

Special relationships in flux: Brexit and the future of the US–EU and US–UK relationships

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If the United Kingdom votes to leave the European Union in the referendum of June 2016 then one of the United States' closest allies, one of the EU's largest member states and a leading member of NATO will negotiate a withdrawal from the EU, popularly known as 'Brexit'. While talk of a UK–US 'special relationship' or of Britain as a 'transatlantic bridge' can be overplayed, not least by British prime ministers, the UK is a central player in US–European relations.¹ This reflects not only Britain's close relations with Washington, its role in European security and its membership of the EU; it also reflects America's role as a European power and Europe's interests in the United States.

A Brexit has the potential to make a significant impact on transatlantic relations. It will change both the UK as a country and Britain's place in the world.² It will also change the EU, reshape European geopolitics, affect NATO and change the US–UK and US–EU relationships, both internally and in respect of their place in the world. Such is the potential impact of Brexit on the United States that, in an interview with the BBC's Jon Sopel in summer 2015, President Obama stated:

I will say this, that having the United Kingdom in the European Union 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.

And we want to make sure that the United Kingdom continues to have that influence. Because we believe that 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.³

The possible implications for the UK of withdrawal from the EU have been examined in a wide range of reports and publications (see Richard Whitman's

¹ The literature on the UK–US relationship is vast. Examples include Katherine Epstein, 'Scholarship and the ship of state: rethinking the Anglo-American strategic decline analogy', *International Affairs* 91: 2, March 2015, pp. 319–31; John Baylis, *Anglo-American relations since 1939: the enduring alliance* (Manchester: Manchester University Press, 1997); John Dumbrell, *A special relationship: Anglo-American relations from the Cold War to Iraq* (London: Palgrave Macmillan, 2006); Andrew Gamble, *Between Europe and America: the future of British politics* (London: Palgrave Macmillan, 2003).

² Jamie Gaskarth, 'Strategizing Britain's role in the world', *International Affairs* 90: 3, May 2014, pp. 559–81.

³ 'Full transcript of BBC interview with President Barack Obama', BBC News, 24 July 2015, <http://www.bbc.co.uk/news/world-us-canada-33646542>. (Unless otherwise noted at point of citation, all URLs cited in this article were accessible on 4 April 2016.)

article in this issue).⁴ However, there is much less analysis of what Brexit might mean for wider international relations, especially for the EU but also for the United States.⁵ Discussion in the United States about a possible Brexit has been muted. A surge of interest can be expected closer to the referendum date, especially if—as happened with Scotland’s independence referendum—a vote to leave looks increasingly likely.⁶ As a report of February 2016 in *Politico* put it: ‘If Washington talks about Europe at all, it’s about migration and Greece, not about Britain’s EU future.’⁷ This is despite the referendum being, along with the US presidential election, one of the year’s most keenly anticipated signposts in respect of the direction of international relations.⁸

For this reason, debates about Britain’s future in the EU should not ignore the potential wider knock-on effects of the UK’s decision. In Britain, debate about the transatlantic relationship often focuses exclusively on UK–US relations.⁹ Similarly, debate in the United States focuses largely on bilateral relations with EU member states such as the UK. These debates would benefit from the wider perspective to be gained by stepping back and viewing the UK’s decision within the full breadth of the complex and deeply interconnected network of relationships between the United States and Europe.

Britain’s decision to question its membership of the EU is one in a series of challenges facing US foreign policy and the transatlantic relationship. If the US has a ‘special relationship’ with the UK, then it can also be said to have a relationship that is special with Europe as a whole, rooted in shared ideas, deeply entwined economic and security interests, multilateral and bilateral institutional links, international pressures, and commitments by individual leaders. Each of these is under pressure, given the US ‘pivot’ to East Asia; persistent tensions between the US and European states over defence spending and geopolitical views of emerging powers and security risks;¹⁰ changing attitudes towards the wider multilateral interna-

⁴ Richard G. Whitman, ‘Brexit or Bremain: what future for the UK’s European diplomatic strategy?’, pp. 509–30 above. For a comprehensive list of publications, see Julie Gill, *Reading list on UK–EU relations 2013–16: reform, renegotiation, withdrawal*, House of Commons Library briefing paper no. 07220 (London: The Stationery Office, 2015), <http://researchbriefings.parliament.uk/ResearchBriefing/Summary/CBP-7220>.

⁵ Some exceptions include: Tim Oliver, *Europe without Britain: assessing the impact on the EU of a British withdrawal*, SWP research paper 2013/RP 07 (Berlin: Stiftung Wissenschaft und Politik, Sept. 2013), pp. 18–26, http://www.swp-berlin.org/en/publications/swp-research-papers/swp-research-paper-detail/article/europe_without_britain.html; 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?* (Berlin: Deutsche Gesellschaft für auswärtige Politik, 2014); Gregor Irwin, *Brexit: the impact on the UK and the EU* (London: Global Counsel, 2015); Mark Leonard, *The British problem and what it means for Europe* (London: European Council on Foreign Relations, 2015), http://www.ecfr.eu/publications/summary/the_british_problem_and_what_it_means_for_europe311252.

⁶ William Walker, ‘International reactions to the Scottish referendum’, *International Affairs* 90: 4, 2014, pp. 743–59.

⁷ Benjamin Oreskes, ‘America’s Brexit blahs’, *Politico*, 15 Feb. 2016, <http://www.politico.eu/article/whats-brexit-in-american-congress-obama-washington-cameron/>.

⁸ Tina Fordham and Jan Techau, *Global political risk: the new convergence between geopolitical and vox populi risks, and why it matters* (New York: Citi GPS, Jan. 2016), p. 48.

⁹ As the House of Commons Foreign Affairs Committee argued in 2010, the use of the term ‘the special relationship’ should be changed to ‘a special relationship’ in recognition of the other special relationships the UK and US have, not least in the transatlantic arena. See House of Commons Foreign Affairs Committee, *Global security: UK–US relations*, HC114 (London: House of Commons, 2010), p. 3.

¹⁰ Luis Simón, ‘Europe, the rise of Asia and the future of the transatlantic relationship’, *International Affairs* 91: 5, Sept. 2015, pp. 969–89; David Blagden, ‘Global multipolarity, European security and implications for UK grand strategy’, *International Affairs* 91: 2, March 2015, pp. 333–50.

tional order, including in trade; and growing ‘nativist’ impulses and anti-liberal world order tendencies in US and European party politics.

In examining how Britain’s debate about its future relationship with the EU plays into these mounting pressures facing the United States, this article is divided into three sections. In the first section we provide some context by setting out in more detail the abovementioned international and domestic pressures facing US foreign policy. We then turn to the UK, to discuss US views on the place of the EU in the US–UK relationship. Third, we look to the rest of Europe and the EU itself, and consider what the UK has meant for the United States’ relations with Europe (including through NATO) and how the US–EU/European relationship could work should the UK withdraw from the EU. In the conclusion we outline three scenarios—the good, the bad and the ugly—as to how US approaches to the UK, EU and Europe might evolve. We argue that the US–European relationship (whether with the EU or through other channels such as NATO) can remain strong as a result of shared ideas, common interests, institutional links, international pressures and commitments by individual leaders. Nevertheless, Brexit could significantly damage US approaches to relations with Europe if combined with other challenges such as another eurozone crisis or an event in Asia that strains US–European security relations.

Transatlantic tensions

For the United States, the most important of its international relationships remains the transatlantic one with Europe—notwithstanding the four sets of challenges facing that relationship, challenges that also frame how the United States views the Brexit debate. The relationship we know today owes its existence to the Second World War and the Cold War, conflicts that bound the United States to Europe.¹¹ Shared values of liberal democracy and free-market capitalism, and a history of political, cultural and ethnic links, provided a set of values and economic interests that helped bind the two sides together in the struggles against fascism and communism. The end of the Cold War brought with it a host of predictions that the US–European politico-military relationship in NATO was doomed.¹² Yet the economic, political, social and military links across the Atlantic proved strong enough to support the relationship in the post-Cold War world; and these ties continue to bind the two sides together. This is most evident in attempts to create a US–EU free trade deal—the Transatlantic Trade and Investment Partnership (TTIP). In 2012, the US and EU generated a combined GDP that was roughly equivalent to 40 per cent of global GDP. US–EU trade in goods and services amounted to US\$1.5 trillion in 2012. The heart of the relationship is foreign direct investment (FDI), on a scale that dwarfs either side’s other FDI relationships. By

¹¹ See Jussi Hanhimäki, Benedict Schoenborn and Barbara Zanchetta, *Transatlantic relations since 1945: an introduction* (Abingdon: Routledge, 2012).

