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# EUROPEAN BRITAIN GLOBAL BRITAIN: FOREIGN AFFAIRS AND INTERNATIONAL RELATIONS POST-BREXIT

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Conservative Group for Europe  
Foreign Affairs Policy Group

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# Foreword

It's now over 4 years since the UK electorate decided on 23<sup>rd</sup> June 2016 by referendum to leave the European Union, a decision which came into effect under the terms of the Withdrawal Treaty on 31<sup>st</sup> January 2020.

The big Brexit choices over the UK economy and trade policy are fully known with a decision by the UK to leave the EU Single Market and Customs Union, though negotiations continue over other aspects of a future relationship, which we hope will be successfully concluded with an agreement between us.

The UK government is now actively promoting the concept of Britain as a fully independent trade and foreign policy global actor. It is inevitable at this stage, because negotiations have focused on the economy, that there is not yet sufficient detail about how the UK will seek to enhance its role beyond promoting global trade, especially in its key foreign and defence interests post Brexit or to what extent it will remain constructively engaged in the EU's Common Foreign and Security Policy and participate in broader European security both internal and external and defence matters in which it has been so actively engaged in shaping for the last 47 years.

Many of the challenges we experienced as an EU member state from potential migration crises, to the impact of Covid-19 and possible future pandemics, to the common challenge of climate change and the impact these will have on our economies and way of life, will still need discussion with our international allies and in particular our EU neighbours, as we realise who are our closest friends in the world and with whom we share common culture, history and geographical proximity.

The collection of essays in this paper from CGE members, with a variety of backgrounds from retired diplomats and politicians to business, share a Conservative perspective in presenting a common approach on how this UK post Brexit vision can be delivered by the government in a pragmatic way, whilst reconciling past divisions on the subject of the EU.

The EU is by no means perfect but it has brought peace and prosperity to Europe for the last half century and is a force for good in a modern world in which globalisation makes cross-border cooperation ever more necessary. The UK will continue to share with the EU its core democratic values and its long-term peace, security and prosperity objectives. The

overall theme of this paper echoes the writers' views that multilateral political cooperation with the EU, as well as the bilateral relations with its member states in other international fora like the UN, OSCE, Council of Europe and NATO where we continue as full members, remains in the UK's best national and independent interest. We would seek for more structured cooperation on CFSP and CSDP matters as the UK cannot be considered merely as another third country by the EU given our security surplus and P5 status.

The paper and its authors do not wish to dismiss the primacy of NATO in which the UK remains a member but there has to be a way of also keeping the UK bound to the non-NATO EU neutral states in vital security and defence questions.

The paper is designed not only for Conservative members at all levels, but as a contribution to the ongoing discussions about the UK's role in an ever changing and challenging world, where resources will be stretched and priorities must inevitably be chosen. It cannot answer all questions, nor mention every area of interest to all readers, and any omissions should not be seen as oversight, but only as necessary for space and sense in a short paper. The authors and others will update their opinions regularly through the CGE website, so as to provide opportunities for continuing debate.

Whatever the future relationship between Britain and its wider allies in the US, its longstanding Commonwealth friends and in particular the EU, the British Government has some very tough choices to make. We hope this paper makes a timely contribution to such arguments, and we wish the Government, and the UK, well as Global Britain.

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# Section One:

## The UK and the EU

### 1.1. Introduction

From the perspective of geography, history and culture, the UK can and should be the EU's closest and most valued neighbour. We are too big to ignore and by the same token the EU is too big a neighbouring bloc for the UK to ignore. We must be more to the EU than a mere third-party country.

Politically, economically and, especially, on Foreign Policy, we remain heavily invested in Europe and in the success of the EU; all the more so after decades of political and foreign policy cooperation, trade harmonisation, the deepest of economic ties, scientific and educational cooperation, and defence and security dialogue.

Therefore, even if the UK wanted to, we could not simply walk away from Europe without far-reaching and almost completely negative consequences. At the same time, these ties, like the values and capacities which underpin them, give us real positives to offer in our ongoing EU relations - and at a low political and economic cost. Neither should we allow immensely valuable personal and institutional relationships painstakingly developed over decades to be wasted.

UK/EU cooperation on Foreign Policy is an objectives multiplier for us: there are gains from synergies with little or no downside. And the UK must keep influence within the EU if

we are to leverage US relations and support our wider international security and trade agenda.

### 1.2. Global Influence

The UK remains a soft-power superpower. Positive EU relations will be pivotal in maintaining our unrivalled network of global influence. We are Europe's strongest global influencer, and retain significant capacity for influencing both in Europe and, through retaining close EU ties, also in the US and the wider world. We are rightly seen as Europe's most prominent Atlanticist and pro-US voice, but we cannot avoid our physical position of sitting on the edge of the Continent of Europe. Our profile in the US and among key Commonwealth allies will be better by virtue of constructive relations with the EU and its member states - not least as through this approach we shall be more useful to them individually and collectively.

Conversely, we must make clear to the EU that they too have major incentives to put effort into constructive EU-UK relations. We must not allow certain less UK favourable constituencies in Europe to seek for the EU to cut its nose off to spite its face with regard to EU-UK relations. Managing that delicate process will require engagement and a proactive, positive political climate with our natural friends on the Continent as, correctly handled and interpreted, the UK's intertwined history in Europe demonstrates that we have more allies in Europe issue-by-issue than we

might think. However, we need to remain focused, alert and diplomatically on our game. And we must avoid a drift by default in UK-EU cooperation.

