.

#### **View from the Americas:**

**5.** *USA*<sup>1</sup>: "Britain is one of the United States' most important relationships, but Britain's position within the European Union is central to its importance. Were the United Kingdom to exit from the EU, it would weaken the

<sup>&</sup>lt;sup>1</sup> By Jeff Lightfoot (Atlantic Council, Washington D.C.) and Tim Oliver (SWP, Berlin)

geopolitical position of Britain and change the EU and Europe in ways that could be detrimental to US interests."

6. **Brazil**<sup>2</sup>: "Brazil has received greater attention from Britain of late, with the two countries increasing trade and concluding bilateral partnerships and initiatives. Yet Brazil's strategy toward the European Union and its individual member states remains uncoordinated. A Britain apart would be subject to more criticism on a political level – currently tempered by its EU membership – but would be free to cement free trade relations with Brazil on its own terms, providing these complementary economies with immediate benefits."

#### Asian views:

- 7. **Japan<sup>3</sup>:** "In Japan, there is a growing perception that Britain is losing its traditionally pragmatic attitude toward the European Union and that this development is hardly helpful for Britain itself, not only for public diplomacy, but also for doing business, regardless of the country's ultimate decision on its EU membership."
- 8. *China<sup>4</sup>*: "With the Chinese snubbing London for Brussels, Paris, and Berlin on President Xi Jinping's spring [2014] European visit and arguing that "Britain is easily replaceable in China's European foreign policy," it is clear that the United Kingdom's influence on China including its desirability as a Single Market location for East Asian investment is far greater within the European Union than without."

#### **Commonwealth views:**

- 9. Australia and New Zealand<sup>5</sup>: "Australia and New Zealand were forced to reorient their spheres of interest and their economies when the United Kingdom joined the EEC. Following the UK's exit from the European Union, these three countries could cooperate again on the global stage, especially in Asia. Yet Aussies and Kiwis might have more to gain from having a liberal partner at the European (and transatlantic) trade negotiating table."
- 10. *Canada*<sup>6</sup>: "As the finishing touches are placed on a Comprehensive Economic and Trade Agreement between Canada and the European Union, fear of the United Kingdom eventually leaving the EU mars celebration of this significant step forward in transatlantic relations."
- 11. *Malta*<sup>7</sup>: "The possibility of a Brexit does not make waves in Malta.... Brexit is known in the 'Maltese street'. However, Maltese opinion leaders have not really picked up on the issue."

<sup>&</sup>lt;sup>2</sup> By Elena Lazarou (Fundação Getulio Vargas)

<sup>&</sup>lt;sup>3</sup> By Dr. Michito Tsuruoka (National Institute for Defense Studies, Tokyo)

<sup>&</sup>lt;sup>4</sup> By Dr. Lirong Liu (Fudan University, Shanghai)

<sup>&</sup>lt;sup>5</sup> By Dr. Ben Wellings (Monash University, Melbourne) and Dr. Annmarie Elijah (Australian National University)

<sup>&</sup>lt;sup>6</sup> By Professor Charles Pentland (Queen's University in Kingston, Ontario)

<sup>&</sup>lt;sup>7</sup> The view from Malta – written by Professor Roderick Pace of the University of Malta – was

- "Malta forms part of the Commonwealth, which not only strengthens its links with the UK, but also with countries such as Australia and Canada where there are sizable Maltese migrant communities. But the Commonwealth is not perceived as a substitute for EU membership while should Brexit materialise, UK influence in Malta is likely to diminish."
- 12. *Singapore*<sup>8</sup>: "Britain is one of Singapore's closest partners in Europe. This closeness is evident on many fronts: historical, political, economic, and cultural, as well as educational and familial. But Singapore's relations with the United Kingdom are also pragmatic and not unduly affected by the role that Britain plays or does not play in the European Union."

