A EUROPEAN UNION
WITHOUT THE UNITED KINGDOM
THE GEOPOLITICS OF A
BRITISH EXIT FROM THE EU

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ABSTRACT
A vote by the British people to withdrawal from the EU – also known as a ‘Brexit’ – will have significant implications for the EU, the ideas and structures of European integration, and European geopolitics. Opinion polls show that a vote to withdraw is a distinct possibility. The EU, the rest of Europe, allies around the world and the UK itself need to be prepared for the wider international implications of such a move. This short Strategic Update examines how likely a Brexit is and explores what it could mean for the EU, European integration, and Europe’s economics and security.
INTRODUCTION

Britain’s membership of the European Union has long been overshadowed by doubts about its commitment and whether it may one day leave, also known as a ‘Brexit’. The election of a majority Conservative government in May 2015, David Cameron’s January 2013 commitment to seeking a renegotiated UK-EU relationship and in/out referendum, and developments elsewhere in the EU have increased the possibility of a withdrawal. This has led to a wealth of analysis and comment about what this could mean for Britain, adding to an already substantial literature on UK-EU relations. Despite this, the Brexit debate has long been a parochial one, focused largely on the implications for Britain. When in November 2015 David Cameron set out Britain’s aims for a renegotiated relationship, he did so at Chatham House. The location helped convey his message that part of the European question in UK politics was one of national security, something that had until that point been largely overlooked. The wider implications of such a move – for the EU, Europe, transatlantic relations, NATO, and wider international relations – have often been ignored except for debates in a small international relations community of diplomats and scholars. Even Britain’s debate has its limits; Ed Miliband, former leader of Britain’s Labour party, once warned that the UK risks sleepwalking out of the EU. The EU itself has been asleep, oblivious to what a Brexit could mean for it. The withdrawal of one of the EU’s largest member states would almost certainly be a defining moment in the history of the EU with wider knock-on effects for NATO, European security and international relations.

This presents a problem for all concerned. Until the election of a majority Conservative government at the May 2015 General Election, most in the rest of the EU (and to some extent the UK) had refused to contemplate a renegotiation of Britain’s membership because it seemed a distant possibility. Cameron’s renegotiation and referendum have not been easy, often denounced as a step towards an EU ‘a la carte’. But if an EU ‘a la carte’ is not acceptable then this increases the risk of an EU ‘sans la Grande Bretagne’. Without being able to weigh up the pros and cons of losing Britain, the EU cannot know how far it should go in negotiating, refusing or appeasing the UK. An EU without Britain might be a more united union that functions better. It might also become more divided, with a Brexit unleashing centrifugal forces that unravel the EU.

British supporters of withdrawal or renegotiation also need to reflect on how the rest of the EU and others might respond, and how much leverage is gained from the threat of Brexit. Britain could be undermining its chance to lead Europe. As Cameron himself made clear in his speech at Chatham House, on current projections, by the middle of the century the UK will have the largest population, economy and military in the EU. Sidelining itself or withdrawing now means any deal or relationship will be determined not by what the best deal is for the UK, but what is in the much larger collective interests of the EU and Europe. This will be shaped by the outlook of the remaining EU, an outlook that Britain’s departure could change into one much less hospitable to British interests. Undoubtedly, Britain and the EU will continue cooperating, with some cooperation undertaken through forums such as NATO or bilaterally
through relations with Germany or France. However, beyond military and some issues of high politics, most other cooperation and what means this is facilitated through, is likely to be decided through relations where the EU will be the predominant actor or a defining factor in the thinking of other European states.

A Brexit could also have significant implications for NATO, wider European politics, transatlantic relations and Europe’s position in the international system. It is concerns over such implications that will shape the way countries such as the USA, Russia or emerging powers will view a Brexit. A Brexit that added to Europe’s divisions and security weaknesses, or turned it inwards would be of serious concern to Washington D.C. A focus in UK political debate on US-UK relations distracts from how geopolitical thinking about a wider transatlantic relationship will shape the response of the USA to a Brexit.