### 1.3. British Values in the World

The UK's traditional values of human rights, justice and democracy are increasingly under threat in the wider world, which appears to be moving further away from the international rules-based system that the UK did so much to help establish. British values are, in large measure, European values. Projection of our rule of law values globally is far more effective in conjunction with the EU27- especially so in international fora like the UN and the WTO. Any radical separation of the UK from EU foreign policy (Common Foreign & Security Policy-CFSP) would weaken global projection of the values which we and our EU partners overwhelmingly share.

EU support for maintaining the UK's position as a respected P5 UN Security Council Member will be invaluable, and best served by keeping up our long-standing custom of sharing information, plans and ideas with EU colleagues. This is true both for the EU as a whole as well as bilaterally with France and rotating non-permanent EU members (currently Belgium, Estonia and Germany). It is also true that when the EU agrees a common position in the UN, more than 20 other democratic and like-minded countries will default to the EU's position whatever the issue. The UK needs to be able to continue to capitalise on this through ongoing effective UN and other multilateral engagement with the EU.

Transatlantic relations have become more complex. With this, Britain's traditional role of bridge is compromised by Brexit and made harder. There might be a possibility that, at some stage, a future US administration would be tempted to side-line Britain, on the argument that in the longer term the EU will be of far greater interest to them, while outside the EU the UK is no longer of such value to the USA. For example, Joe Biden has consistently opposed Brexit and, when he takes office, would be expected to make a rebuilding of ties with the EU a core priority of US foreign policy. However, this need not be done at the expense of a relationship with the UK which still has many key attributes; the UNSC, deep intelligence, security and defence, significant mutual investment and trade, particularly if the UK has secured a post Brexit agreement with its former partners based upon mutual interest.

It is also highly significant that Joe Biden has now strongly backed powerful voices in the Congress, including Speaker Pelosi's negative reaction to the controversial clauses in the UK Internal Market bill, which would empower UK Ministers to ignore their obligations to uphold the UK-EU Withdrawal Agreement, a UN deposited Treaty binding under international law. In particular, since the USA is a co-facilitator of the Belfast Good Friday Agreement with the UK, Congress fears that the new Bill threatens the Northern Ireland Protocol in the UK-EU Withdrawal Agreement, by risking the establishment of a physical border on the island of Ireland. Should this occur, Congress would block the prized and promised objective of the Leave Campaign, a UK-USA Free Trade Agreement,

and it is expected that Mr Biden will take the same position when he assumes the presidency.

Furthermore, up to 2016, every post-war US administration has invested heavily in the peace and prosperity architecture of Europe. The success of the European project has supported US global interests (not least as it means one less continent to worry about). Whatever the reasons for Britain's choice on Brexit might be, some would argue how can the UK expect favours from the US system, when we risk compromising their long-standing strategy by potentially weakening the fabric of this architecture which they have done so much to strengthen and which, in turn, suits their geopolitical interests? Again, an agreement between the UK and the EU, and the emphasis which could be placed on the continuing working of the E3 arrangement of the UK, France and Germany would mitigate such concerns, suggesting that if the EU can come to terms with this, there is no reason why the US should not do so also.

The UK risks being left badly exposed by any loosening of ties with both the US and the EU, not least on NATO stability and cohesion, though it would band together with EU voices in warning the US of the risks that current US policy is threatening to those ties in itself. For example, Brexit played heavily to a Turkosceptic audience, and Erdogan's divergence from NATO's western values is a serious challenge to the Atlantic alliance. Added to which, we are facing increasingly adversarial relations with both China and Russia. Totalitarian and anti-democratic trends in the latter two, as in middle-ranking powers

like Turkey, could leave Britain with worryingly little room for manoeuvre.

At the same time, a range of global challenges upon which our views broadly coincide with EU and US views make positive and effective US-Europe links more important than ever. These include opposing rising protectionism, climate change, pandemics, and combating the continuing threat of international terrorism.

The UK is uniquely placed to play a crucial role in both Washington and Brussels and, where necessary, help both parties to find common ground. The UK should remain actively engaged with the EU on foreign policy and global defence and security issues by seeking to become an equal partner and working collaboratively in areas of mutual self-interest. The UK should avoid needlessly giving away influence over either European or US policy. The current global context makes it all the more important for the UK to remember who its real friends in the world are.

#### **1.4. Britain and the EU in the Wider World**

Commonwealth friends and allies remain immensely important to us. Naturally, we and they together share our common history and values. However, they do not have the collective wealth, influence or power to compensate for the economic costs of decoupling from the EU. Besides, key Commonwealth allies encourage positive and constructive UK relations with the EU as benefiting them too as they mostly value the inside track that links to Britain gives them

within the EU. It is unrealistic to think the Commonwealth could give the UK a democratic alternative economic political bloc to the EU given its relatively low combined economic strength and geographical disparity compared to the EU. We note, for instance, that more young people speak fluent English in more of the EU than in various parts of the Commonwealth (such as rural India), while English Common Law peacefully coexists with civil law systems in Scotland, Quebec and Goa and with mixed civil/common law systems in place within the EU in Ireland, Cyprus, and Malta.

The European External Action Service (EEAS) is unlike all other major diplomatic actors; it is a coordinated multilateral grouping with a global diplomatic network of missions on the ground with access to a full range of foreign policy levers ranging from the EU's traditional soft power such as its humanitarian aid and nation-building capacity to occasional use of the EU's harder power via Common Security and Defence Policy (CSDP) military and civilian missions. As such, it can be a useful add-on to nation-state traditional diplomacy to convey messages supported by the EU member states and useful to the UK by delivering access to key constituencies, which conventional nation state actors operating bilaterally, are often unable to reach.

