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## **Brexit: Whither UK Defence and Foreign Policy?**

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### **Introduction**

The British public's decision to leave the European Union has caused division and a deep sense of uncertainty over the future of the country. However one sees the vote, it is obvious that the UK is at a turning point in its relationship with Europe and, potentially, the world. There are now significant tensions in and between the UK's constituent nations. A range of commentators, from across the political and social landscape, at home and abroad, warn that the decision will diminish the UK economically, socially and politically. At the same time, politicians from all the major parties have argued that there must be no diminution of the UK's international engagement and leadership.

This briefing considers what the Leave vote and ensuing changes to the British government might mean in the short, medium and long term for the UK's defence and foreign policy, including decision-making and accountability mechanisms, and the still-urgent need to build sustainable security. It looks in particular at the implications of the constitutional uncertainties over Scotland and Northern Ireland's place in the Union, the budgetary implications of economic recession, the UK's likely posture in relation to Europe, the Middle East and the wider world, and environmental issues. It concludes with an assessment of the implications of the Brexit decision, and ensuing political upheaval, for British decision-making on defence and foreign policy.

### **Securing the Union**

If security starts at home, the Brexit referendum campaign and result have already had serious negative consequences for British social cohesion. The National Police Chief's Council [revealed](#) that 'hate crimes reported to the police' rose by 57% in the days after the vote 'compared to the corresponding days four weeks ago'. The toxic atmosphere of xenophobia and racism in the UK (often driven by feelings of marginalisation and hopelessness) which was given licence by some within the Leave campaign, could create opportunities for extremists of all types. Provocative and violent acts may escalate if the government, media and civil society do not act to protect the rights of—rather than [demonise](#)—vulnerable communities, including migrants, refugees and ethnic minorities.

At the intra-national level, while England and Wales voted narrowly (both 53%) for Brexit, 62% of Scots and 56% of Northern Irish voters opted in favour of the UK remaining in the EU. Given that the 'different nations of the UK have exercised different preferences', Professor Sionaidh Douglas-Scott [concludes](#) that, 'these are times of constitutional doubt, possibly chaos'. As ORG [pointed out](#) last year, a victory for the Leave campaign

thus puts the very future of the UK in question. Given that the first priority of any national government is, ostensibly, to uphold the security and integrity of its own state, the referendum result clearly has enormous potential internal consequences for the UK which could have a major impact on its foreign and defence policies and capacities. The Constitution Reform Group, an independent all-party group of senior political figures, thus recently [proposed](#) that the existing union be replaced by a fully devolved government, with each part of the UK given full sovereignty over its own affairs.

This proposal was partly motivated by the fact that Scotland's clear preference to remain in the EU could lead to a second Scottish independence referendum, something which the aforementioned group wants to prevent. This is because [recent polls](#) suggest that a clear majority of Scots would now favour independence—within the EU. Yet the Cameron government did not develop plans for such eventualities or incorporate them into its November 2015 Strategic Defence and Security Review (SDSR)—which was down to, Malcolm Chalmers [claims](#), 'political sensitivities' and 'the prime minister's then-ongoing negotiations on EU reforms'. Chalmers has thus rightly called for a new SDSR. This could potentially include plans for the defence and security of a residual or post-United Kingdom with different partnerships, different borders and diminished resources.

The future status of Scotland also has potentially significant [implications](#) for the future of the UK's submarine-based nuclear weapons system, which is set to be replaced by the next generation Successor programme. The pro-independence Scottish National Party's (SNP) [commitment](#) to 'remove Trident from Scotland for good' means that if a second independence referendum took place and Scotland voted to leave, nuclear submarines could be forced out of their existing home on the Clyde. Such a scenario would cause severe headaches for Whitehall planners over where the bomb could be based, with any relocation likely to be a very [costly](#) exercise.

For Northern Ireland, the implication is less of imminent secession, or re-union with the Republic of Ireland, than of the undermining of the 18-year-old peace process, which the EU has funded and facilitated. If the UK leaves the EU and Ireland remains within it, there will again be an external border between Northern Ireland and the Republic. The dismantling of this once highly militarised frontier was integral to the peace process and of huge practical and symbolic importance. Were the peace process to unravel significantly and violently, any redeployment of the much reduced British armed forces to the region would be extremely controversial and very likely resisted by many in both Northern Ireland and the Republic. Such a move would also have major implications for the UK military in terms of its equipment, structuring and availability to deploy elsewhere.