Any Brexit will not happen in isolation from other events, not least of which are ongoing efforts to manage the ongoing problems in the Eurozone and Schengen. In writing about the direction the EU could go as it recovers from the Eurozone crisis, Tom Wright of Brookings sketches out three scenarios: an EU that takes a leap forward to become more united, functioning more effectively; a muddling through with the EU largely stagnating; and further divisions, possibly leading to the collapse of the EU. Understanding a Brexit requires us to take into account these wider changes in which a Brexit could play an influential – perhaps, defining – role. By taking these into account we can see more clearly that the concerns of states such as Germany or the EU’s institutions will not be about the UK or simply economic links with it, something British Eurosceptics have argued will ensure relations between the UK and the EU remain cordial and in line with the UK’s needs. We also need to keep in mind the role of ideas in European integration and relationships; supranational, intergovernmental, multilateral and bilateral links that connect Europe; global and European political and economic pressures such as the Eurozone or emerging powers; and the outlook of the political elites across the EU that will define how Europe responds to a Brexit.
HOW LIKELY IS A BREXIT?

The question of Britain’s continued membership of the EU has slowly risen up the list of concerns for other EU member states, in no small part thanks to other problems such as Russia, migration and the Eurozone being of larger concern. There is also a sense by the rest of the EU of having been here before, both with a similar referendum in 1975 and in repeated complaints and bust-ups with the UK over the following 40 years of membership. Added to this is a sense that David Cameron’s aim has not been to secure a reformed EU or UK-EU relationship, but instead has been about his holding onto power in the face of opposition from the Eurosceptic backbench members of his own party. Such an approach runs the risk of overlooking the tensions that define the European issue in UK politics. ‘To be or not to be in Europe: is that the question?’8 In short: no that is not the question. The question – or issues that fuel it – have been building for some time. It is not entirely surprising that a referendum has finally been called. The issue of holding an in/out referendum became an accepted norm of UK politics such that at the 2015 General Election all the main UK parties – Conservatives, Labour, Liberal Democrats and UKIP - were committed to holding an in/out referendum, albeit under different conditions.

Opinion polling shows that the British public can appear split over the issue of EU membership. There can be little doubt that they are amongst the most Eurosceptic in the EU. However, it is important to note that opinion polling has shown the British people are not overwhelmingly sold on voting for the unknowns of a Brexit. Indeed, look more closely at opinion amongst the public and political elite and we find it is more nuanced than often assumed with Eurosceptic opinion being something of a minority, albeit still a substantial one.9 The surge in support for UKIP is not simply about the EU. Its support is also about anti-politics, anti-immigration and anti-London.10 As a result of the UK’s majoritarian electoral system, UKIP has struggled to turn votes into MPs, buts it has succeeded in taking votes from all of the other UK parties.

As a result, UKIP is unlikely to fade away anytime soon, support for it has pushed the other parties into responding to its agendas, and it draws on unease with the EU that has long been present in British politics. Britain’s long history of strained relations with the EU will not disappear. Even if there were a referendum, and it produced a vote to stay in the EU, it would unlikely settle what David Cameron called ‘the European question’ in British politics. The European Question is not simply about whether to be or not to be in the EU; it is more about tensions within the UK’s party politics, changing constitution, identity politics, political economy, responses to globalization and place in a changing Europe.11 A variety of polls have shown a willingness to back withdrawal. Scotland’s 2014 referendum result serves as a reminder that political arrangements, even those that have been set for hundreds of years, could change. Inaccurate polling over the Scottish referendum and the 2015 General Election also serve as a reminder of how unpredictable these votes can be.
The EU’s own crises – with the Eurozone, Russia and migration – have not helped to sell itself to a British electorate that like many across Europe have shown a growing weariness at European integration. When contrasted with the economic opportunities from emerging markets the EU can appear to be the past, not the future it once was. The EU’s appeal in the UK rests largely on economics and trade. Declines in the trading link will add to questions about what Britain gains from EU membership. We should also be careful not to overlook the capacity for the EU itself to bring about or shape the likelihood of a Brexit. A refusal to agree to any renegotiated relationship, another Eurozone crisis or failure to grapple with another immigration crisis could make it more likely that the referendum result will be for a withdrawal.
IMPLICATIONS FOR EUROPEAN UNITY AND INTEGRATION