¹² The most famous of these was John Mearsheimer’s ‘Back to the future’, *International Security* 15: 1, Summer 1990, pp. 5–56; see also Sten Rynning, ‘The geography of the Atlantic peace: NATO 25 years after the fall of the Berlin Wall’, *International Affairs* 90: 6, Nov. 2014, pp. 1383–401.

the end of 2012, US FDI in the EU totalled US\$2.2 trillion (or about 50.3 per cent) of total US investment abroad, while EU companies accounted for US\$1.6 trillion (or about 62 per cent) of investment in the US.¹³

NATO remains the world's pre-eminent military alliance, with combined US–European defence spending in NATO standing at \$893 billion in 2014.¹⁴ The US alone, NATO's largest member, accounts for 34 per cent of global defence spending, whereas its nearest peer competitors, Russia and China, account for only 4.8 per cent and 12 per cent respectively.¹⁵ The US military presence in Europe, combined with financial (in the form of the Marshall Plan) and political support, has provided valuable support for European integration and the creation of an EU that today incorporates most of Europe. Together, the United States and Europe have shaped global governance, whether through the UN Security Council or the international economic architecture, and have worked together to reach deals such as the recent joint comprehensive plan of action with Iran and the Minsk II agreement over Ukraine. It is little surprise, then, that Atlanticism has been a defining element of international outlooks on both sides of the North Atlantic, not least among political elites and individual leaders.¹⁶

Nevertheless, for the United States the relationship with the UK and the rest of Europe faces four significant challenges. First, US attention is moving away from Europe as emerging powers shift the global configuration away from a single centre in the economies of the North Atlantic and towards a constellation with various centres of economic power, most notably in Asia. That refocusing of attention is intended to preserve stability in a region of vital importance to the United States, Europe and the wider liberal order they have sought to build.¹⁷ Despite this motivation, the 'pivot' to Asia has fuelled fears of a decline of US global power, causing power vacuums and a 'Great Power sclerosis' that will lead to instability and opportunism by revisionist powers.¹⁸ The diffusion of both economic power and disruptive technologies has led to a rise in military spending and capabilities. Many fear this trend may lead to revisionist foreign policies that seek to end not just regional hegemonic dominance by the United States, but eventually also global institutions created by the United States and Europe over the last 70 years.¹⁹ The United States has countered through efforts such as the Trans-Pacific Partnership (TPP) and TTIP, both of which are intended to boost the existing rules-based system. While no

¹³ All figures from William H. Cooper, 'EU–US economic ties: framework, scope and magnitude', Congressional Research Service Report, 21 Feb. 2014, <https://www.fas.org/sgp/crs/row/RL30608.pdf>.

¹⁴ Andrew Chuter, 'NATO defense spending continues to decline', *Defense News*, 23 June 2015, <http://www.defensenews.com/story/defense/policy-budget/budget/2015/06/23/nato-reports-alliance-members-defense-spending-decline/29153965/>; John R. Deni, 'Maintaining transatlantic strategic, operational and tactical interoperability in an era of austerity', *International Affairs* 90: 3, May 2014, pp. 583–600.

¹⁵ 'Trends in world military expenditure, 2014', SIPRI Fact Sheet, April 2015, <http://books.sipri.org/files/FS/SIPRIFS1504.pdf>.

¹⁶ See Linda Basile and Pierangelo Isernia, 'Tectonic rifts and a transatlantic bridge: insights from the Transatlantic elite survey', *Transworld* op-ed, 28 Aug. 2014, <http://www.transworld-fp7.eu/?p=1576>.

¹⁷ Luis Simón, 'Britain, the EU and the future of Europe: a geostrategic perspective', *RUSI Journal* 160: 5, Oct.–Nov. 2015, pp. 16–23.

¹⁸ Fordham and Techau, *Global political risk*, pp. 17–21.

¹⁹ John Mearsheimer, 'The gathering storm: China's challenge to US power in Asia', *Chinese Journal of International Politics* 3: 4, 2010, pp. 381–96.

viable global alternatives have so far been put forward, the emergence of smaller regional organizations such as the Asian Infrastructure Investment Bank (AIIB) has led to speculation as to the sustainability of existing international arrangements.²⁰

Second, long-running US unease at low levels of European defence spending has reached a point where US willingness to commit to Europe's security has been thrown into doubt. This has raised concerns about the viability of NATO; Washington provides 75 per cent of NATO's budget and only four other members (Britain, Estonia, Greece and Poland) meet the minimum contribution threshold of 2 per cent of GDP.²¹ This imbalance will become even more pronounced if the US goes ahead with a plan to increase its defence spending in Europe from US\$789 million to US\$3.4 billion.²² Despite this commitment, US decision-makers are growing increasingly tired of providing a security guarantee for a Europe that seems unwilling to share the burden, even in the face of an increasingly assertive Russia and a world in which defence spending is going up.²³ With the rise of China, American policy-makers are increasingly focusing their energy on the Far East and commitments to allies such as Japan, South Korea and the Philippines rather than Europe.²⁴ There is also a very practical side to the defence spending disparity between the United States and Europe. It is becoming increasingly difficult for US forces to work with other NATO forces because of an emerging technology gap.²⁵ US military forces are growing ever more technologically advanced, while sluggish defence spending and a lack of R&D spending mean that at some point in the future European NATO forces—including those of the UK—may not be able to work alongside US military forces.²⁶ NATO may continue to endure, but it might well be irrelevant.²⁷

Third, Europe's fragmented defence cooperation is a reflection of, and perhaps a harbinger of, weakening European—especially EU—unity and cooperation. The eurozone's economic crisis has raised a host of questions about the viability of European integration.²⁸ The economic and social costs to large areas of the EU have been substantial. Russian aggression in Ukraine has confirmed some in

²⁰ Ramesh Thakur, 'A lesson in the geopolitics of infrastructure finance', *Japan Times*, 21 June 2015; Shawn Donnay, 'White House declares truce with China over AIIB', *Financial Times*, 27 Sept. 2015.

²¹ Naftali Bendavid, 'Just five of 28 members meet NATO defense spending goal, report says', *Wall Street Journal*, 22 June 2015.

²² Cheryl Pellerin, 'Carter previews FY2017 defense budget request', remarks by Secretary Carter on the Budget at the Economic Club of Washington DC, 2 Feb. 2016, <http://www.defense.gov/News-Article-View/Article/648373/carter-previews-fy2017-defense-budget-request>.

²³ Fordham and Techau, *Global political risk*, p. 27.

²⁴ Simón, 'Europe, the rise of Asia and the future of the transatlantic relationship'; Jean-Yves Haine, 'A new Gaullist moment? European bandwagoning and international polarity', *International Affairs* 91: 5, Sept. 2015, pp. 991–1008; Thom Shanker and Steven Erlanger, 'Blunt US warning reveals deep strains in NATO', *New York Times*, 10 June 2011, http://www.nytimes.com/2011/06/11/world/europe/11nato.html?_r=0.

²⁵ Deni, 'Maintaining transatlantic strategic, operational and tactical interoperability'.

²⁶ Eric Larson, Gustav Lindstrom, Myron Hura, Ken Gardiner, Jim Keffer and Bill Little, *Interoperability of US and NATO allied air forces: supporting data and case studies* (Washington DC: RAND, 2003); Donald C. Daniel, 'NATO technology: from gap to divergence?', *Defence Horizons* no. 42 (Washington DC: National Defense University, 2004); Terry Terrif, Frans Osinga and Theo Farrell, *A transformation gap: American innovations and European military change* (Palo Alto, CA: Stanford University Press, 2011).

²⁷ Michael John Williams, 'Enduring, but irrelevant? Britain, NATO and the future of the Atlantic alliance', *International Politics* 50: 3, 2013, pp. 360–86.