### **Strategic Calculations**

In the immediate aftermath of the Brexit vote, the ratings agency [Standard and Poor's](#) lowered the UK's rating from AAA to AA, commenting that the vote was 'a seminal event' creating 'a less predictable, stable, and effective policy framework.' Sterling fell to its [lowest level](#) in more than 30 years against the dollar. The Economist's Economic Intelligence Unit [forecast](#) a 1% contraction in GDP in 2017 and a 'decline in investment of 8% and decline in private consumption of 3% in 2017'.

The implications of this currency depreciation and likely economic contraction will be felt in British defence and security policy in terms of the affordability of the overall defence budget, currently pegged at 2.0% of GDP, the price of planned equipment purchases from abroad, and the escalating costs of the Successor nuclear submarine programme. Whilst former Chancellor George Osborne and his successor, Philip Hammond, have both said that there will be no emergency budget in response to the Brexit vote, this position will be harder to sustain if the UK moves rapidly towards recession later in 2016.

A new Comprehensive Spending Review (CSR) would also be likely, with potential consequences for the defence budget as well as the Foreign Office. Indeed, the latter department may now have to share part of its already much diminished budget with the new departments of International Trade (under Liam Fox) and Exiting the European Union (under David Davis). In theory, this might allow Foreign Secretary Boris Johnson to focus more on traditional diplomacy, alliance-building and conflict prevention work, although this will clearly require political commitment and resourcing, given the huge diplomatic distraction of negotiating an exit from the EU and managing turbulent trade relationships.

Overseas development spending is pegged by legislation at 0.7% of national income and thus might be better protected, albeit bound to shrink in a recession context. Should Scotland vote to leave the Union, the residual UK economy would of course be reduced by a much larger percentage, even if such events were not accompanied by further financial volatility. Moreover, repealing the 0.7% commitment would only require a parliamentary majority vote and the new cabinet has given no indication of whether it shares Cameron's personal commitment to development spending at that level. New Development Secretary Priti Patel has in the past called for the replacement of the Department for International Development (DFID) with a more trade-oriented ministry and development strategy.

Relative to the US dollar, sterling is now (15 July) worth about 12% less than when the last CSR and SDSR were concluded in November 2015, and 16% less against the euro. The weaker pound means that several of the government's most expensive planned equipment purchases are also now under scrutiny. Unlike in previous decades, the Royal Air Force and Army Air Corps' new fleet of combat aircraft—F-35 joint strike fighters, P-8A anti-submarine aircraft, AH-64E attack helicopters and the new 'Protector' armed drone—are all being procured from US manufacturers, primarily payable in dollars. That means an extra £2 billion or more in unforeseen costs for just these platforms should exchange rates remain similar. Even before these—as Trevor Taylor has [shown](#), citing State Department estimates—the UK is already importing an average (2008-2012) of about \$11 billion worth of defence equipment annually, mostly from the US and Eurozone. That suggests an annual cost escalation of perhaps £1.2 billion due to the currency depreciation.

Given the already severe cost escalation for the Successor programme—which, for submarine acquisition costs alone, increased from £25 to £31 billion in 2015, with an additional £10 billion contingency—an economic recession may lead the government to look again at cheaper nuclear options. Yet the bipartisan political commitment to nuclearism has, at least until now, been particularly strong and resilient. Moreover, at a time of national turmoil a right-leaning government is unlikely to voluntarily divest itself of such a powerful political symbol. It was thus not surprising to see Theresa May—prior to becoming Prime Minister—indicate her strong [support](#) for Successor as part of her

leadership bid, arguing that there should be parliamentary approval for the programme before the Commons' summer recess.

Uncertainty will also increase in regard to the SDSR's proposal to build at least 13 new frigates or Global Combat Ships in coming years. This is due both to the uncertain, but very high, cost of these ships (perhaps £10 billion altogether) and the expectation that they would be built mainly in Scottish shipyards. The National Shipbuilding Strategy, currently under formulation, would likely be postponed if there is further uncertainty over Scotland's status and the UK's ability to find funds. This could also affect the two new Queen Elizabeth-class aircraft carriers currently being completed in Rosyth, Scotland given existing [questions](#) over the UK's ability (let alone need) to operate two such expensive ships.