The first problem the EU would face from a Brexit is the unprecedented experience of negotiating the withdrawal of a member state. The very idea of withdrawal is a taboo, representing a reversal and challenge to the idea of European integration as a process that moves forwards not backwards. That said, withdrawal is not strictly unprecedented with two overseas territories of member states having left: Greenland in 1985, and Algeria in 1962. The EU also has a procedure for withdrawal as set down in Article 50 of the EU’s Treaty. It provides a withdrawal timeframe of two years, possibly longer if both sides agree this is necessary. Negotiating for the EU would be a team nominated by the Commission and approved by the Council. Article 50 requires any withdrawal agreement contain both a deal for the withdrawal of the member state and a framework for a post-withdrawal relationship with it. This whole deal would have to satisfy the remaining EU member states through a vote in the European Council, and receive the support of the European Parliament. In the case of the UK any deal would also require the support of the UK Government, British Parliament, and possibly the British people if there was pressure for the deal to be subject to approval by another referendum. The possibility of the European Court of Justice becoming involved should not be overlooked, it providing an avenue through which private individuals and/or companies challenge the withdrawal deal. Any such negotiations could also be set against the backdrop of ongoing negotiations to deal with the problems in the Eurozone and Schengen. The context within which a UK withdrawal takes place could therefore be another period of considerable EU institutional change, naval-gazing and tense relations between individual leaders and national elites.

Any institutional naval-gazing would also be the result of the EU needing to make changes to its own institutions and procedures to fill the gap left by Britain. The EU would face the never-easy task of negotiating changes to the voting system used for making decisions in the European Council, a reallocation of seats in the European Parliament, changes to staffing quotas, and increases in budgetary payments to make up for the loss of the UK’s large net contribution (£8.5 billion in 2015). When combined with possible changes to the Eurozone, a Brexit could add to shifts to the EU’s balance of power and changes to the EU’s policies and outlook.

Perhaps the most dramatic consequences of a Brexit would be one that put the unity of the EU under pressure. The EU’s unity has come under considerable pressure during the Eurozone and migration crises. While they have so far held together, and the response has if anything been to push for further integration, the Eurozone and Schengen remain vulnerable and future tests of their unity cannot be ruled out. If the UK and other non-EU members thrived and the Eurozone continued to struggle, then Britain’s withdrawal could trigger centrifugal forces leading other member states to question their membership and commitment to integration, in turn stalling integration and beginning a process that
unravels the EU. The key here is likely to be Germany. In writing about the potential for the EU to disintegrate, Douglas Webber notes that the EU has never faced a ‘crisis made in Germany’, the EU’s driver, paymaster and indispensable nation. What that crisis might be is not clear, but a Brexit that combined with another crisis in the Eurozone or Schengen could strike deep into the EU’s heart leading both Germany and other members to question their membership. Any such ‘domino theory’ by which a Brexit makes other EU members states question and abandon their membership or commitment to integration, has to be set against the likelihood of another domino effect within the EU should the UK secure a renegotiated relationship that provokes envy elsewhere. Other states could then demand concessions, creating the aforementioned EU ‘a la carte’. Whichever way is taken, Britain’s behavior could appeal to far left and right wing groups, especially in some Southern and Eastern European member states, adding to the problems the Eurozone crisis has caused for anchoring these states into the European mainstream. It could also have some appeal to groups in Northern and Western Europe, such as France’s Front National. At the same time, if the UK struggles outside the EU then its appeal and decisions would be limited, strengthening the EU’s position. Losing a member noted for being ‘an awkward partner’ could allow the EU to work together more effectively. That said, Britain is not the only member of the EU who can be awkward. Both the Eurozone and Schengen, neither of which Britain is a member of, have struggled to find the necessary unity and leadership in the face of ongoing problems.