The EEAS has encountered a number of issues throughout its relatively short history including teething ones regarding initial allocation of resources and it can be argued that the organisation has not yet become the powerful diplomatic force originally envisioned at the time of the Lisbon Treaty but never fully granted by the member states. This

can largely be attributed to the divergent opinions among EU member states as to its exact role and the sometimes difficulty in finding a common CFSP position. However, the EEAS is here to stay and has often been effective in helping the EU to project a more unified position in third countries. For example, the organisation plays a key role in co-ordinating regular meetings of all the Heads of Missions from EU states in third countries, thus allowing a more cohesive and reinforced message to be presented to the host country's Foreign Ministry. Furthermore, the EEAS provides smaller EU member states, that often have a smaller diplomatic international footprint, to be more directly involved in the decision-making process.

Regular dialogue and interaction between senior officials in the UK's FCDO and the EU's EEAS will enable a more effective route to influence EU decision-making in a direction that more closely resembles the UK's position. This will be particularly relevant if the UK and EU's foreign and security policy interests differ.

Perhaps most importantly, geography matters. No country can afford to be negligent in relations with its closest neighbours. The gravitational rule of trade, including for services, still holds. Replacing access to the EU Single Market with aspirational FTA deals with far-flung countries will not be easy, while maximising our short-distance rather than our long-distance trade in goods and services also makes sense environmentally by minimising greenhouse gas emissions.

## 1.5. Defence and Security

Nowhere are these geographical realities more important than on UK defence and security. These areas must not fall through the cracks or flounder by neglect or misunderstanding. Too much is at stake, not least for the defence of the UK and our core internal and external security interests.

We must be pro-active in seeking out a forum for defence, security and, where possible, intelligence cooperation to counter a range of military or terrorist threats from both hostile state and non-state actors. Otherwise we risk that CSDP evolves in ways which might work against or compete with core UK interests. Given that our defence expenditure amounts to 20% of that of the whole EU, we in the UK (and France) will remain the major European defence players, and so EU partners have adequate incentive to include us in their planning.

NATO is no perfect substitute for the EU for our overall defence. To function well, NATO requires the UK to stay close to its EU partners. By leaving the EU, NATO hard power effectiveness may also be put in jeopardy. Intra-EU political dialogue (which includes the neutrals Sweden, Austria and Ireland) and the regular EU dialogue with NATO in Brussels is an important part of the glue and reformist stick and carrot that has held the various member states of the NATO alliance together- especially post-Soviet Union, as many have also ultimately additionally aspired to EU membership. Unlike certain EU formations, NATO requires unanimity in decision-making as each country retains a veto on all issues. This makes the need for an

accompanying political-level dialogue and goodwill all the more important. Weakened European defence and security must not be an unintended consequence of Brexit. For example, the Turkey-Cyprus impasse is one illustration of obstacles to better NATO-EU cooperation- and where the UK (with our unique guarantor status role) could play an important role, and it was EU rather than NATO sanctions, with Britain in the forefront, which gave effectiveness to a concerted Western response to Russia's annexation of Crimea and intervention in Eastern Ukraine.

Consequently, effective UK-EU dialogue will be necessary for strengthening the Alliance, for example in cementing North American commitment to Europe at a time where it has been more questioned than ever before in the US, as evidenced by the announced withdrawal of US troops from Germany. Turkey also presents new challenges to the rationale of the Alliance - such as its incursion into Cyprus's Exclusive Economic Zone and purchase of Russian S400 missiles.

We rightly remain opposed to any so called "European Army" under central EU command, though paradoxically outside the EU we now have far less influence to mitigate European defence integration separate from NATO. The launch by the EU of PESCO (Permanent Structured Cooperation) is one manifestation of this. But, for our own security, it is crucial that we remain a part of European strategic defence and security dialogue and culture as well as future CSDP military and civilian rule of law missions unfold. It might make sense to reassess the value to a post-Brexit UK of certain older European military structures, such as a reconstituted WEU, to

promote cooperation with the EU as an equal sovereign partner on issues which are central to the UK's long-term security and prosperity. Naturally, these structures would need to be flexible enough to avoid the risk of locking us into unacceptable commitments, but we have much to gain from the EU on defence and security and much to offer the EU27 in return given our traditional security surplus.

Our status as a Non-EU European NATO nation compares to Norway's existing involvement with the EU CSDP, which offers possible precedents for the UK to build on. Conversely, the UK could gain useful insights from the experience of the relationships with NATO of EU member states such as Sweden and Finland. For instance, Sweden's military doctrine on extending the Mutual Military Assistance provisions of Article 42.7 and Article 222 of the Lisbon Treaty towards Norway, not in the EU, could be copied by the UK if it were likewise to continue to give assurances to honour these legacy defence and solidarity treaty obligations to non-NATO EU member states such as the neutral countries of Sweden, Finland, Austria and Ireland. This would generate huge good will with UK's former EU partners at relatively low risk. This in no way would conflict with our existing Article 5 collective defence obligations under the binding North Atlantic Treaty. It would merely be the UK choosing to align with current EU protocols beyond 31<sup>st</sup> December 2020.