Given the difficulty of reconciling all these expensive commitments to equipment made in the 2015 SDSR with post-2016 economic constraints, it is important to remember that the SDSR was at least as much a product of the priorities of Cameron's inner circle, notably Osborne and Cabinet Office minister Oliver Letwin (all now gone from government), as of Defence Secretary Michael Fallon, who has retained his post. Prime Minister May and her team may have other priorities.

A new SDSR would thus be an opportunity to make a more realistic reassessment of British defence priorities and resource allocations, including rethinking the focus on hugely expensive 'exquisite kit' and globally deployable maritime expeditionary forces. A rushed parliamentary decision authorising the Successor programme for the sake of scoring political points would be the least responsible course of action during the current political crisis.

## The UK and European Security

The UK's main international partners were all in favour of it continuing within the EU. The Foreign Ministers of Belgium, France, Germany, Italy, Luxembourg and the Netherlands expressed their [regret](#) following the vote, describing it as a 'watershed moment in the history of Europe,' not least because it sparked [calls](#) for similar referenda in other EU states. India's finance minister [noted](#) that the referendum result 'will obviously further contribute to...[global]...volatility'. In Asia several governments [prepared](#) stimulus packages in response to fears of a full-blown UK recession. Prior to the vote Barack Obama had [intervened](#) to make it clear that for the US, a vote for Brexit would leave Britain with 'less influence in Europe and, as a consequence, less influence globally'.

In order to calm fears of the UK withdrawing from the world stage, soon after the vote, Defence Secretary Michael Fallon used an [address](#) at the Royal United Services Institute to insist that the UK will remain a 'major international power' and the country's 'global outlook' would not change. Such statements reveal London's need to reassure Washington that British assets valued by the US, including 'the frank UK-US exchange of global views,' which Adam Svendsen [argues](#), are fundamental to intelligence sharing, will not be affected by Brexit. The problem here is that withdrawing from Europe, whatever shape that may take, would likely lead to greater dependence on the US, so that the UK becomes an even more junior partner in this 'special relationship'.

Malcolm Chalmers has [warned](#) that Brexit ‘will diminish UK influence in Nato’ because the UK will be less able to ‘influence and bring along other European member states.’ A scenario may therefore develop whereby the UK winds up as less influential on security debates within Europe (replaced by a Franco-German pole) and both more subservient to the US and less valued by it. Chalmers [recommended](#) that the UK ‘redouble its commitment to European defence’ partly because the UK’s military capabilities ‘represent one of its few bargaining chips’ as it enters ‘a period of tough negotiations on the terms of its future economic engagement with its EU neighbours’. This helps to explain why the UK strongly recommitted itself to NATO at the alliance’s summit in Warsaw on 8-9 July. At this meeting David Cameron talked up British deployments to Estonia and Poland and made good on Theresa May’s pledge to [seek parliamentary approval](#) for the Successor nuclear weapons programme, scheduling a debate and vote for 18 July.

These events are occurring just as the EU has launched its new [Global Strategy](#) on foreign and security policy, which aims to ‘nurture the ambition of strategic autonomy’ at a time of ‘existential crisis’ for the EU. The Financial Times [reported](#) that France and Germany were pushing to ‘deepen common defence and security co-operation within the EU—long resisted by Britain—as one way to show [the union has unity and purpose](#) in the wake of the UK vote to leave the EU’. France and Germany released a common [position paper](#) on 27 June including a call for a European Security Compact. Developing ‘full spectrum defence capabilities’ would therefore allow the EU to, eventually, independently take on a range of missions, whether internal or external to Europe—again reducing the UK’s influence on the continent.

The goal of strategic autonomy for the EU may also be driven by dissatisfaction, in some quarters, with NATO’s aggressive approach. For example, in June, German Foreign Minister Frank-Walter Steinmeier strongly [criticised](#) the alliance’s actions towards Russia. Steinmeier focused on NATO’s recent [military exercises](#) in Poland and the Baltics, stating that ‘the one thing we shouldn’t do now is inflame the situation with loud sabre-rattling and warmongering’. These comments may be seen in the light of recent [revelations](#) that General Phillip Breedlove, who was, until recently, NATO’s Supreme Commander in Europe, privately plotted to ‘overcome President Obama’s reluctance to escalate military tensions with Russia over the war in Ukraine in 2014’, apparently undercutting [mediation](#) attempts being made at the time by German Chancellor Angela Merkel.