The centre of power in the EU could also shift. Germany’s already strong position could be further strengthened with implications for the Franco-German axis. Britain has sometimes played a role in this bilateral relationship. France could be left facing an EU where the centre of gravity has shifted further eastwards and where Germany’s ‘culture of restraint’ and preference for geopolitical thinking over the geoeconomic, comes to shape the EU’s international standing. However, Germany might also be left feeling uneasy at the withdrawal of an ally that has helped it push an economically liberal, free-market agenda. The political and geographical centre of the EU could shift eastwards and southwards. Some member states may gain from a withdrawal, seeing it as a chance to enhance their position within the EU. Some such as the Irish Republic, more heavily linked to the UK than others, may face significant challenges.

The EU’s place in Europe could also be changed. A Brexit could change the EU’s relationship with countries such as Norway and Switzerland who are connected to the EU through either membership of the European Free Trade Area (EFTA) and/or the European Economic Area (EEA). These were intended as conveyor belts towards eventual EU membership. A Brexit has the potential to throw them into reverse. A Brexit would also remove from the EU a member that has been more willing than many to contemplate Turkish membership of the EU. While such membership has long been in doubt, a Brexit would more than likely end any remaining hopes. For countries such as France, who have already made clear their
unease at Turkish membership, losing a large Western, developed and largely Christian state such as Britain would make it more likely they would block enlargement to a large, developing, South Eastern European and largely Muslim state such as Turkey. At the same time, Britain’s exit and new external relationship with the EU could open new possibilities for the EU’s relations with states such as Turkey.19

How the EU’s relations with these non-EU European states develop could be shaped by whatever post-withdrawal relationship is established with Britain. The EU will be compelled by geography, economics (including the power of the City of London), law (Article 50 TEU requires it – but not the departing member state – to attempt to negotiate a post-withdrawal relationship), demographic links – indeed, by sheer realpolitik – to develop a working relationship for managing common problems and a deeply interconnected relationship. A variety of proposals have been put forward for a post-Brexit UK-EU relationship. These range from special trade deals through to membership of the European Free Trade Area and/or the European Economic Area. Each has been discussed in great detail, even been the subject of €100,000 prizes.20 The focus is almost always on what would be good or bad for the UK. What would be good or bad for the EU is rarely assessed despite the EU having to agree to any such deal, and therefore likely to be in the driving seat of any negotiations.21 What the EU agrees to will depend on what is in its economic, social and security interests, which ideas define the political debate, institutional links, international events and the outlook of individual leaders.22