We need, above all, to avoid being excluded from an increasingly cohesive bloc on our own doorstep. All the more important since Brexit may paradoxically facilitate the very European military cooperation we have most strongly

opposed (as seen with the recent formal launch of Permanent Structured Cooperation on military issues (PESCO)). It will be helpful for the UK that we are an independent nuclear power and the most effective military power in Western Europe along with France.

Tens of thousands of UK jobs are at stake if our defence industry cuts links to European defence. Resulting technology-transfer, know-how, best practice and the maintenance of economies of scale in production and defence procurement offer further benefits to UK industry. Maintaining UK access to the European Defence Fund and Galileo by paying into their budgets would also help the longer-term future of UK defence industries.

Potential intra-UK tensions resulting from adversarial UK-EU relations could also have unexpected knock-on defence and security effects. Scotland plays a key role in our military infrastructure and defence industries, and contributes disproportionately by size of population to our armed forces personnel.

Finally, we need to protect counter-terrorism cooperation to combat threats posed by dangerous radicalised individuals or groups. The UK has much to offer EU partners and much to gain from combined approaches and information-sharing on internal security.

## 1.6. UK Trade and Prosperity

The UK is a major world economy and a G7 member. However, the globalisation agenda which underpins our approach is under

heightened threat. In multilateral fora, with key UK interventions, the US, the EU and like-minded states have been able to shape a pro-business climate which suits us all, not least the UK. This is now under threat, and without a positive UK contribution closely coordinated with the EU, it may well weaken further. Therefore, cooperation with European partners is a key component in support of our free market interests globally.

As the world's second largest economy, China's meteoric rise now poses multiple political threats to the free world, and to our long-standing prosperity, since China uses its global economic clout to promote political agendas which in turn threaten our values and can undermine the principles of the UN Charter. On the other hand, positive relations with China remain crucial for the UK's longer-term prosperity. This dilemma poses a strategic challenge for the UK. The EU has collective weight, and does not have hidden national interests of its own. Therefore, it is uniquely well placed to stand up to threats made by a resurgent China- certainly more so than individual countries acting on their own. Aligning ourselves to the EU's political weight, as well as to synergies with the EU's more subtle soft power economic influence, enables an effective foundation for the UK to mitigate this China dilemma.

No-deal would risk a sustained disruption to key supply chains, and reduce global prosperity. In the worst case, this would heighten the risks of a 1930s scenario of conflict and aggression if a policy of "beggar thy neighbour" starts. The UK is especially vulnerable given our economy's dependence

on external trade and our food security requirements.

Additional tariffs for EU market access will be unevenly spread. On some goods, their effects would be acutely painful. For example, the EU's 10% tariff on automotive products would have the effect of undermining supply chain integration between UK automotive manufacturers and their suppliers (for example, the production of a single car in the UK often requires no fewer than five cross-frontier movements). Customs delays would impact massively on "just-in-time" production. No-deal could also be devastating for some of our farmers. Agricultural tariffs can be exorbitant (for example, peak tariffs of 48% on lamb), and Welsh farmers currently sell a vast proportion of their lamb to the EU.

### **1.7. Russia and the Balkans: Important Case studies on Europe's doorstep**

Prior to Brexit, many leading Russians had made no secret of their hope that the UK would leave the EU. This was not from any benign motivation towards Britain but due to Putin's revanchist policies and because they saw Britain as a leader of the EU and a long-standing adversary in Afghanistan, Central Asia and elsewhere. Russia's long-standing approach seeks to divide and rule by picking off individual countries in the alliance of liberal and free democratic societies. We need to counter that by proactively promoting strong bilateral political ties with and between EU member states and maintaining our traditional bridging role between Europe and North America. Without robust and positive relations with the EU members, the UK risks being set adrift and self-isolated while NATO

risks becoming less cohesive particularly given the recent trajectory of Turkey.

The Crimean annexation was one clear breach of international law, as have been the incursions into Eastern Ukraine. Further examples of Russian aggression, such as cyber attacks and kidnappings, have been seen in the Baltic States, and it is vital that Britain maintains full solidarity with EU partners as well as NATO allies. The Litvinenko and Skripal affairs show that the Russian regime is not prepared to live and let live but feels it can reach across our borders with impunity and it was most helpful to Britain's firm response that EU countries at once backed us up.

The economic damage to the West wreaked by Covid-19, directly and indirectly, might lead Russia to miscalculate about Europe's resolve. Germany's leadership of the EU has generally been effective but heavy dependence on Russian imported oil and gas makes for some vulnerability.

China's growing relations with Russia concern the UK and the EU alike, particularly since the West's criticism of China's South China Sea policy and Russia's expansionism. Russia has found a significant alternative market for its hydrocarbons. The development of the Shanghai Cooperation Organisation in Central Asia and indications of coordination of positions at the UN also suggest growing rapprochement between the two most powerful authoritarian states.

However, the Russian economy is not in a good state predominantly because of the low price of oil but also to some extent because of weak technology, poor and sometimes corrupt management, and Western sanctions. There could always be a danger of Russian adventurism abroad, as a means of diverting the population from complaining about domestic privations.

It is vital that Britain should be clearly seen to make common cause with the EU as well as with its NATO allies when relations with Russia are at issue. Russia is a minor priority for Britain in terms of trade and investment, and while Russia's leadership is so hostile it would be a mistake to risk significant economic assets in FDI, which Russia might readily seize should there ever be a total tit for tat.