²⁸ Jan Zielonka, *Is Europe doomed?* (Cambridge: Polity, 2014).

the United States in their opinion that the EU has overlooked the importance of hard power and as a result of its civilian power mentality is inherently incapable of facing the demands of global power politics. Support for nationalist parties and Euroscepticism have reached new heights as a result of a series of migration and refugee challenges originating in North Africa and the Middle East that threaten the continued existence of the Schengen free-travel area that covers most of the EU. This problem was brought into focus by the terrorist attacks in Paris on 13 November 2015, an event that led US legislators to question the future of visa waiver programmes with Europe.²⁹ As Rem Korteweg of the Centre for European Reform summarized the situation, the EU appears surrounded by the Four Horsemen of the Apocalypse: War haunts Ukraine, Death harvests refugees in the Mediterranean, Famine brings economic hardship to Greece, and Pestilence is busy spreading scepticism from Britain.³⁰

Fourth, the EU's fragmentation is in no small part attributable to increasingly salient nationalist, inward-looking and populist agendas—and not only in Europe; the United States has seen a similar surge. The economic success of authoritarian models, and the stability of states with strong governments compared to the chaos seen in states—especially Middle Eastern ones—that have tried to make the transition to democracy, have thrown into question US and European hopes and dreams of humanity's moving towards a liberal, interconnected world on the western model. These instances of economic success and political stability also contrast with an EU in a state of crisis and a US system of government susceptible to shutdown and political paralysis. One outcome of these comparisons is that traditional institutions and sources of authority in both the United States and Europe are increasingly called into question. In the United States this has helped turn political debates inwards.

In the United States, as in the United Kingdom and elsewhere in the EU, politicians have been uneasy at sharing sovereignty, projecting onto the concept an almost mythical quality capable of protecting the US from the complexities and dangers of the world. US politics has seen a surge in support for figures prepared to pursue more populist and, to varying extents, isolationist agendas. While support for such positions has been most noticeable in the Republican Party, the Democrats have also wrestled with a growing unease in the US electorate over the economic and social effects of globalization, liberalization and US involvement in overseas conflicts. This is hardly surprising when the American middle classes have seen their incomes stagnate to the point where they are no longer the country's economic majority; they are now matched in number by those in lower- and upper-income households.³¹ As a result, strategic efforts such as TTIP and TPP have faced strong domestic opposition.³² It is important to note, however, that

²⁹ Alexandra Starr, 'Lawmakers look to change US visa waiver program', National Public Radio, 20 Nov. 2015, <http://www.npr.org/sections/thetwo-way/2015/11/20/456777537/lawmakers-look-to-change-u-s-visa-waiver-program>.

³⁰ Rem Korteweg, *The four horsemen circling the European Council summit* (London: Centre for European Reform, 24 June 2015), <http://www.cer.org.uk/insights/four-horsemen-circling-european-council>.

³¹ Pew Research Center, 'The American middle class is losing ground: no longer the majority and falling behind financially', 9 Dec. 2015, <http://www.pewsocialtrends.org/2015/12/09/the-american-middle-class-is-losing-ground/>.

³² Fordham and Techau, *Global political risk*, p. 43.

while this populism has exploited rifts in transatlantic relations, it has not caused them.³³

Finally, as has happened in Europe, the United States' changing demographics and immigration have shaped political debates in ways that have strengthened the voices of those for whom such changes are cause for concern.³⁴ The United States' ethnic white population will move from being a majority to being the largest minority by 2050.³⁵ Muslim communities are viewed with suspicion in both continents. The millennial generation might lack such negative views and be more comfortable with such a world, but mistrust of the United States by European millennials and indifference towards Europe by their American counterparts do not suggest strong foundations for the future of US–European relations.³⁶

US–UK relations

When in 1962 retired US Secretary of State Dean Acheson famously told US Army officer cadets at West Point that 'Great Britain has lost an empire and has not yet found a role', he immediately followed this with the sentence: 'The attempt to play a separate power role apart from Europe, a role based on a "special relationship" with the US and on being the head of a "commonwealth" which has no political structure, unity, or strength—this role is about played out.'³⁷

His warning about playing 'a separate power role apart from Europe' has not been one the British have willingly heeded. Nevertheless, the UK has played a central part both in US engagement in Europe's geopolitics and in the development of the EU. Acheson's speech reflected a growing trend of opinion in Washington that led US administrations from Kennedy onwards to push for British participation in European integration. Acheson's speech was received in Britain with a barrage of criticism, a harbinger of the difficulties that were to follow in being a part of Europe rather than apart from it.³⁸ Britain's place in European integration has never been as settled as its desire to seek close relations with the United States.³⁹ When economic interests, combined with geopolitical fears that Britain was being excluded from US and European decisions shaping Europe, drove the UK to seek membership of what was then the European Economic Community, the approach was tinged with a sense of reluctance that has pervaded the relationship ever since.⁴⁰

³³ Philip Bednarczyk and Andrew Whitworth, 'Economics and trade—US view: it's the politics, stupidly...' in Tim Oliver, ed. *New challenges, new voices: next generation viewpoints on transatlantic relations* (London: LSE IDEAS, May 2016).

³⁴ Matthew Goodwin and Caitlin Milazzo, 'Britain, the European Union and the referendum: what drives Euroscepticism?', Chatham House briefing paper, Dec. 2015, <https://www.chathamhouse.org/sites/files/chathamhouse/publications/research/20151209EuroscepticismGoodwinMilazzo.pdf>.

³⁵ Sam Roberts, 'Projections put whites in minority in US by 2050', *New York Times*, 17 Dec. 2009, http://www.nytimes.com/2009/12/18/us/18census.html?_r=0.

³⁶ Parke Nicholson, 'Politics and values—US view: a most valued relationship?', in Oliver, ed., *New challenges, new voices*.

³⁷ Dean Acheson, 'Our Atlantic alliance: the political and economic strands', speech delivered at the United States Military Academy, West Point, 5 Dec 1962.

³⁸ Douglas Brinkley, 'Dean Acheson and the "special relationship": the West Point speech of December 1962', *Historical Journal* 33: 3, 1990, pp. 599–608.

³⁹ Timothy Garton Ash, 'Is Britain European?', *International Affairs* 77: 1, 2001, pp. 1–14.

⁴⁰ See S. George, *An awkward partner: Britain in the European Community* (Oxford: Oxford University Press, 1988).

Despite this reluctance, for the United States Britain has been a central player in European integration and European geopolitics. This might not appear so from Britain's political debate on Europe, or the UK's opt-outs from the euro, the Schengen area, and some justice and home affairs cooperation. Yet, on closer inspection, it appears the UK has been a keen advocate of policies in a range of areas that aligned with US positions. The free trade and liberalization of the single market, EU enlargement, EU cooperation on foreign, security and defence matters: all have come about in part as the result of UK efforts.

British efforts to engage the United States in European affairs have themselves been aimed at ensuring the US remains committed to European security and affairs. It is for this reason that the UK has been labelled a 'Janus-faced' European, with one face—often on show domestically—expressing a poisonous debate about sovereignty, foreigners and nationalism, and showing a preference for relations with the United States, while the other—a more closed, private face, often seen in the meeting rooms of Brussels—expresses a more constructive, balanced and engaging approach.⁴¹

This is not to deny that Britain's part in European integration has been difficult or caused awkward moments for US relations with both the UK and EU. Successive occupants of the White House have sought close relations with British heads of government, but such relationships are just some of the many that US presidents have with European leaders. This has not always resulted in harmonious relations. US–UK and US–EU relations reached a low point over differences of opinion on the 2003 US-led invasion of Iraq, with Tony Blair's strong support of the US effort putting him at odds with a number of other EU member states.⁴² Nevertheless, in a sign of the wider hold of Atlanticism on European politics, Britain was not alone in supporting the United States: a majority of today's EU member states supported the Bush administration's action. The split it brought about in the EU, however, strained both the American and the British relations with leading EU powers such as France and Germany that opposed the invasion.⁴³

Subsequent British governments have attempted to steer a slightly different course from Washington, in no small part as a response to the electorate's negative reaction to Blair's closeness to the Bush administration. In the UK this fitted with a hope that Britain could move away from reliance on the United States and EU, the twin pillars on which the country has built its claim to Great Power status since 1945. While the US continued to look to Britain for leadership, under Obama Washington has also focused more intently on other relationships with countries such as Japan and others in East Asia.