Should a Brexit weaken the EU then Britain could try to use this as an opportunity to redraw the economic and political relationships of Europe, moving away from the more supranational political setup of the EU towards more intergovernmental arrangements focusing largely on trade. The British government and political class may also expect Britain to be treated in some special way. This does not simply reflect some high self-opinion of Britain’s place in the world. It reflects the UK’s much larger demographic, economic, social and military size compared to other non-EU European countries such as Norway and Switzerland, who also have their own unique arrangements with the EU. It is also a reflection of Britain’s future position. Britain’s economy is predicted to overtake that of France by 2020, and London looks set to continue powering ahead as Europe’s most international city.23 Sometime in the 2040s Britain’s growing population looks set to overtake that of a declining Germany.24 By mid-century Britain could therefore be the largest member of the EU. Any expectation of special treatment also reflects forty years of membership. A UK outside the EU would move from decision maker to decision shaper, but it will be the best placed country outside the EU to shape decisions through bilateral or multilateral governmental links, or through networks involving civil society or the business community. One of the biggest tests of a Brexit for the EU will therefore be whether it can present a united front to the UK. Given the mutual interests in areas such as foreign, security and defence matters, and the global power of the
financial institutions of the City of London, the EU could engage the UK through forums such as an EU+1 arrangement, an EU2+1 involving France, Germany and the UK, or a modified version of the EU’s current G6. While the ability of the UK to divide and rule should not be overplayed, it should not be underestimated either. The EU has struggled to act in a united way in dealings with a range of other non-EU states such as Russia, the USA, Turkey and Israel. To what extent then can it be expected to manage a united front to the UK? However, we should not overlook the possibility that should the EU become more united then its relationship with the UK might come to resemble that of the USA’s relationship with the UK: a one-sided ‘special relationship’.
GEOECONOMIC IMPLICATIONS

Any compilation of national views from around Europe and the world looking at what a Brexit might mean for these states soon reveals concerns about the economic costs of a withdrawal. The UK’s economic place in the EU is substantial. Britain constitutes 14.8% of the EU’s economic area, with 12.5% of its population. British exports are 19.4% of the EU’s total exports (excluding intra-EU trade). Within the EU Britain runs a large trade deficit with the rest in goods and services, around £28 billion a year in 2012 and as high as £61.6 billion in 2014. What impact a Brexit would have on Britain’s trade with the EU is hotly contested within the UK. That Britain runs a trade deficit with the rest of the EU leads some to argue the EU needs Britain more than Britain needs the EU. This is questionable given roughly half of Britain’s trade is with the rest of the EU, leaving the UK in the position where it could potentially damage more of its overall trade than the rest of the EU. Nevertheless, neither side has an interest in allowing a situation in which their economic links are damaged. As mentioned earlier, a plethora of proposals have been put forward ranging from free trade deals, membership of EFTA/EEA (or an adapted version of them), or some special membership of the EU’s Single Market. These focus almost entirely on what might be best for Britain. Yet the final agreed arrangement will also be one shaped by what is best for the EU and Europe. Few if any member states will see anything to be gained from allowing a deal whereby the UK can undercut the EU by having access to the EU’s Single Market without any of the costs of membership. Some states have already made clear they expect to attract investment at Britain’s expense, France’s foreign minister saying his country would ‘roll out the red carpet’ for investors looking elsewhere. The City of London, already something of a target for some within the EU, could become an even clearer target for hostile acts should the UK withdraw. To what extent the EU can pursue acts that either punish or limit Britain’s behavior is debatable, but it should come as no surprise if some in the EU seek this following a Brexit.

Longer-term concerns about a Brexit focus on whether the EU that emerges (or a more fragmented Europe if the EU were to break up) becomes more inward looking and less inclined towards liberal, free-market economics. Britain has been a long-standing supporter of the EU’s Single Market and has repeatedly pushed for it to be more open and deregulated. This has led to uneasy talk elsewhere in the EU of Europe being subject to an ‘Anglo-Saxon’ agenda, or even the ‘Britishisation’ of the EU. However, Britain’s role in the EU’s economic thinking is already limited by its exclusion from the Eurozone. Without the UK the Eurozone and EU could more neatly align, leaving the members of the Eurozone as the undisputed heart of the EU both politically and economically. It is also questionable to what extent countries such as Germany or even France would allow the EU, or the Eurozone, to become more inward looking and protectionist. Even the European Commission, often lambasted by British Eurosceptics as a bastion of state-socialism, just as often finds itself accused of pursuing harsh neoliberal, deregulatory and free-trade agendas. Reforms to the Eurozone
might have struggled to overcome its problems, but the intention has been to ensure the Eurozone is more open and competitive. The UK is also not alone in seeing the potential and feeling the draw of emerging markets, something some British politicians accuse the EU of holding Britain back from. Germany’s interests in markets such as China and Brazil dwarf those of the UK, with many other EU members also pursuing links. Pressure from the USA or China and international trade negotiations, may not leave the EU many options but to continue embracing an outward looking economic agenda. Britain itself would likely use its influence from the outside to try to ensure the EU remains open and competitive. Granted, models of state-capitalism in Russia or China may grow in appeal. But the EU would come under incredible global pressure to remain open, as would the UK. Should the EU integrate further and feel more confident then it may even begin to espouse its own models for managing globalisation.