Under Putin, Russia seems to have a big chip on its shoulder about its relationship with the West, and it now sees itself in an ideological struggle against Western values, which militates against a resetting of the dial through any diplomatic initiative started by Britain. The best British policy is to continue to show firmness, vigilance and resolve, while avoiding unnecessarily baiting the bear.

The latest challenge is Belarus. We are right to condemn human rights and electoral violations, but we should be cautious about supporting direct EU intervention in Belarus beyond co-operation on targeted sanctions against the regime. The Cypriot veto over targeted Belarusian sanctions demonstrates the challenges the EU faces in establishing

common foreign policy positions. However, the UK should still seek to co-operate with the EU, even without a formal CFSP position. In cases such as this, working both intergovernmentally and bilaterally through the E3, is often an alternative effective way forward.

There is currently no question of direct UK or EU intervention, though we should become more supportive if there were a change of regime to one more pro-Western. Some of Russia's present hostility is understandably due to a perceived triumphalism by the West at the end of the Cold War. They are a proud people with long memories. However, neither should we recognise their "near abroad policy" that considers former USSR states as tied to Russian vassalage in perpetuity.

We undoubtedly face dilemmas in our response to the more pro-Russian tendency of some EU governments, such as Hungary. The best approach will be to be true to our values but to avoid confrontation and needless friction. Our focus for cooperation should be on trade.

The Balkans is another area for potential friction with Russia, given that country's longstanding historical and cultural links with the South Slavs, in particular Serbia. The future of Kosovo is a point of contention between the EU, the UK and the USA on the one side and Russia and Serbia on the other, but for the time being a de facto settlement seems to be working.

However, the so-called Albanian Question is a continuing source of instability in South-East Europe. Added to the growing threats to the UK and EU arising from serious organised crime networks from northern Albania, the religious and ethnic divides in the Balkans can always be inflamed again by nationalist politicians, and there is a worry that certain radicalising Islamist organisations from outside the region have sought to turn ethno-nationalism in the direction of jihadism. The EU's stick and carrot approach offers the EU long-term membership in return for much needed reforms as peacemaker. The UK should back EU attempts to reduce tensions, which had been carried forward very effectively by several British politicians and officials working for the EU as a whole prior to Brexit. One good example is the Pristina Belgrade dialogue started under Baroness Ashton when EU High Representative for CFSP.

There is still only limited acceptance of an independent Kosovo. Possibilities for "land-swaps" between Belgrade and Pristina are still unresolved. The state of North Macedonia is still fragile because of Albanian-Slav tensions. The Albanian minority in Montenegro is restive and there is a small but growing Albanian irredentist movement calling for a "Greater Albania". The Russians and even the Chinese could find many opportunities to exploit grievances.

Britain's interests would be best served by trying to resolve root causes of tension and also to promote much freer Balkan trade flows from which British businesses could benefit. Covid-19 has hit Serbia and Montenegro especially hard. So there is ample scope for

constructive diplomacy and Technical Assistance. Better governance will help efforts to stabilise the Balkans. DFID, now integrated into the new FCDO, has much relevant experience of supporting transitional economies. This should be mobilised to a greater extent today, in cooperation with EU programmes, in order to maximise chances for future peace and prosperity.

Faced with the complexities of the European project and the imperative to continue to manage these effectively, history teaches us that the best strategy never involves burying our heads in the sand and hoping that challenges in our relations with the Continent will go away.

## 1.8. Recommendations

Developing new structures or reinventing older ones like WEU to formalise foreign policy, defence and security dialogue between the EU and UK (perhaps also to include certain non-EU NATO states). One possible dialogue channel would be an EU PSC+ format:-

- Promoting networks of influence by enhancing the UK diplomatic and parliamentary presence in remaining Europe focused multilateral fora which include parliamentary assemblies such as the Council of Europe and OSCE; and making a firm UK commitment to remaining a signatory to the ECHR as a mark of our common values;
- Strengthening British cultural diplomacy in Europe, such as by boosting UK participation in EU

exchange and research programmes like Erasmus and Horizon 2020. Also promoting European language teaching in UK schools and universities;

- Retaining the crucial momentum of scientific collaboration between the UK and the EU which yielded so many mutual benefits prior to Brexit. We should avoid new work permit delays and other barriers that impede collaboration;
- Continuing to respect and honour important international agreements such as the Good Friday Agreement and the Northern Ireland Protocol of 2019. Failure to do so would have major trade and investment implications for the UK and for our relations with Ireland;
- Promoting measures which avoid scope for longer term frictions with the EU that might arise from rancorous trade relations, disruptive arrangements for citizens or ongoing disputes over territorial issues such as on fishing rights. Examples of such measures would include an advanced third generation FTA between the UK and EU before 31 December 2020 and by finding a compromise on the outstanding obstacles like a state aid level playing field requirement, granting EU access to UK fishing grounds in return for continuing access to the lucrative EU market for our fish, and continued rights of EU citizens' rights in the UK being reciprocated and matched with those afforded to

British citizens living in the EU27 countries;

- Playing a constructive role in other essential intra-EU security agreements such as Frontex, Europol, Eurojust, the European Arrest Warrant, PNR and ECRIS. These would be worthy of more formalised UK-EU cooperation;
- Building on the success of William Hague's hosting of a Berlin Process summit, such as with technical assistance for the Balkans;
- Signing up to Euratom for nuclear issues and EASA for civil aviation, given the importance of mutual cooperation in these fields;
- Continued close co-operation with the EU on Countering Violent Extremism and de-radicalisation measures, especially in third countries;
- Promoting cooperation on Serious Organised Crime given the shared threats we face from successful organised crime groups that operate effectively across national boundaries (and often benefit from borders and customs barriers by making smuggling profitable).