These efforts, however, have not challenged the closeness of relations in military fields—nuclear weapons, intelligence-sharing and special forces—where the US and UK have remained extremely close. British operations in Afghanistan were

⁴¹ Oliver, *Europe without Britain*.

⁴² 'Blair "isolated" over Iraq', BBC News, 16 March 2002, <http://news.bbc.co.uk/1/hi/uk/1876015.stm>.

⁴³ William Wallace and Tim Oliver, 'A bridge too far: the United Kingdom and the transatlantic relationship', in David Andrews, ed., *The Atlantic alliance under stress: US–European relations after Iraq* (Cambridge: Cambridge University Press, 2005).

seen through to the end in no small part as a demonstration of commitment to the United States and the Atlantic alliance.⁴⁴ Instead of attempting to be some form of transatlantic bridge, an approach that under Tony Blair seemed to see traffic going only one way, Britain under Cameron and his administrations has appeared to Washington to be more willing to enter into coalitions where the US works with like-minded allies in Europe. Again, this doesn't necessarily mean relations have been easy. The war in Libya was a clear example of both NATO and the EU being viewed in Washington as incapable of leading without US support, even if that support remained largely hidden.⁴⁵ Barack Obama's desire for the US to take a back seat and let Europe take the lead soon ran into the problem of European disunity. That disunity allowed some European countries to turn their focus elsewhere, with Obama noting that David Cameron became 'distracted by a range of other things'.⁴⁶

The outcome of the Libyan conflict deepened unease in the US at becoming involved in another war in which European states depend on the US to do most of the fighting.⁴⁷ The 2013 House of Commons vote rejecting British involvement in military action in Syria was therefore seen in part in the United States as a rejection of continued cooperation (even if it was also a reflection of poor management by the Westminster government of its backbench MPs).⁴⁸ It created doubts in the United States and elsewhere about the UK's reliability as a strategic partner. The close result in Scotland's independence referendum also raised questions about the continued viability of the UK as a state.⁴⁹ Severe cuts to British defence spending under the Cameron-led governments since 2010 raised the threat of the UK becoming one of the free-riding allies that Obama—and a growing number of other US politicians—have come to resent. Obama himself felt it necessary to pressure Cameron to ensure the UK met NATO's 2 per cent of GDP defence spending commitment.⁵⁰ Faced with emerging economic powers that have begun to draw American attention away from the UK and EU, US policy-makers have found themselves faced with a UK that appears uncertain about what direction it should take in the world.⁵¹

The year 2015 brought both clarity and uncertainty for US–UK relations. The new UK National Security Strategy and Strategic Defence and Security Review increased defence spending, and a vote reversing the 2013 decision on

⁴⁴ Patrick Porter, 'Last charge of the knights? Iraq, Afghanistan and the special relationship', *International Affairs* 86: 2, March 2010, pp. 355–75.

⁴⁵ François Heisbourg, Wolfgang Ischinger, George Robertson, Kori Schake and Tomas Valasek, *All alone? What US retrenchment means for Europe and NATO* (London: Centre for European Reform, 2011).

⁴⁶ Jeffrey Goldberg, 'The Obama Doctrine', *The Atlantic*, April 2016.

⁴⁷ Ellen Hallams and Benjamin Schreer, 'Towards a "post-American" alliance? NATO burden-sharing after Libya', *International Affairs* 88: 2, March 2012, pp. 313–27.

⁴⁸ James Strong, 'Interpreting the Syria vote: parliament and British foreign policy', *International Affairs* 91: 5, Sept. 2015, pp. 1123–39.

⁴⁹ Andrew M. Dorman, 'More than a storm in a teacup: the defence and security implications of Scottish independence', *International Affairs* 90: 3, May 2014, pp. 679–96.

⁵⁰ Goldberg, 'The Obama Doctrine'.

⁵¹ Fareed Zakaria, 'Britain resigns as a world power', *Washington Post*, 21 May 2015, https://www.washingtonpost.com/opinions/britain-resigns-as-a-world-power/2015/05/21/d89606f8-fff1-11e4-805c-c3f407e5a9e9_story.html; Griff Witte, 'World crises may be multiplying, but campaign turns Britain further inwards', *Washington Post*, 25 April 2015, https://www.washingtonpost.com/world/europe/world-crises-may-be-multiplying-but-campaign-turns-britain-further-inward/2015/04/23/01c24e92-e51c-11e4-ae0f-f8c46aa8c3a4_story.html.

Syria signalled that the UK was not retreating into isolation.⁵² At the same time, its attempts to seek a renegotiated relationship with the EU have brought only uncertainty and strain.⁵³ It did not pass unnoticed on either side of the Atlantic that the UK had neglected some of its closest EU and NATO allies, countries in eastern Europe in particular feeling abused by a British domestic political debate about immigration from eastern Europe.⁵⁴ British political debate has appeared oblivious to the way in which the 'British Question' has become a problem for the EU and, to a lesser extent, the United States.⁵⁵ This has raised questions in the US and Europe, and among commentators in the UK, about Britain's reliability as an international partner.⁵⁶ The result is that on wider European matters the United States has come to look more to Germany than to the UK for leadership in tackling European problems.

Britain's current debates about its relationship with the United States and EU project several possible futures. A renegotiated relationship inside the EU, as sought by David Cameron, could herald the beginning of a two-tier EU, with the UK located firmly in an outer tier where states focus on economic and some limited political integration. This could see the eurozone becoming the heart of the EU, its component institutions and member states becoming the most influential actors in Europe's politics, economics and non-traditional security matters. Or the UK could opt to withdraw, although not even Brexit campaigners are clear as to what this would entail or where it would leave the UK geopolitically in Europe.⁵⁷ It would almost certainly leave the UK influenced by decisions and events in the EU, and more so than a UK that had stayed inside but opted to take a place in the outer tier of a two-tier EU.

The US enters the UK's EU debate in a narrow way. The US–UK economic relationship is substantial. In 2013 US foreign direct investment in the UK amounted to US\$571 billion with the UK hosting US\$4.97 trillion of US corporate overseas

⁵² Griff Witte, 'British defense chief: US concerns about shrinking UK role are misplaced', *Washington Post*, 18 June 2015, https://www.washingtonpost.com/world/europe/british-defense-chief-us-concerns-about-shrinking-uk-role-are-misplaced/2015/06/18/58a99760-15af-11e5-8457-4b431bf7ed4c_story.html; Andrew M. Dorman, Matthew R. H. Uttley and Benedict Wilkinson, 'The curious incident of Mr Cameron and the United Kingdom defence budget: a new legacy?', *Political Quarterly* 87: 1, Jan.–March 2016, pp. 46–53.

⁵³ Almut Möller, 'Germany', 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?* (Berlin: Deutsche Gesellschaft für auswärtige Politik, 2014), pp. 23–5; EUROPP, 'Cameron's letter: European views on the UK's renegotiation', *LSE European Politics and Policy (EUROPP)* blog, 10 Nov. 2015, <http://blogs.lse.ac.uk/europpblog/2015/11/10/camerons-letter-european-views-on-the-uks-renegotiation/>.

⁵⁴ Maja Rasmussen, "'Heavy fog in the Channel: Continent cut off'? British diplomatic relations in Brussels after 2010", *Journal of Common Market Studies*, 2015. Published online 12 Oct. 2015, doi: 10.1111/jcms.12319; <http://onlinelibrary.wiley.com/doi/10.1111/jcms.12319/abstract?jsessionid=F8842B30461600E1373EEB8E6081D4Co.f02to3>.

⁵⁵ Adrian Schout, 'If the British want to leave the EU, let them', *nrc.nl*, 8 Dec. 2015, <http://www.nrc.nl/handelsblad/2015/12/08/if-the-british-want-to-leave-the-eu-let-them-1568474>.

⁵⁶ See *Strengthening Britain's voice in the world* (London: Chatham House, 2015), <https://www.chathamhouse.org/publication/strengthening-britain-s-voice-world>; Nicholas Kitchen, *Investing for influence: report of the LSE Diplomacy Commission* (London: LSE IDEAS, Nov. 2015), <http://www.lse.ac.uk/IDEAS/publications/reports/influence.aspx>; Robin Niblett, 'Britain, Europe and the world: rethinking the UK's circles of influence', Chatham House research paper, Oct. 2015.