#### **European Union views:**

- 13. *France*<sup>9</sup>: "France has a tradition of ambivalence vis-à-vis Britain's role in the European Union. There are a number of fundamental differences between Paris and London regarding Europe's direction, yet on other issues Britain is an important partner that France would not want to lose. Certainly, though, France will not hesitate to call Britain's bluff."
- 14. *Germany*<sup>10</sup>: "Berlin would rather not have a British in/out question added to its already packed EU agenda. Although David Cameron's speech in January 2013 did resonate with some in the German political arena, the attitude so far has been one of "let's cross that bridge when we come to it."
- 15. *Poland*<sup>11</sup>: "When Poland secured EU membership in 2004, in a move strongly backed by the United Kingdom, the two countries were acutely aware of the potential of their cooperation, viewing it as a means to constructively shape the European bloc. Now, a decade later, the British–Polish relationship is indeed emerging as one of the key relationships of the new Europe. And yet, it is not the closeness of their relationship that makes it so important, but the tensions in it."
- 16. *Ireland*<sup>12</sup>: "Ireland's accession to the European Economic Community (EEC) helped it move away from economic dependence on the United Kingdom, enhancing its international profile and self-confidence. The two countries still have very close economic and political relations and cooperate on issues relating to the Northern Ireland peace process. But the prospect of the UK obtaining special concessions on EU regulations, giving it a competitive advantage over other member states, is almost as unwelcome as an outright UK exit."

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<sup>&</sup>lt;sup>8</sup> By Dr. Reuben Wong (National University of Singapore)

<sup>&</sup>lt;sup>9</sup> By Vivien Pertusot (Institut Français des Relations Internationales, Paris)

<sup>&</sup>lt;sup>10</sup> By Almut Möller (DGAP, Berlin)

<sup>&</sup>lt;sup>11</sup> By Roderick Parkes (Polish Institute of International Affairs, Warsaw)

<sup>&</sup>lt;sup>12</sup> By James Kilcourse (Institute of International and European Affairs, Dublin)

- 17. *Slovenia*<sup>13</sup>: "The British attempt to renegotiate EU policies with distributional implications is tempting from a Slovenian perspective. Slovenia faces problems of its own, and London raising the stakes could, at least in the short term, improve Ljubljana's position. However, the two do not really share a vision of the future design of the European Union, and as a member of the euro zone, Slovenia's focus is on Berlin and Paris."
- 18. *Austria*<sup>14</sup>: "Austria has so far remained silent on the issue of Britain leaving the European Union. However, a British withdrawal entails the risk of strengthening populist arguments in Austria."
- 19. *Romania*<sup>15</sup>: "Romania has watched as the United Kingdom has turned from an outspoken supporter of EU enlargement in the 1990s into a more inward-looking actor. While Bucharest may understand London's arguments about the size of its contribution to the EU budget, Romanians are less enthusiastic about restrictions on the right of free movement for EU citizens. From a Romanian point of view, such poisonous debate could undermine bilateral relations and the credibility and potential of the UK's wider EU reform agenda."
- 20. *Bulgaria*<sup>16</sup>: "A European Union without the United Kingdom is not considered a realistic scenario in Bulgaria. Britain's cherished opt-outs from Schengen, the euro zone, and some justice and home affairs matters, its budgetary rebate, and an appetite for more sit in stark contrast with Bulgarian fears of any changes to the functioning of the EU that might delay Bulgaria's prospects of becoming part of Schengen and the euro zone, and that might consolidate a multispeed Europe, thus increasing the chances that poor countries will fail to catch up."
- 21. **Denmark**<sup>17</sup>: "Since the Cold War, the United Kingdom and Denmark have been moving in very different directions in their EU policies. Denmark's EU discourse now revolves around the idea of essential cooperation, with the country positioned close to the core of the European Union. Both politically and economically, Denmark's interests lie more closely with Brussels and its EU partners than with its historical allies in London."
- 22. *Hungary*<sup>18</sup>: "Rather than see Britain build a greater wall of opt-outs or leave the European Union, Hungary would like to see Britain remain in the EU and further enhance its cooperation with other member states, especially those in central and eastern Europe."
- 23. **Sweden**<sup>19</sup>: "Sweden is one of Britain's closest partners in the European Union. The two countries share many common positions on specific issue areas and a

<sup>&</sup>lt;sup>13</sup> By Dr. Marko Lovec (University of Ljubljana)

<sup>&</sup>lt;sup>14</sup> By Dr. Emmanuel Sigalas (Institute for Advanced Studies, Vienna)

<sup>&</sup>lt;sup>15</sup> By Agnes Nicolescu (European Institute of Romania, Bucharest)

<sup>&</sup>lt;sup>16</sup> By Antoinette Primatarova (Center for Liberal Strategies, Sofia)

<sup>&</sup>lt;sup>17</sup> By Dr. Henrik Larsen (University of Copenhagen)

<sup>&</sup>lt;sup>18</sup> By Dr. Krisztina Vida (Hungarian Academy of Sciences)

similar political outlook. It would therefore be highly unfortunate from a Swedish point of view if the United Kingdom were to leave the EU. David Cameron's intent to hold a referendum on Britain's EU membership has therefore had a negative impact on the British– Swedish relationship."