## 1.9. Conclusions

The *raison d'être* of the European project remains peace, stability and prosperity among countries which down the centuries have all too often been in conflict. The biggest destroyer of economic prosperity is conflict, which in modern terms goes beyond traditional military hostilities. The UK has rarely been immune from Continental woes. For seventy years, Western Europe has been both a bastion of stability in its region and a promoter of peace, prosperity and human rights beyond its borders. It was not ever thus. It cannot be assumed to remain so in the future.

The UK has much to gain from continuing to contribute to and benefitting from the regional peace, stability and prosperity championed by the EU. We would benefit disproportionately from being seen to continue to be doing so willingly and proactively at this delicate stage in global affairs.

Active EU engagement will be necessary for promoting a truly global Britain and avoiding a progressive withdrawal from world affairs with the damage to prosperity and global governance, which that would entail. The benefits will be many and varied, and well worth the modest costs.

# Section Two:

## The UK and the Middle East & North Africa

### 2.1 Introduction

Western travellers to the Middle East and North Africa follow in many footsteps, some good and others less so. They find a rich and varied world of culture, commerce and exploration, mixed, in places, with almost unbearable conflicts and confrontations into which our own history is woven. The UK knows the area well, and can be confident, post Brexit, that it will be recognised for its role in the region long before the EU came into being, and for what it can now bring to its peoples as they look ahead. It will find, in the neat recent phrase of Thomas Friedman of the New York Times that there are two coalitions in the region today:- those who want to let the future bury the past, and those who want the past to keep burying the future. The UK must be unequivocally on the side of the former.

The Middle East and North Africa (MENA) that the UK will face in 2021 is in some turmoil, but that is really no surprise. Look what has happened since 1945. Western Europe had its issues with dictatorships and the challenge from the East on a tragically divided continent, but was recognisably territorially intact, and a post war peace enabled economic recovery and the strengthening of some, and replacement of other, political systems. By contrast areas within MENA experienced the painful and often violent removal of colonialism, but also the continuing attention and engagement of external powers for better or worse; a UN mandated creation of a new state and the

denial of the aspirations of others; the rise of nationalism and its attendant autocrats; more than one wave of violent religious extremism and terror; civil wars and the intervention of powers in other conflicts, and the creation of unparalleled wealth for some. All in pretty well a generation or two, and on the back of a well remembered history of civilisation and power long before the Europe and the west had its chance.

It has been a potent mix, and on many occasions a number of currents come together in internal civil disputes, or regional confrontations, making what seem separate issues actually interlinked. But very little within MENA is affected directly by Brexit as relationships forged centuries before 1957 or 2021 will continue without stride breaking. Although there will be the practicalities of how policy coherence will be forged in capitals, in-country relationships between Ambassadors and Embassies of nation states and the European External Action Service are bound to continue, for mutual benefit. Joint approaches to states when needed – the ‘demarche’- have serious impact when coming from more than one government, and are often the result of serious and lengthy engagement on the ground together. Common sense amongst diplomats ought to see these continuing.

## 2.2. The E3

At the highest level, the UK has much to gain from ensuring that the E3 of Paris, Berlin and London continues to operate closely. Where the EU does not have a common foreign and security policy, their voluntary acting together carries much weight. France and the UK sit on the UN Security Council (UNSC), we all sit in NATO together, and have so many mutual interests that coherence of policy makes sense. In addition, no state works alone in foreign policy, nor is a completely free agent. The UK is leaving the collective security and cover of the EU, which has often been a benefit when difficult decisions need taken, which are not uncommon in MENA. Reprisal against a single state is always possible, whereas against 28 it gives pause for thought. The E3 would augment the UK's individual global clout, and provide some useful protection if challenges are needed towards states, or blocs of East or West.

This arrangement should not pose many difficulties for the UK. In responding to many of the challenges in the region, the need to combat terror, the need for improved governance, the drive against corruption, and the diversification of economies, either away from unaffordable public sector dominance to more enterprise, or the move to becoming less carbon based, the UK has worked in common with EU, US and UN partners and will continue to do so. However, elements of difference do emerge, such as in handling migration, not least because Southern Europe experiences its effects in a manner barely understood in the UK, with nowhere near the impact upon states such as Lebanon, Jordan, Egypt and Turkey in dealing with significantly greater refugee numbers. Sharp differences

between UK/EU policy and that of the US have been greatest in relation to Iran and the Middle East Peace Process involving Israel and a future Palestinian state, and the EU and NATO face increasing challenges to hold common positions in relation to an assertive Turkey in Libya and the Eastern Mediterranean.

## 2.3. Uncertainty and changing MENA policies

MENA is never still, and the UK/EU post 2021 are dealing with a region changed markedly since 2010. The upheavals of 2011 and subsequent, termed the 'Arab Spring' (though this term is much debated) have echoed down recent years. Most governments have examined their relationships with their peoples, but their reactions have varied widely. Conflicts have consumed Libya, Syria and Yemen, which although they have many other elements all began through the impact of 2011. These conflicts have involved a number of neighbouring states, from the handling of the world's greatest refugee crisis, to active military engagement.