⁵⁷ Stephen Booth and Christopher Howarth, *Trading places: is EU membership still the best option for UK trade?* (London: Open Europe, 2012).

assets. UK investments in the United States stood at US\$518.6 billion in 2013, with UK corporate assets totalling US\$2.39 trillion.⁵⁸ Some Eurosceptics, and supporters of British withdrawal in the United States (located on the right of the Republican Party) voice support for the idea of the UK joining the North American Free Trade Agreement (NAFTA) or entering into some other form of trade deal with the United States as a substitute for membership of the EU.⁵⁹ Some even talk of the need to engage the United States in building up the ‘Anglosphere’, especially with Commonwealth countries such as Canada, Australia and New Zealand, and also with some mention of countries such as India or states in Africa.⁶⁰ The official US response has been largely dismissive of such ideas, arguing that the US is interested only in TTIP with the UK firmly part of that.⁶¹ A British vote to leave the EU might shift this position; some Republicans are already arguing that a UK–US deal could be secured.⁶² However, as we discuss further below, whatever deal is secured would be framed by any US–EU trade deal.

Diplomats and officials in the United States, as in other allies of the UK, are also conscious of the potential damage the UK could inflict on itself through withdrawal from the EU.⁶³ Brexit holds the potential to trigger another Scottish independence referendum, with all the potential concomitant security implications, not least surrounding US–UK cooperation over Trident nuclear weapons.⁶⁴ The Northern Ireland peace process could be tested to breaking point should the UK–Irish common travel area have to end. The Irish Republic has repeatedly warned that the economic and security implications for it and Northern Ireland mean that, in contrast to its stance on the 2014 Scottish referendum, it will take a clear position of opposing British withdrawal.⁶⁵ Like the Irish government, the US government will be mindful of the need to consider the resurgence of violence in the province.⁶⁶ In a wider sense, Brexit would challenge US ideas of the UK as a Great Power. While predictions of the economic and political costs to Britain of leaving the EU may be overly pessimistic, it is clear that there would be costs.⁶⁷

⁵⁸ Dan Hamilton and Joseph Quinlan, *The transatlantic economy 2015* (Washington DC: Center for Transatlantic Relations, Johns Hopkins University School of Advanced International Studies, 2015), p. 93.

⁵⁹ Ted Bromund and Nile Gardiner, ‘Freedom from the EU: why Britain and the US should pursue a US–UK free trade area’, Backgrounder no. 2951 (Washington DC: Heritage Foundation, Sept. 2014), <http://www.heritage.org/research/reports/2014/09/freedom-from-the-eu-why-britain-and-the-us-should-pursue-a-usuk-free-trade-area>.

⁶⁰ Ben Wellings and Helen Baxendale, ‘Euroscepticism and the Anglosphere: traditions and dilemmas in contemporary English nationalism’, *Journal of Common Market Studies* 53: 1, 2015, pp. 123–39.

⁶¹ Laurens Cerulus, ‘Froman tells UK: no to EU means no to trade deal’, *Politico*, 28 Oct. 2015, <http://www.politico.eu/article/us-not-in-market-britain-trade-deal-ttip-brexit/>.

⁶² Rhys Blakely and Tim Montgomerie, ‘Rubio gives Britain his blessing to leave EU’, *The Times*, 18 Nov. 2015, <http://www.thetimes.co.uk/tto/news/world/americas/article4616563.ece>.

⁶³ Andrew Glencross, ‘Why a British referendum on EU membership will not solve the European question’, *International Affairs* 91: 2, March 2015, pp. 303–17.

⁶⁴ Dorman, ‘More than a storm in a teacup’.

⁶⁵ Denis Staunton, ‘Brexit prospect “major strategic risk for Ireland” —Taoiseach’, *Irish Times*, 9 Nov. 2015, <http://www.irishtimes.com/news/politics/brexit-prospect-major-strategic-risk-for-ireland-taoiseach-1.2422787>.

⁶⁶ For a discussion of the possible implications for Ireland, see A. Barrett, A. Bergin, J. FitzGerald, D. Lambert, D. McCoy, E. Morgenroth, I. Siedschlag and Z. Studnicka, *Scoping the possible economic implications of Brexit on Ireland*, ESRI research series no. 48 (Dublin: Economic and Social Research Institute, 2015), <https://www.esri.ie/pubs/RS48.pdf>.

⁶⁷ Swati Dhingra and Thomas Sampson, ‘Life after BREXIT: what are the UK’s options outside the European

Being able to directly draw on the economic power of the EU as a force enabler has been central to British claims to the status of a Great Power. Without the UK, France would become the de facto permanent EU representative on the United Nations Security Council, bolstering its claim to retain its permanent seat. Other options, such as UK membership of NAFTA, lack much substance and offer the UK few strategic grounds on which to base a claim to being a major world power. Increased British military commitments in places such as the Gulf or East Asia are, like similar French commitments, overlooked by other powers such as the US or China.⁶⁸ The UK might still be one of the leading soft powers in the world, but as a strategic actor it appears paralysed by its own internal debates, whether over Scotland, English nationalism, the place of London or its future in the EU.⁶⁹ This navel-gazing has led to Britain's invisibility in Ukraine, its shunning any involvement in the fight to save the eurozone and a lack of solidarity with other European countries over the immigration crisis, each of which has raised concerns for US foreign policy. Whether on matters connected to the future of Europe or around the world, the UK risks losing its value to the United States as a strategic partner.

US-European relations

The United States and European unity

The political, economic and social integration of Europe in the second half of the twentieth century is perhaps the most stunning evolution of regional politics in modern history. This integration was made possible in no small part through the presence of US troops in western Europe and the creation of NATO via the Washington Treaty of 1949. Even today there remains a sizeable US military presence in Europe, providing vital protection for European integration and cooperation.⁷⁰ The Pax Americana, embodied in NATO and the US military presence, allowed European states—including Britain—to worry less about aggression from neighbouring countries. It also gave them space to develop a more pacific integration initially based on economic cooperation and followed by more politico-military integration, first in the western European Union, and later in the European Community and then the European Union. The United States' concerns about Europe to some extent mirror Britain's: for centuries, the UK's leading geopolitical concern has been the balance of power in Europe, above all the need to prevent any pre-eminent power from emerging as a threat.⁷¹

Union?', paper Brexitor (London: LSE Centre for Economic Performance, Feb. 2016); Ulrich Schoof, 'Brexit: potential economic consequences if the UK exits the EU', policy brief (Gütersloh: Bertelsmann Stiftung, May 2015), https://www.bertelsmann-stiftung.de/fileadmin/files/BSt/Publikationen/GrauePublikationen/Policy-Brief-Brexit-en_NW_05_2015.pdf.

⁶⁸ See Xenia Wickett and Jacob Parakilas, 'Transatlantic rifts: Asia-Pacific scenario case study', Chatham House research paper, Feb. 2016; David Roberts, 'British national interest in the Gulf: rediscovering a role?', *International Affairs* 90: 3, May 2014, pp. 663–77.

⁶⁹ 'Power: softly does it', *The Economist*, 18 July 2015, <http://www.economist.com/news/britain/21657655-oxbridge-one-direction-and-premier-league-bolster-britains-power-persuade-softly-does-it>.

⁷⁰ Jan Techau, *The politics of 2 percent: NATO and the security vacuum in Europe* (Brussels: Carnegie Europe, Sept. 2015), http://carnegieendowment.org/files/CP_252_Techau_NATO_Final.pdf.

⁷¹ Simón, 'Britain, the EU and the future of Europe'.

Despite the positive role that the United States played in Europe following the Second World War, there has been persistent tension between the European project on the one hand, and America's role in Europe and the world on the other. Atlanticism is at the core of US–European relations, but enthusiasm for Atlanticism varies among European states and among the US political elite. On the European side, relations have been strained by political and ideological suspicions of the United States, a reflex anti-Americanism, and events such as the contrasting French and British experiences of Suez and, more recently, the revelations about the spying activities of the National Security Agency (NSA).⁷² In US politics, anti-Europeanism often revolves around a reflex hostility to anything characterized as socialism and a feeling that Europeans would rather see American blood shed in their defence than their own. Antagonism was, however, limited in Europe most notably by West Germany's dependence on the United States for security and, after the end of the Cold War, by a grudging realization—on both sides—that even if it could be said that Americans 'are from Mars and Europeans are from Venus', both share more with each other than they do with large areas of the rest of the world.⁷³ The pro-US and pro-Atlanticist camp in Europe was strengthened by Britain's entry into the European Economic Community in 1973. It was further intensified by the admission to the EU from 2004 of new east European member states that were overwhelmingly pro-American in public and elite opinion and in their international policies.