Possible economic implications of a Brexit could be seen first with the Transatlantic Trade and Investment Partnership (TTIP), a development Britain has been at the forefront of efforts to create. TTIP negotiations have progressed, but questions remain as to whether EU member states or the US Congress might become problematic in ratifying it. Slowed TTIP approval could see it caught up in the Brexit debate. While a TTIP without the UK would not be impossible – indeed, the USA and EU have warned this could happen – Britain’s large economic and political relations with the USA (larger than any other EU member states) mean it would be more difficult and a lesser deal if secured, and potentially a more difficult sell to the US Congress. Given the aim of TTIP is to expand to include other states such as Canada, a UK outside the EU could secure some form of partnership. However, what this partnership with other countries might entail is not yet clear. Nor is it clear whether the EU would allow the UK anything less than a backseat role. For the EU the partnership would be a bilateral one between Washington and Brussels.
EUROPEAN SECURITY, TRANSATLANTIC RELATIONS AND NATO

A Brexit would remove from the EU one of its two military powers capable of operating and thinking on a global scale. Britain’s military capabilities might be much reduced, but they along with its diplomatic, intelligence, international aid and soft power remain considerable. The UK has long been one of the mainstays of EU efforts at cooperation in security, defence and foreign policy, with UK-French defence cooperation being extensive. Both countries have felt frustrated with the slow progress in EU defence and security cooperation. Without the UK, France would be left as the only major military power in the EU. Perhaps France would then abandon bilateral cooperation with the UK in favour of renewed efforts at EU led cooperation, opening up opportunities for Germany to develop its own and the EU’s military capabilities and geostrategic thinking. France, Germany and Poland – the Weimar Group – could develop into the heart of EU cooperation on such matters. However, whether Germany would be willing or able to engage in such a role is open to doubt.

A great deal of how a Brexit might change European security will hang on the reaction of the USA. Focusing on what a Brexit might mean for the UK-US ‘Special Relationship’ or accusing Britain of being an ‘American Trojan Horse’ set to weaken the EU or make it serve the USA, deflects attention from the close relations the USA has with any number of other European states such as Ireland or Germany. The sheer economic size of the EU - which without the UK would have a collective GDP of $13.5 trillion compared to Britain’s $2.4 trillion – means collective US-EU economic relations would overshadow those with Britain. The USA could therefore face a double loss from a Brexit if this led to a more awkward relationship with the EU (combined with more complex EU-NATO relations) and a reduced standing of the UK in the world. There would be no shortage of applicants to fill the position of claiming to be the USA’s closest friend inside the EU. While such applicants might not offer a relationship that could claim to be as ‘special’ and intimate as that with the UK, for the USA they will be of increased importance thanks to Europe, and the EU, being an area of the world in which it will retain considerable interests. Despite some high profile spats, as President Obama made clear in his state visit to the UK in 2011, Europe remains the cornerstone for US global engagement and the greatest catalyst for global action in the world today. As President Obama made clear in 2015, UK membership of the EU, “gives us much greater confidence about the strength of the transatlantic union and is part of the cornerstone of institutions built after World War II that has made the world safer and more prosperous...the values that we share are the right ones, not just for ourselves, but for Europe as a whole and the world as a whole”.