The uncertainty of the role of the US, both the Obama and Trump administrations, has been a major contributory factor in regional development. US talk of 'withdrawal' and 'endless wars' has often been interpreted, wrongly, for a lack of interest. But key moments, such as the decision of the US, and the UK Parliament, not to enforce a 'red line' against the use of chemical weapons by Bashar al Assad against his own people, had a devastating impact.

Although, in contrast, the united stance against the brutality of Daesh restored some belief that the West was not altogether moving away from the region, a genuine wariness remains about the extent of external commitment to stability in the region, and as to whether or not an imperilled allied or friendly state would be defended by force of arms. Foreign affairs don't do vacuums, so into that space has come Russia and to a lesser extent China, an Iran emboldened rather than crushed by US policy, and, to rather greater good, regional states themselves recognising that they are going to be increasingly more responsible for their own security and defence. The most striking example of this is the UAE, a key partner of the UK, in developing a confident foreign policy, demonstrating a religious tolerance remarkable and challenging in the region through, inter alia, the visit of Pope Francis, and breaking a significant mould with its Agreement with Israel.

The past decade has also sharpened regional divides as new coalitions emerged, around Iran, Libya, Yemen or within the Gulf Cooperation Council (GCC) states themselves. The whole concept of 'political Islam', the influence of the Muslim Brotherhood, and its disputed links to terror is the subject of a growing divide between regional states and their allies. The West will be under increasing scrutiny over its response. The UK needs to continue to take this extremely seriously and be ruthless in exposing and acting upon hard evidence.

## 2.4. Going forward: diplomatic reach and soft power

Going forward, the UK still has much which will commend it in MENA, where it has been 'Global Britain' for several hundred years. Many states in the region either never entered into trade agreements with the EU, or see mutual advantage in revising them for new agreements with the UK, and despite the uncertainties of the impact of the Covid-19 pandemic, continued economic development and growth is in all our interests. The over 100,000 UK residents in Dubai, for example, demonstrate the global nature of our commercial interests.

Our diplomatic reach and expertise is genuinely recognised as definitive. In the Gulf in particular, the protective relationship of the UK to states facing many dangers in the past is remembered well, and the presence of significant defence capabilities, and our willingness to use them within recent memory to protect Kuwait and the Kurds, to enforce maritime security, and help turn back Daesh, is still appreciated. Once confidence is lost in a friend, in a region where existential threats are not uncommon, it is not easily regained, and I expect the UK to continue to ensure that supplying the means for states to defend themselves, within the strictest arms controls, will also continue.

Our softer power is significant. UK universities attract the second highest numbers of international students in the world. Chevening scholarships are still the gateway for some of the regions outstanding leaders in all fields. The export of healthcare and education is significant. The BBC, the

British Council, UK based NGO's and DFID, as was, deliver phenomenal programmes, often in the most tragic of circumstances from mine clearance to helping the recovery of victims of atrocity. The UK also works on reforms away from public gaze in states where there are human rights issues, but where we believe it is right to work with those who can see a way to reform. There is no way to avoid compromise and tough judgements in foreign policy either, if you want to be taken seriously and actually help deliver change rather than posture. I do not foresee any change in such difficult calculations going forward.

## 2.5. The Foreign, Commonwealth and Development Office: Guidelines for policy

The relatively new UK government, and the combined FCO/DFID ministry (FCDO) will therefore be finding its feet in this most difficult of maelstroms. The following guidelines for policy might be helpful:-

- There is no need to work alone to prove ourselves. Continue to work with partners who share our values to promote good governance, economic reform, ending corruption, human rights, and the promotion of consent in government as the bases of stability. Work especially with states promoting tolerance, particularly in religious affairs, which has a resonance unappreciated in a largely secular UK and Europe. The absence of tolerance, and oppression of minorities, is one of the key recruiters for conflict;
- The E3 should remain a foundation partner for the UK, as should the US,

but we recognise a changing region in which regional voices and powers are going to grow, and where friendships and partnerships are to be built upon;

- Offer technical assistance across the board to governments genuinely looking for help to change, and be prepared to weather some storms, but always know when it is necessary to refuse to go on;
- Give active and increased support to diplomatic solutions to end crises: try to defuse confrontations between friends in which choosing one side or another is not in UK interests;
- Work through the UN, and support a rules based international order being lost by ignorance and lack of awareness of why it is important by a generation with no memory of the horrors it replaced; take on more opportunities to broker diplomatic solutions if others can no longer do so;
- Do not give up on the Middle East Peace Process, or on finding a way to avoid a catastrophic confrontation involving Iran;
- Work out in what circumstances the UK is prepared to use its defence forces, and say so.

Let me set out some of those challenges, and policies which might apply. Whilst not exhaustive, and with regret for omissions, the following issues are currently out there, demanding UK interest as our new foreign policy is forged:-

## 2.6 North Africa and the 'Arab Spring'

North Africa, and the 'Arab Spring', (always best to be referred to as 'so-called'- it arouses fierce debate). North Africa continues to experience upheaval post 2011. Throughout MENA as a whole, the echoes of those events continue to have relevance, and UK policy remains closely aligned with EU and US partners in assessing the foundations to have been in concerns over governance, the need for more employment, and the aspirations of a growing young population. The UK should work with other partners to support continuing democratic progress in Tunisia, and look to enhance its trade with it, Morocco and Algeria.

In security terms, these states are threatened by the upheaval in Libya, and terror activity in an unstable Sahel. Again, the UK and all partners should support their efforts to combat this, and at the same time support UN efforts for peace in Libya, and a resolution to the long running dispute between Morocco and Algeria over Western Sahara.