It might, therefore, appear that the United States would have little to worry about from Brexit, given the pro-American attitude of many newer EU members, the underlying strength of the Atlantic alliance, and the possibility that Brexit might make for a more effective union (albeit one still unlikely to be effective at security and defence) by removing one of its more awkward members. However, as Condoleezza Rice, former Secretary of State and National Security Advisor in the Bush administration, told an audience at Chatham House in 2015: 'It is a very different Europe if it is a continental one.'⁷⁴ Brexit would be both an unprecedented and a potentially transformative experience for the EU.⁷⁵ Instead of worrying about how to stabilize the Middle East or maintain the status quo in Asia, the EU and UK will spend years if not decades negotiating a divorce. Ensuring an amicable split would not be easy given the myriad of legal, political and economic problems that would arise and the need for agreement between the UK, the 27 remaining EU member states and the European Parliament.⁷⁶

Brexit would confront the US with an EU that will be spending time negotiating the changes to itself brought about by the departure of one of its largest member states. The shift in the EU's balance of power could go any number of

⁷² Haine, 'A new Gaullist moment?'

⁷³ Robert Kagan, *Of paradise and power: America and Europe in the new world* (New York: Vintage, 2004).

⁷⁴ Condoleezza Rice, 'Renewing the transatlantic alliance', Chatham House, 29 Oct. 2015, <https://www.chathamhouse.org/event/renewing-transatlantic-alliance>.

⁷⁵ See Oliver, *Europe without Britain*.

⁷⁶ 'The European Parliament and the UK's renegotiation: what do MEPs think?', LSE *Brexit Vote* blog, 18 Dec. 2015, <http://blogs.lse.ac.uk/brexitvote/2015/12/18/the-european-parliament-and-the-uks-renegotiation-what-do-meps-think/>.

ways, each with implications for the United States. The economically liberal and outward-looking members would fear a shift towards more protectionist, interventionist policies.⁷⁷ The already predominant position of Germany would become even stronger, although Berlin would lose a partner from which it gains support in open market debates in the EU. The Union's centre would shift eastwards, adjusting the EU's strategic outlook. The UK's new external relationship with the EU could change the Union's relationship with several US allies and European NATO countries such as Norway, Iceland and Turkey, with possible consequences for Ukraine.⁷⁸ A situation could emerge where, if population projections are fulfilled, by mid-century the EU would be surrounded by Europe's three most populous states—Russia, Turkey and the UK (Britain's population being expected to overtake Germany's which is declining).⁷⁹ A multipolar Europe, one divided between the United States and Asian powers, could become a possibility.⁸⁰ The UK, however, could find its position and ability to effect change in European geopolitics more limited. In the Balkans, for example, where Britain has traditionally played a leading role, Brexit would limit the UK's place in efforts by the US, EU and UN to bring a lasting settlement.⁸¹ Efforts by the UK to shape such European politics through NATO would face practical limits, given the EU's broader range of capabilities—social, political, economic and non-traditional security—compared to NATO.

The United States may find an EU without the UK to be potentially a more effective and united actor both internally and externally, so long as Brexit does not begin the unravelling of the Union. That unravelling could ensue if a British exit undermined the Union's defining idea of integration, as best captured by the aim articulated in its founding treaty of 'ever closer union'. Further integration has often been the response to crises in the EU.⁸² The eurozone crisis and those surrounding the Schengen area have shown that the EU retains a view of integration as a solution. In Germany especially, a commitment to working through the EU and building up EU cooperation remains central. This does not mean there have not been significant difficulties, with Euroscepticism growing across the EU and some in Germany questioning whether European integration has gone too far.⁸³ The EU has yet to face a crisis in which German decision-makers display a marked reluctance to consider the EU as the way forward. In the few analyses and theories of European disintegration that exist, it is invariably held to be in Germany

⁷⁷ Mats Persson, 'Hey Berlin, this is what an EU without Britain would look like', *Daily Telegraph*, 7 June 2013, <http://blogs.telegraph.co.uk/finance/matspersson/100024783/hey-berlin-this-is-what-an-eu-without-britain-would-look-like/>.

⁷⁸ 'Views on the UK's renegotiation: Russia, Turkey and Ukraine', LSE *Brexit Vote* blog, 4 Dec. 2015, <http://blogs.lse.ac.uk/brexitvote/2015/12/04/views-on-the-uks-renegotiation-russia-ukraine-and-turkey/>.

⁷⁹ Eurostat, *Population projections 2010–2060*, STAT/11/80, 8 June 2011, http://europa.eu/rapid/press-release_STAT-11-80_en.pdf.

⁸⁰ Tim Oliver, 'Europe's British Question: the UK–EU relationship in a changing Europe and multipolar world', *Global Society* 29: 3, 2015, pp. 409–426.

⁸¹ James Ker-Lindsay, 'Britain, "Brexit" and the Balkans', *RUSI Journal* 160: 5, Oct.–Nov. 2015, pp. 24–9.

⁸² Ludger Kunhardt, ed., *Crises in European integration: challenges and responses, 1945–2005* (New York: Berghahn, 2008).

⁸³ Robert Grimm, 'The rise of the German Eurosceptic party Alternative für Deutschland, between ordoliberal critique and popular anxiety', *International Political Science Review* 36: 3, 2015, pp. 264–78.

that the future of the EU will be decided. As Douglas Webber has argued, the EU has yet to face a ‘crisis made in Germany’.⁸⁴ What such a crisis might be remains unclear. While Germany has been keen to keep the UK in the EU, it has made clear that it will not pursue this aim at all costs, especially not at a cost that undermines the idea of European integration.⁸⁵ Brexit alone is insufficient to cause EU disintegration, but it is not impossible to imagine it testing Germany’s commitment to the EU if it were combined with other developments such as a deeper eurozone crisis. As Webber himself notes, given the role US power has played in underpinning and guarding European integration, the collapse of the EU would raise questions about the contemporary nature and effectiveness of that power.

US views of Europe in the world

The United States has increasingly looked for a Europe that plays a significant role in managing international peace and security. Historically the EU has banked on the attractiveness of its political and economic arrangements as a tool to encourage states on its borders to change their behaviour to gain either admission to the Union or close economic and political relations. This appeal, however, has had little effect beyond Europe’s immediate neighbourhood or on states that have no desire or ability to gain admission. Furthermore, the EU remains staunchly focused on the idea of ‘civilian power’, despite the fact that the world continues to present significant security threats to Europe and despite some efforts to inject defence into EU cooperation.⁸⁶ Since the late 1990s international terrorism, nuclear proliferation, state fragmentation and increased defence spending among rising powers have led to a security environment more challenging than at any time since the Cold War—a security environment that requires military assets and force projection capabilities that most of Europe lacks. This assumes, of course, that all European states actually want to get involved in facing such threats, which is not necessarily the case.

The preference among policy-makers in Washington—Democrats and Republicans alike—is still to work with Europe. As the most recent US Quadrennial Defense Review notes, European states are the partners of choice for the United States.⁸⁷ Washington’s decision in early 2016 to increase defence spending in Europe from US\$789 million to US\$3.4 billion represents the most recent demonstration of this commitment.⁸⁸ At the same time, US policy-makers have been repeatedly frustrated by European (including British) defence cuts.⁸⁹ The result is that despite

⁸⁴ Douglas Webber, ‘How likely is it that the European Union will disintegrate? A critical analysis of competing theoretical perspectives’, *European Journal of International Relations* 20: 2, June 2014, pp. 341–65.

⁸⁵ Sebastian Dullien, *Why Berlin and Paris cannot give in to Cameron*, European Council on Foreign Relations, Britain in Europe series, 26 Nov. 2015, http://www.ecfr.eu/article/commentary_why_berlin_and_paris_cannot_give_in_to_cameron5033.

⁸⁶ See Helene Sjursen, ed., *Civilian or military power? European foreign policy in perspective* (London: Routledge, 2007).

⁸⁷ *Quadrennial Defense Review 2014* (Washington DC: Department of Defense, 2014), p. 5, http://archive.defense.gov/pubs/2014_Quadrennial_Defense_Review.pdf.