Given these tensions within Europe over the relative merits of US/NATO or EU-driven defence policies, it might be more prudent and sustainable for the UK to use this period as an opportunity to reassess the nature of its relationship with NATO and the US, as well as with EU foreign and security policy bodies such as the [European Defence Agency](#). This is particularly important given that the post-Obama presidency is likely to see the US move towards a more hawkish orientation. More fundamentally, and not currently much less likely, a future Trump presidency could cause a rupture between the US and Europe, in which the UK would need to choose its alignment very carefully.

The rise of right-wing populism in the US should not be seen in isolation from the European context. In May, Austria came close to electing a far-right president, and will have to re-run this election in October, and National Front leader Marine Le Pen is [polling](#) strongly in advance of the 2017 French Presidential election. The electoral [decline](#) of social democrats and the [rise](#) of the far right in Europe over recent years presents

challenges for both the EU project and states like the UK that are, however reluctantly, closely aligned with it.

### The UK in the Wider World

The Brexit vote also has implications for several other of the UK's overseas operations. For example, London leads policymaking in the United Nations on a variety of international crises, including Darfur, Libya and Yemen. While there is no question that its departure from the EU would threaten its permanent seat on the Security Council, there is the strong possibility of distraction while the civil service is tied up in years of negotiation disentangling the UK from Europe.

This may also be felt in Africa, where the UK has increasingly worked through the EU. As Colum Lynch [points out](#), the EU 'foots the bill for African peacekeepers'. The UK also contributes almost 15% of the European Development Fund, much focused on Africa. Alex de Waal has thus [argued](#) that the UK will continue to contribute to African Union peacekeeping missions for as long as the Brexit process lasts but will have much less influence over policy. In addition, diplomats will now be occupied with 'decoupling Britain' from a plethora of EU peace and development programmes and renegotiating trade deals. Decoupling aid and security assistance from multilateral programmes or trust funds goes against the general trend of coordinating international aid to fragile and conflict-affected states.

The impact of the UK's withdrawal from the EU may also be felt through a redoubling of British commitments to existing operations in the Middle East and Afghanistan, again as part of attempts to demonstrate that the UK remains the US's key ally in out-of-area operations. Thus, Cameron chose the NATO summit to commit additional British forces to Afghanistan. In the week after the referendum, the government also [nearly doubled](#) its commitment of troops to operations in Iraq. In short, the need to show commitment to NATO or US-led operations will mean that the British armed forces are ever more involved in existing combat operations and the garrisoning of the Gulf monarchies and waterways.

This may have a negative knock-on effect on the UK's commitment to UN peacekeeping operations, which [Cameron](#) had begun to trumpet in 2015. Given expanding commitments to collective security operations in Eastern Europe and the Mediterranean and combat operations in Iraq, Syria, Afghanistan and (covertly) Libya, there may be repercussions for the proposed commitment of 370 British troops to South Sudan and Somalia. At the least, the prospect of the UK making further meaningful deployments to UN-led operations may be reduced. Hosting a Leaders Summit on UN Peacekeeping in September 2016 provides an opportunity for London to recommit to multilateral peacekeeping but this seems unlikely to be high among Theresa May's early priorities.

### Environmental Policy

With regards to climate change policy, several leading [green champions](#) had argued that the UK should stay in the EU because it raises national environmental standards. The Guardian's head of environment Damian Carrington [argued](#) that 'the UK's challenge to build a clean, secure and affordable energy system' had become 'significantly harder' because 'higher customer bills and delayed or cancelled projects' are now expected.

In a [move](#) to calm such fears the government set a new target to reduce carbon emissions by 57% by 2030 on 1990 levels, tougher than the cuts it had previously signed up to via the EU. Yet the government's own official advisers in the Committee on Climate Change subsequently [warned](#) that the UK lacked policies to meet 'more than half of the carbon emission cuts required by law by 2030'. Theresa May's own position on the importance of climate change and green energy remains to be seen, but her decision to [abolish](#) the Department for Energy and Climate Change does not bode well.