- 24. *Italy*<sup>20</sup>: "British departure from the European Union would have an impact not only on Italy's political stability, but also on its national balance of trade and unemployment rates. Full British involvement in the European project, however, would benefit the Single Market and its institutions, rebalancing what is considered to be excessive German interventionism in European decision-making processes."
- 25. **Spain**<sup>21</sup>: "Spain and the United Kingdom have a complex relationship: economic ties are strong and important for crisis-ridden Spain, but in order to overcome its internal crisis, the Spanish government has clearly prioritized support of further euro zone integration. The referendum on Scottish independence is followed with great interest in Spain, as Scotland leaving the UK in the fall could give Catalonia a boost in its own independence aspirations."
- 26. *Finland*<sup>22</sup>: "The possibility of the United Kingdom seeking a renegotiated relationship with the European Union has received a lukewarm welcome in Finland. Finns see the UK as largely motivated by domestic politics rather than genuine European interest. Whereas Euroskeptic political forces in Finland have welcomed the British prime minister's EU policy, the pro-European government has largely dismissed it as unrealistic and unhelpful. Increasing concern that the UK is drifting further away from or even leaving the EU is seen as an unwelcome development."
- 27. *Greece*<sup>23</sup>: "A country struggling to find its way out of an unprecedented economic, political, and social crisis naturally seeks to avoid additional trouble at the European level. Britain potentially withdrawing from the European Union not only might put a Grexit back on the political agenda, but also would constitute a setback for Greek–British political and economic cooperation."
- 28. *The Netherlands*<sup>24</sup>: "The Netherlands wants the United Kingdom in the European Union, and the government of Mark Rutte will work with London to push a reform agenda but not at any price. If David Cameron hopes to attract the support of the allies he needs, then he must be a team player and show greater awareness of the EU debates in like-minded countries. Regrettably, a British sense of "narcissistic victimization" toward the EU risks alienating even its natural ally in The Hague."

<sup>&</sup>lt;sup>19</sup> By Erik Brattberg (Atlantic Council, Washington D.C.)

<sup>&</sup>lt;sup>20</sup> By Dr. Eleonora Poli (Istituto Affari Internazionali, Rome)

<sup>&</sup>lt;sup>21</sup> By Dr. Laia Mestres (Institut Barcelona d'Estudis Internacionals)

<sup>&</sup>lt;sup>22</sup> By Dr. Juha Jokela (Finnish Institute of International Affairs, Helsinki)

<sup>&</sup>lt;sup>23</sup> By Dr. George Tzogopoulos (Hellenic Foundation for European and Foreign Policy)

<sup>&</sup>lt;sup>24</sup> By Dr. Rem Korteweg (Center for European Reform, London)

#### **Non-EU Europe:**

- 29. *Norway*<sup>25</sup>: "A British exit from the European Union could revitalize the bilateral relationship between Britain and Norway and add a powerful voice to the group of EU outsiders. But as an adaptive external player without a seat at the table in Brussels, Norway prefers to have like-minded allies like Britain on the inside."
- 30. **Switzerland**<sup>26</sup>: "British Euroskeptics often portray Switzerland as an attractive alternative model to EU membership. But the "Swiss model" with its bilateral special solutions has recently come under severe pressure. There are clear links, especially evident to the Swiss, between how Brussels is behaving toward Switzerland and the idea of a British exit. Switzerland could become an example of the limitations on what some British Euroskeptics think the UK can achieve."