⁸⁸ Pellerin, ‘Carter previews FY2017 defense budget request’.

⁸⁹ Con Coughlin, ‘US fears that Britain’s defence cuts will diminish army on world stage’, *Daily Telegraph*, 1 March 2015, <http://www.telegraph.co.uk/news/uknews/defence/11443204/Britain-is-becoming-a-friend-who-cant-be-trusted-says-top-US-general.html>; Williams, ‘Enduring, but irrelevant?’.

increased financial allocations, the idea of abandoning or severely limiting US commitments to NATO has become an accepted thread in US debates about the future of transatlantic relations and US foreign policy.⁹⁰

Nevertheless, for the time being the United States would still like to see Europeans play a larger role in their own security and global affairs, whether through NATO or via an EU that plays a larger role globally, especially in areas such as North Africa and the Middle East. Recent events in Ukraine and the current humanitarian catastrophe in the Mediterranean, however, do not bode well for US aspirations, as Europe's response to these crises has been lacklustre at best. As Jeremy Shapiro and Anna Newby noted:

President Obama's ambition has been to disengage from wasteful conflicts in the wider Middle East and refocus American attention and efforts on the Asia-Pacific. In American eyes, Europe's role in the new transatlantic bargain should be to facilitate this rebalancing by taking up the slack and by assuming more responsibility for stability and security in its own backyard.⁹¹

Washington wants European military forces that can supplement US forces globally—for example, by contributing to the maintenance of an aircraft carrier near the Persian Gulf at all times. The achievement of this ambition is stymied, however, by continuing European defence cuts and a reluctance to engage in the maintenance of international security using military force.⁹² This impasse poses problems for the EU, NATO and UK aspirations for continued close transatlantic defence links. As James Arbuthnot noted, 'there is a risk that NATO will become an irritant for the Americans, rather than a partner of choice'.⁹³ Doubts already exist as to whether Europe—whether in the form of the EU (with or without the UK) or European partners in NATO—would stand with the United States should it face a clash with China in the Asia-Pacific region.⁹⁴ For EU states, challenges in their 'near abroad' are more tangible than those emanating from Asia, where their focus is instead on commercial opportunities. This contrasts with the United States' geopolitical approach to that region. Part of the problem is that all sides seem unaware of the others' capabilities and interests in the area, with the UK (and France's) own military capabilities, albeit limited ones, in Asia-Pacific largely overlooked by other powers such as the US or China.

For the United States, the transatlantic relationship is about more than traditional security and military affairs. As discussed above, efforts to create the TTIP are about turning the close economic relationship into a clearer geostrategic one. This has led to talk of the TTIP as an 'economic NATO'. Such talk should be approached with caution, given the unease in Europe at the securitization of an

⁹⁰ Barry Posen, 'Pull back: the case for a less activist foreign policy', *Foreign Affairs* 92: 1, Jan.–Feb. 2013, pp. 116–28.

⁹¹ Jeremy Shapiro and Anna Newby, 'Not ready for a post-American world: European views on NATO', Brookings Institution *Order from chaos* blog, 16 June 2015, <http://www.brookings.edu/blogs/order-from-chaos/posts/2015/06/16-european-views-nato-shapiro-newby>.

⁹² Vivienne Walt, 'Afghanistan and NATO: is Europe up for the fight?', *Time.com*, 3 April 2006, <http://content.time.com/time/world/article/0,8599,1889460,00.html>.

⁹³ Walt, 'Afghanistan and NATO'.

⁹⁴ See Wickett and Parakilas, *Transatlantic rifts*.

already largely militarized transatlantic relationship and fears elsewhere of the EU and United States complementing NATO with an economically protectionist ‘fortress Atlantic’.⁹⁵ There also remain difficulties between the two sides over how to approach emerging powers, with the UK’s decision to partake in the Chinese-led Asian Infrastructure Investment Bank being seen in Washington as a worrying sign that even so staunch an ally as the UK is prepared to accommodate China for economic gain. That other US allies soon followed the UK’s lead added to US concerns that the economic attraction of emerging powers such as China will undermine western unity and, in turn, liberal democratic ideals. These concerns have been behind US unease at Germany’s approach to China.

Germany has developed a ‘special relationship’ with China driven largely by economic needs rather than geostrategic ones.⁹⁶ It now faces a question of whether it chooses to be a liberal power, using its economic might to advance a liberal political agenda—or to pursue the path of a mercantile power, friendly with all and hostile to none. Given its economic relationships with countries such as Russia and China, it is not beyond the reach of imagination to conceive of a ‘neutral’ Germany and therefore a ‘neutral’ EU that functions as an economic bloc, but not a political force pushing on areas such as human rights.⁹⁷ This might be a useful basis for avoiding armed conflict in Europe, a dearly held imperative for Germany. However, it would be a loss for the United States and other European countries that would like to see an EU that is more active in world affairs. Beyond Germany, China has invested elsewhere in Europe, especially in the central and eastern states; and the enthusiasm of these states in seeking inward investment from emerging powers sharpens questions about their alignment with the United States on matters relating to China’s emergence as a global power.⁹⁸

A British exit from the EU would raise a number of issues for Washington’s approach to the transatlantic relationship in an emerging multipolar world. First, the United States and the EU, broadly speaking, share a number of positions on trade and economic policy. A British withdrawal from the EU would not substantially alter the economic reality that trade and investment relations between the United States and Europe are extremely important for both and are likely to remain so for some time. Second, Atlanticism in Europe more generally might not lose much force, given the generally pro-American tendencies of central and eastern European EU states. The main challenge here might be Washington’s own failure to cultivate positive relations. Some states, such as Poland, that historically supported the United States have felt abandoned in the face of Russian aggression in Ukraine, despite their resolute support of US objectives in Iraq and Afghanistan. Britain historically has been a leader in the Atlanticist camp, but there is no reason why another large state such as Poland could not perform this role, if it

⁹⁵ Tim Oliver, ‘Cool the talk of TTIP as an economic NATO’, *The World Post*, 12 Dec. 2013, http://www.huffingtonpost.com/tim-oliver/cool-the-talk-of-ttip-as-_b_4427037.html.

⁹⁶ Hans Kundnani and Jonas Parello-Plesner, *China and Germany: a new special relationship?* (London: European Council on Foreign Relations, 2012), http://www.ecfr.eu/publications/summary/china_and_germany_a_new_special_relationship.

⁹⁷ See Kundnani and Parello-Plesner, *China and Germany*.

⁹⁸ Fordham and Techau, *Global political risk*, p. 18.

wanted to. Indeed, Britain's disengagement from EU business and apparent drift over matters connected to European geopolitics has led the United States already to look to other states, notably Germany.⁹⁹

Given Germany's position as the predominant European power, US–German relations will remain vitally important. The revelations that the US NSA had been spying on German government and media, including allegations that Chancellor Angela Merkel's phone had been tapped, left both the US and Germany in awkward positions.¹⁰⁰ Here we should not overlook the role of the Franco-German bond, which remains the Union's defining internal relationship. The EU could survive a British exit; but, as noted above, it would quickly come to an end should Germany, and to a lesser extent France, give up on it. Indeed, one of the biggest winners in Europe from Brexit would be France. A British departure would allow France to pull the Union more to the economic left, while allowing it to become the key US military ally in the EU. Since the recent drastic cuts to the British defence budget the US has increasingly looked to France for military leadership in Europe. Despite historical Franco-American disagreements, in 2009 France rejoined NATO's integrated military command structure, increasingly pursuing a more outward-looking economic agenda than it is often given credit for. Thus it remains a core member of the western alliance.¹⁰¹

The French deployment to Mali from 2012 to 2014 bolstered American appreciation for French capabilities, for this became one of the few western interventions outside the West that seems to be a success. Washington was impressed with the speedy deployment of 4,000 French combat troops to the region and reassured that Paris could be counted on to manage security issues in north-west Africa. France's activity against Islamic State in Iraq and Syria (ISIS) during 2015–16 has further increased Paris's prestige in Washington. France deployed the aircraft carrier *Charles de Gaulle* to the Gulf to participate under US command—a first for the French Navy—in bombing strikes against ISIS. As *Defense News* stated, US FA-18s landed on the *De Gaulle* and French Rafale fighters landed on US carriers.¹⁰² Although US forces remain more closely integrated, especially on intelligence issues, with Britain than with France, there is room for this to change with Brexit.¹⁰³ A British exit would lead to enhanced efforts by the United States to build relations with Germany and France, with a particular focus on the economic leadership role of Germany and the military leadership role of France in the EU.