The political uncertainty that will linger until the government decides its negotiating plan for the UK's future relationship with Europe is likely to delay several major investment decisions. In some cases, this may be positive if it allows time and space for a rethink of policies that have damaging environmental impacts. As the Times [reported](#), the current situation has 'thrown into serious doubt' whether two of the UK's biggest infrastructure projects—a third runway at Heathrow and the Hinkley Point nuclear power station—will go ahead. If Hinkley Point—whose consumer-funded subsidy has quadrupled, according to a recent National Audit Office (NAO) [report](#)—is cancelled, then this may mitigate some of the nuclear skills [shortages](#) facing the civil and military nuclear programmes. From a sustainable security point of view, whilst nuclear may have some role to play in the UK's future energy mix, the government should be prioritising investment in green technology and renewable energy, with the latter now more 'cost competitive', according to the NAO.

Overall then, the upheaval caused by the referendum seems likely to suck political attention and energy away from the other serious problems—including the existential [threats](#) of climate change and nuclear war or catastrophe—facing the UK, Europe and the world. The prospect for making progress towards sustainable security therefore appears, at least in the short-term, to have been significantly set back as the complex dynamics unleashed by Brexit evolve.

### Democracy and Decision-Making

Whilst the EU referendum unleashed a great deal of anger against remote Westminster elites and significantly exacerbated social discord, for many, it did at least finally present some means by which they could have their voices heard regarding the impacts of austerity and immigration on their communities.

Yet decisions on the implementation plan for Brexit, including whether the UK seeks to remain in Europe's single market and accept the free movement of labour, is set to be led by a Prime Minister who was at the heart of the Cameron government and a 'Remain' supporter. This highlights the important question of to what extent future decisions and settlements will be accepted by the public and have democratic legitimacy, for example, if there is not a general election or a second referendum on future deals the government seeks to strike with the EU.

As Paul Rogers [noted](#), the Labour Party's in-fighting at this time also undermines the work it has been doing to develop alternative economic and security policies. Most notably, the Labour Defence Policy Review proceeding under Emily Thornberry since January faces an uncertain future. Arguably, this was the most open-minded review of British defence policy and decision-making (including on nuclear issues) since the 1980s. Whether or not it is released, let alone adopted, may depend on Jeremy Corbyn's own future as Labour leader. Indeed, the [timing](#) of the publication of the Chilcot inquiry,

concerning the Iraq war, may have led opponents of Corbyn to seek his ouster, because they did not want him to condemn Tony Blair or seek his impeachment.

An immediate danger is that the focus on domestic political machinations and the fallout from the referendum will drown out the Chilcot Inquiry's scathing [findings](#) on the invasion of Iraq. These [findings](#) support the view that, if the UK is to become a responsible global citizen, then a thorough rethinking of UK decision-making on issues of war and peace, the UK's relationship with the US and its role in the Middle East and the world (increasingly conducted via [remote control](#) warfare), needs to urgently occur via an open, responsible and frank public debate. The fact that the inquiry was published in the middle of a political crisis must not become an excuse for those unwilling or uninterested in making UK defence and foreign policy more democratic, transparent and accountable to ignore the far-reaching lessons from this conflict.

## Conclusion

Pro-Leave campaigners focused on the importance for the UK of 'taking back control' by ending its membership of the EU in order to restore democracy and sovereignty. In reality, the institutions of the EU are only one of the principal sites of power where decisions are made that affect the UK's government and people. For better or worse, big business and the US strongly determine the parameters within which the UK government acts and has acted, not least in foreign, security and environmental policy. The institutions through which such powerful actors or 'partners' exert leverage over British policy are often opaque and beyond the ability of parliament, let alone citizens, to scrutinise or hold to account.

Whilst the UK has yet to agree what Brexit means, there is a need for a broader debate on what democracy and sovereignty means for Britain, and how these principles should inform its international actions and relationships. This is necessary both to ensure that any future agreement with Europe has legitimacy and to propose and assess responsible plans for future UK domestic policy and international co-operation—including on the environment, energy, security and trade—if just and sustainable approaches are to have any chance of prevailing.

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