#### **Conclusion**

- 31. We found next to no support for the idea that a Brexit would enhance Britain's international standing. Many of the views were clear the UK would remain a valuable ally, friend or economic partner with whom they could do business. However, these would be lesser deals and overshadowed and largely framed by relations with the remaining EU.
- 32. The countries surveyed showed a mix of bafflement, frustration and weariness at the UK's behaviour in relations with the EU. Within the EU, the UK itself has become a problem in itself – sometimes referred to as Europe's 'British Question' - and so moved beyond its traditional role of being an awkward partner. The view the UK has been trying to blackmail the EU into reforms through threatening to leave has left some feeling particularly resentful and angry. The reliability of the UK as an ally and partner has been called into question. This is especially true in Eastern Europe where the UK's debates about immigration have reduced its standing. As the Polish view makes clear, these states form a band of 'British orphans' that have had to look to other parts of the EU, Germany in particular, for leadership. Long-standing European and world allies such as Sweden, the Netherlands, Japan and the USA have also begun to question the UK's reliability and pragmatism in international and European matters. The result is a Britain increasingly associated with 'negative leadership' in Europe, the area of the world that remains the UK's key political, economic and security focus.
- 33. It is important to note the UK is not always seen as a negative, hostile actor within the EU, and that it's membership has brought considerable benefits to itself, Europe and the world. The often-used phrase of Britain as the EU's 'awkward partner' comes from Stephen George's 1990 book 'An awkward Partner: Britain in the European Community'. It is important to note that George began the title of the book with the indefinite article 'an', not the

<sup>&</sup>lt;sup>25</sup> By Kristin Haugevik (Norwegian Institute of International Affairs, Oslo)

<sup>&</sup>lt;sup>26</sup> By Dr. Christian Nünlist (Center for Security Studies, Zurich)

definite article 'the'. Britain is not the only country to be awkward within the EU, although it can be more awkward than others. Many of the views therefore noted the important, and sometimes central role the UK has played in the creation of the Single Market, bringing about EU enlargement, linking the two sides of the Atlantic, pushing for an EU that is transparent, open and outward looking, helping to build European foreign, security and defence cooperation whether through CFSP, ESDP or any other arrangement. For countries outside the EU, the UK has played an important role in connecting them to the EU, allowing their voices and concerns to be heard. The UK has also been noted for its high standard of diplomatic skills in both the EU and around the world. These skills, however, are overshadowed by the often negative political messages about the EU that emerges from the UK's domestic political debates.

- 34. In many of the non-European views it was clear that the EU has become a central part of the UK's standing in the world. Given the aforementioned importance for these countries of the UK as a link to the rest of the EU, a British exit would require them to direct increased attention towards other EU countries. As several of the views make clear, this would overshadow and largely frame their new relationship with a UK outside the EU.
- 35. The views showed that Britain's standing and place in the world will be shaped in part by geopolitical developments in the EU/Europe. Many of the views noted the potential for a UK exit to lead to changes in the balance of power within the EU that would be to the detriment of both the UK and non-European countries, for example an EU that is more inward looking. Within the EU, members such as the Netherlands and Scandinavian states view the UK as an ally in various policy areas such as economics. However, the UK should not take this as a sign that it can bank on its allies and friends doing everything they can to keep it in the EU. All EU states surveyed wish to retain strong links to the UK, and to work with it to secure both their national interests and, for those within the EU, the common interests of the EU. But this will be done while remaining committed first and foremost to the EU. Even for a state such as Norway, located outside the EU, the lodestar of European politic is the EU, and this will continue to determine relations with the UK.
- 36. The UK's economic links with the rest of the EU and the potential for damage to this from a Brexit, is what raises the most concerns in the countries surveyed. Countries within the EU, Italy for instance, fear a British withdrawal could have a negative impact on their trade balance and unemployment rates. For states such as Canada, China, Japan, Australia, New Zealand, and Singapore, a British withdrawal could disrupt both trade deals and their on-going relations with the EU. However, Some countries, such as Romania, note a growing "mercantilist" attitude in British thinking. Some countries, such as Denmark, have seen a decline in their economic relations with the UK. The UK's economic importance in Europe and the world therefore matters more for some states than for others.

37. Finally, concerns about the unity of the UK arose in several views, with a sense that the UK's internal problems are making it an unreliable partner in Europe and the world. Our report was written in the run-up to Scotland's independence referendum. Scotland's choice was something many picked up on, with concerns the UK was becoming a state whose international relations and standing were becoming impaired by internal tensions. The prospect of Brexit leading to violence in Northern Ireland was of concern to the Irish Republic and the USA. Concerns about the UK's unity contrast with concerns about the EU's unity thanks to on-going problems in the Eurozone. It is clear that while there is some concern a Brexit may damage the unity of the EU, it is far more likely to have a damaging effect on the unity of the United Kingdom.

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