⁹⁹ Stephen Szabo, 'Partners in leadership? Germany and the United States 25 years after unification', *GMF Transatlantic Take* (Washington DC: German Marshall Fund of the United States, 2 Oct. 2015), <http://www.gmfus.org/blog/2015/10/02/partners-leadership-germany-and-united-states-25-years-after-unification>.

¹⁰⁰ Karen Donfried and Wolfgang Ischinger, 'Trans-Atlantic ties: it's time to rebuild trust', *Spiegel Online International*, 4 June 2015, <http://www.spiegel.de/international/business/editorial-on-need-for-new-transatlantic-dialogue-a-1037191.html>.

¹⁰¹ See Luis Simón, 'The spider in Europe's web? French grand strategy from Iraq to Libya', *Geopolitics* 18: 2, 2013, pp. 403–434.

¹⁰² Agence France-Presse, 'France displaces Britain as key US military ally', *Defense News*, 19 March 2015.

¹⁰³ Michael Shurkin and Peter Wilson, 'France is replacing the UK as America's top ally in Europe', *RAND* blog, 30 March 2015, <http://www.rand.org/blog/2015/03/france-is-replacing-the-uk-as-americas-top-ally-in.html>.

There is no reason to expect an EU without Britain to be interested in launching a serious challenge to US military or political hegemony to balance US power such as Charles de Gaulle once envisioned. It is far easier to free-ride on the US security guarantee than to ramp up defence spending, and there is no reason to balance what, in Europe at least, is a ‘benign hegemon’. The main concern for the United States is the ability of European states to contribute to international peace and security, and an unwillingness to do so may drive the United States further towards giving up on the Europeans in the hope that this might provoke them into acting on their own. Britain historically has been a supporter of a more interventionist Europe, but this support has recently declined, most notably in the 2013 refusal of the British parliament to support a hawkish line against Syria’s Bashar al-Assad after he used chemical weapons on his own people. Given that NATO remains the premier military organ in Europe, it seems unlikely that Brexit will have much effect on Washington’s current ability (as distinct from willingness) to influence European military matters, since any substantive European defence decisions are made via NATO in conversation with Washington and Ottawa, rather than via the EU. The EU is becoming—very slowly—more cogent on foreign policy, but defence remains an issue primarily for NATO.

Conclusion

The United States’ relationship with the UK and the rest of Europe remains one defined by shared ideas, deeply entwined economic and security interests, well-established institutional arrangements, common international problems, and individual leaders and elites who remain Atlanticist in outlook. In the uncertain world that it faces, the US government would prefer the states of the North Atlantic to continue to work closely together on issues of international peace and security. A British departure from the EU would complicate these relations, but not undermine them unless it were compounded by other crises and changes to both the EU and the United States that have the potential to drive them apart. It is the UK that has the most to lose from Brexit, becoming a country whose unity could be thrown into question and one that would have to work harder to affect changes in the wider transatlantic relationship. In such a situation the United States could find its closest ally becoming an awkward inbetweener, dependent on how the larger US–EU relationship moves forward.

Nevertheless, there is no escaping the fact that the role of Britain in the EU is important to the United States, to US–EU cooperation and to the wider transatlantic relationship. Despite this, British political debate rarely considers the implications that the referendum result could have on wider European and transatlantic security, and economic and political arrangements. While we envision relations remaining cordial, albeit with the UK as an awkward inbetweener, we set out below three possible scenarios for the United States—the good, the bad and the ugly—that could occur, depending on how the referendum result mixes with other pressures.

The good ...

The best scenario for the United States and stable transatlantic relations is one where the British people vote to remain in the EU, with the UK–EU renegotiation and referendum followed by a sustained effort by the UK government to rebuild relations with an EU for which the ‘British Question’ has been an unwanted distraction from other matters. Should a new EU treaty emerge, the UK would be in a stronger position to push for changes that strengthen the Union while ensuring the UK remains an active member inside it rather than pushing for changes from the outside. For the United States, this option preserves the EU’s foremost Atlanticist power as a part of Europe’s predominant organization for economics, politics and non-military security. It could also help ensure that the EU focuses not only on domestic European matters but also on issues outside the EU, especially in its near abroad. A UK engaging with its European partners would also help show that isolationism and populism have their limits in national discourse and thus decision-making.

... the bad ...

UK–EU relations muddle through, with a referendum result either to stay in or to leave not leading to any clear and settled relationship. Animosity persists on both sides, particularly between UK and EU leaders who feel aggrieved at the renegotiation and referendum result. Neither side is willing to do more than make the minimal commitment to a functional relationship. For the United States, Britain would retain an important place in transatlantic relations, but now as an awkward inbetweener, dependent on developments in the larger US–EU relationship. Any effort by the UK to play the part of a transatlantic arbitrator would find some footing in the context of NATO and traditional military matters, although even here the United States would be aware that the future of NATO, EU enlargement and EU foreign policy rested more with Germany. Britain’s attempts at leadership might be welcomed by some Republicans, but would be extremely difficult—and probably fiercely resisted by the EU and its member states—in areas such as economics and wider political relations where Washington will be conscious of the need to pay attention to the wider EU and, again, in particular Germany. The United States would have to work around Britain in its wider relations with the EU. Both the UK and the EU would remain difficult partners for the United States in dealings with Asia.

... and the ugly

A British exit leads to a severe deterioration in UK–EU relations. A UK that is denied some privileged external relationship with the EU could be tempted to act as a spoiler in any efforts at NATO–EU cooperation, particularly if the rest of the EU tried to develop in a more united way. There are precedents for such an

outcome, as is evident from the course of NATO–EU relations regarding Turkey, Greece and Cyprus, for example—a long-running headache for US approaches to south-eastern Europe. A particularly ugly scenario would see Brexit unleash centrifugal forces that begin the unravelling of the EU. Here the place of Germany would be key, with Brexit triggering some form of German crisis of confidence in the EU. More likely Brexit would lead to the UK's fragmentation, with Scotland leaving the UK to rejoin the EU and a resurgence of violence in Northern Ireland, while the businesses and inhabitants of the international and European metropolis of London were left feeling resentful towards the rest of the UK. The United States would be faced with the fallout from the fragmentation of one of its closest allies.

Should a Brexit lead to EU disintegration, then weaknesses and divisions in Europe would be likely to invite Russian meddling in central Europe; it is even possible that the Kremlin might put pressure on some former Soviet territories such as the Baltic republics. In this case, Washington would have serious questions to answer about how to respond to such a crisis. Given its preoccupation with the Asia–Pacific region, coupled with extreme frustration about the ability of Europeans to manage European problems, the US might decide to allow for a new status quo in Europe, preferring to divert its own energies to Asia rather than continue to subscribe to a declining Europe that is seemingly unable to function as a cogent actor in international relations. Washington would also be extremely alert to the potential for Brexit to make the EU less accommodating to US and Atlantic priorities—if the EU did not collapse, of course. US policy-makers would be conscious of what such developments would say about US power and the potential effect it could have on isolationist elements in their domestic politics. Other world powers might interpret further tensions within NATO and a fragmenting or weakened EU as a sign of the deterioration of two of the major institutions to whose creation and development the United States has committed itself since the Second World War.

There is, in short, no good outcome for the United States resulting from a British decision to leave the EU. Some British Eurosceptics might dream of Britain becoming a North Atlantic Singapore or a 'Switzerland with nukes', neglecting the fact that Singapore and Switzerland play minor roles in regional politics and are ultimately subject to regional politics rather than shapers of it. British debate about the EU has too often ignored the benefits of EU membership and the complexities of withdrawal, with certain elements indicating a yearning for some sort of imperial past that is long over. The crisis of British membership in the EU is in part a result of a changing EU, but is also one that British politicians have exaggerated over the past several decades. This is not to say that there are not serious issues with the governance and direction of the EU. These, however, are problems which the United States has a clear interest in seeing addressed, from which the UK cannot escape, and which a Brexit has the potential to make worse rather than help solve.