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Should the UK absent itself from the predominant political and economic organisation of Europe, then it would be disengaging from a partner the USA will continue to work with on shared ideas, interests and through a variety of multilateral institutions. The extra effort the US would put into other European relationships would in part stem from a desire to ensure the EU does not change to the detriment of US interests. A British withdrawal would likely add to US worries that Europe lacks the unity or political energy to think geostrategically about the rise of powers such as China and Brazil. These concerns have been fuelled in recent years by the EU’s focus on its internal problems such as the Eurozone crisis.

The USA will also view a Brexit in the light of long-running fears that Europe will continue to free-ride on a US security guarantee provided through NATO. The result could be more frustration for the USA at Europe’s inability to deal with security issues in its near-abroad, for example in the Middle East, North Africa (the Libyan War being a clear example of Europe’s divisions and military weaknesses) and with Russia over developments surrounding Ukraine. If developments in Ukraine mean Europe once again becomes a security importer, changes to the configuration of US defence capabilities mean the USA is likely to provide at best a minimum contribution while continuing – likely in vain – to shift some of the burden of dealing with issues in Europe’s near-abroad towards Europe. For the foreseeable future the US will continue to work through NATO or through coalitions of the willing on key issues. But in the longer-term, the United States will likely need a strong and coherent European Union to advance common interests in the face of emerging powers. This is especially so given mounting pressures within the USA to leave Europeans to fend for themselves. A successful TTIP would provide some balance to the part of NATO in the transatlantic relationship, and thus a powerful geoeconomic tool. It would be wrong therefore to assume a Brexit would have no impact on NATO or not weaken it in anyway. While the shared links between the US and EU mean the two are likely to work around a Brexit, the disappearance from the EU of one of its major military powers could further strain efforts at Europe-wide defence cooperation, whether through the EU or NATO. Nobody should cheer the failure of the EU, Europe’s predominant economic and political organisation, to shift the grounds for better cooperation on defence spending and businesses. If the EU continues to struggle to provide a way for doing this, then Washington may well wonder what hope remains for Europe ever organising itself better on defence.

Countries such as Canada, Australia, New Zealand, Singapore and Japan – allies of the UK, the USA and the rest of the EU – are likely to be just as uneasy as the USA at an EU without the UK. They would prefer a UK inside the EU, fighting for reform and standing as a reliable ally. But a Brexit would not make them give up on the EU, their relations with it being substantially larger than that with the UK alone. They too will fear the prospect of an EU that becomes more inward looking or divided, seeing in it a weakening of Europe’s
position in the world and in turn a weakening of the Western alliance. The outcome could make more likely a scenario, as outlined by Jan Techau, of a Europe that, ‘is not a pillar of world affairs but a territory that risks being pulled asunder between the United States and Asia’.

However, there is a paradox in EU defence cooperation: Britain’s contribution has been important, but so too has it been a key obstruction. Fears of jeopardising NATO, or of crossing some sovereignty line in the sand by agreeing to cooperation on defence matters has held the UK, and in turn the EU back. A Brexit could therefore remove an obstruction, allowing the EU to move forward in this area. We should remember that the EU’s international relations are varied and widespread. Its civilian, economic and soft powers remain considerable, even if they are not wielded as effectively as they could be. Its military operations, although small, should not be overlooked. Even Germany, with is culture of restraint, is a leading actor on the international stage, if perhaps one that remains more reluctant to employ force than other powers.

Hopes the EU might develop a serious military capability would likely prove very difficult without the UK’s military, but this is already difficult enough. And the EU already finds itself in a Europe that is being torn in different direction, what has been termed a ‘multipolar Europe’ with Turkey and Russia as the other two European poles. A Brexit would add – or perhaps make clearer – another pole. Should the EU continue to develop then these three poles would surround the larger pole of the EU. This EU pole could develop into a more robust European arm for NATO, or, as some fear, an alternative to it.
CONCLUSION

A British exit from the EU is not something to be casually overlooked. Developments in Britain and the EU have increased the possibility of the referendum leading to a vote to withdraw. Britain’s difficulties with the EU long pre-date the current government and reflect deeper problems in Britain’s party politics, identity, constitution, political economy and place in the world. A changing EU and Eurozone could also push the UK to the margins – or out – of the EU. Despite this, the implications for the EU of a Brexit remain under-researched in public. To be fair, the entire topic of EU disintegration is marginal to the large body of literature that offers theories of European integration. Further research is necessary to take the debate beyond the narrow British-focus that has so far characterized the debate.

A Brexit could confront the EU with significant and unprecedented practical and philosophical challenges. The withdrawal of any member state would be a defining moment for the EU, to lose as large a state as the UK even more so. This is especially so given Britain will remain a growing European power, even if a Brexit encapsulates the decline and end of Britain’s position as an EU power. UK-EU relations will remain an important relationship for understanding European politics. The EU’s development – whether it unites, disintegrates or muddles through – will be shaped by a myriad of factors, one of which will be its relations with the UK. The EU therefore has a calculation to make about Britain’s utility and how damaging or beneficial a Brexit could be. To borrow from US President Lyndon Johnson: is it better to have Britain inside the EU tent pissing out, or outside the tent pissing in?

It is not only the EU that needs to take this into account. Other European countries such as Norway, Switzerland and Turkey need to consider what a Brexit could mean for their relations with the EU. For the USA, a Brexit would not be seen in a narrow sense of being about the UK and UK-US relations. The USA’s concerns will revolve around how a Brexit might change the EU, European politics, transatlantic relations, NATO, European security and the EU/Europe’s place in the wider international system.

The debate in Britain also needs to take better into account the wider international dimensions of the Brexit question. The final decision to stay or leave the EU is, of course, for the people of Britain alone to make. But a full debate of such a decision requires an assessment of the likely implications for the EU and internationally. Without this the British people would be making a decision without fully appreciating what this could mean for their allies and the wider geopolitical system in which their country plays a role. Focusing exclusively on the pros and cons for the UK, or on what ideal post-withdrawal relationship Britain should secure, creates a debate that is blind to dealing with the wider implications of such a decision.
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21 John Bruton and Tim Oliver, ‘Consent of a majority of the rest of the EU will be needed if there is to be a new UK-EU relationship’, LSE British Politics and Policy Blog,


25 Nicolai von Ondarza, Strengthening the Core or Splitting Europe? Prospects and Pitfalls of a Strategy of Differentiated Integration, SWP Research Paper, RP 2, March 2013. The G6 are Germany, France, UK, Italy, Spain, and since 2006, Poland who meet to discuss internal security policy.


29 See answer from Baroness Warsi, Harsard, HL Deb, November 14, 2012, c1507. http://www.publications.parliament.uk/pa/id201213/ldhansrd/text/121114-0001.htm#12111438000002; and


46 See the views from Canada, Australia and New Zealand, Singapore, and Japan in Almut Möller and Tim Oliver (eds.), The United Kingdom and the European Union: What would a Brexit mean for the EU and other states around the world? DGAP, September 2014.


51 Tim Oliver, ‘To be or not to be in Europe: is that the question?’ International Affairs, January 2015.

52 For a good overview of the debate about European disintegration theories see Douglas Webber, ‘How likely is it that the European Union will disintegrate? A critical analysis of competing theoretical perspectives.’ European Journal of International Relations, January 2013.
A vote by the British people to withdraw from the EU – also known as a ‘Brexit’ – will have significant implications for the EU, the ideas and structures of European integration, and European geopolitics. Opinion polls show that a vote to withdraw is a distinct possibility.

The EU, the rest of Europe, allies around the world and the UK itself need to prepare for the wider international implications of such a move. This Strategic Update examines how likely a Brexit is and explores what it could mean for the EU, European integration, and Europe’s economics and security.