## 2.7. Libya

Libya is deeply complex, and the failure to resolve internal political disputes since 2011 has allowed external parties to become physically engaged in the conflict, widening the areas of dispute and linking them to regional aspirations, and for France and Italy to become at odds. The UK should continue to back the UN efforts at political resolution and the removal of external forces, being the best routes to stability for the Libyan people.

## 2.8. Migration

Closely tied to Libya, though not exclusive to it, is the issue of migration. Those fleeing conflict from Sudan, Syria, Yemen or many other places have routes which bring them to North Africa to cross the Mediterranean to get to the EU, and for a small but growing proportion to seek to enter the UK. These routes are governed by ruthless traffickers, a risk to many, as those who traffic people deal in drugs and weapons as well. It is a huge, billion dollar, criminal enterprise, which will not be ended solely politically, or by humanitarian NGO's. There is little to suggest that anyone has any answer to this. It will require more international efforts than we have yet seen, in which a better legal sharing of refugee outcomes is vital. At the same time the needs of host states, often poor and fragile themselves, need recognising, as do the political fears of destination states. The UK must support a better comprehensive approach to this, bearing in mind continuing conflicts, and the demographic pressures of the next twenty years or so.

## 2.9. Areas of conflict; Libya, Syria and Yemen

Each of these conflicts is a matter of despair, at the length the conflicts have continued, and the ferocity which has characterised all of them. Each has disputed history, in terms of their origins and at what point intervention or non-intervention by external powers has been a factor, and this paper is too short to deal with those issues.

As far as the UK is concerned, each of these conflicts now has the UN engaged as the most

likely political answer, but the honest truth is that matters will be decided more by the parties with forces on the ground than in any other way. Each has proved that conflicts today last longer than in the past, and that the UN Security Council is currently unable either to prevent war or enforce a peace. We are all weakened by this, and the UK needs to work unequivocally with the UNSC to restore its authority. Characteristically the FCDO has worked with others in so-called 'small groups', often including at least the E3 of the UK, France and Germany from the EU, with the US and regional allies. These groups must continue, and be unaffected by our leaving the EU.

## 2.10. Coalition against Daesh

The Global Coalition against Daesh was formed in 2014, and now comprises 82 states in a unique partnership. The physical fight against Daesh reversed its territorial gains in Syria and Iraq, where it ruled with unspeakable cruelty, particularly towards women and minority communities. Whilst the recovery of territory is effectively complete, the commitment to overcome its ideology continues, and the threat, which reaches to Western Europe, is far from over. The UK, having played a leading role in the physical fight to turn back Daesh, continues that fight. Vital work was done via DFID and other cross UK Government funds to support physical infrastructure rebuilding in Iraq and Syria, as well as 'softer' infrastructure which can have significant community impact. It is vital the UK via FCDO continues this, and it is not cut back.

## 2.11. Iran

The starkest difference between UK/EU and US policy has been over Iran since the election of President Trump. His antipathy for the deal which was designed to confine Iran's nuclear ambitions, the 2015 Joint Comprehensive Plan of Action (JCPOA), was well known, but until the US left the JCPOA in 2018 it was still uncertain that it would. The deal delivered the key features which Iran had agreed to in terms of reduction of nuclear threat but it had not enabled any of the other issues of contention concerning Iran's behaviour such as missile development and testing, sponsorship of terror groups, and significant interference in sovereign states, to be seriously considered as had been anticipated by JCPOA. The US withdrawal drove a wedge with the other participants in the deal, and removed the ability of the E3 to deliver its side of the bargain in terms of economic benefit in return for Iran's compliance, which Iran was not slow to notice.

It is honest for the UK to recognise that US concerns are shared by others, notably Israel, still facing an adversary whose public statements towards it suggest existential threat and who arm those who still refuse to recognise Israel or give up threats towards it. Arab Gulf states, which broadly agree with the US view of Iran, are however worried about the aggression of US policy, which they fear might lead to a physical confrontation in which their people, not the US, would be in the line of fire. They have resisted forming an anti-Iranian military alliance which the US keeps pressing, and clearly prefer, from statements from the UAE and noises from Saudi Arabia a different negotiated approach, regionally led unlike the JCPOA, which excluded them.

The UK needs to support regional partners in looking for a way forward, while being clear eyed about Iran's activities which are unsupportable and in which sanctions clearly continue to play a part. At present neither the US policy of 'maximum pressure' nor an alternative strategy of incentive has actually delivered greater security in the region. The age old rivalry between Iran and others, in which Iran views the world, its history and threats very differently to its opponents needs a deeper awareness for its resolution than the West often suggests, without conceding any justification. The UK may have a mixed history with Iran, but it should not leave its position of dialogue, and should work increasingly with the EU and those in the region to avert a catastrophic potential further war. As The Economist put it on August 22<sup>nd</sup> 2020 "Officials in America and the Middle East would do well to remember that bitter enemies need not always remain so"

## **2.12. Middle East Peace Process**

A further area of significant difference between the UK, most of the EU and the US has been in relation to MEPP. The subject is so vast that that it is almost insulting to reduce, so this oversimplification must be excused. After years of paralysis in the process, 2020 has seen two dramatic developments. The 'Trump Plan' revealed in January, and the ground and taboo breaking Agreement of the UAE and Israel in August, followed by a similar decision by Bahrain. Whatever the deficiencies perceived by the UK and EU in the former, with the exclusion of Palestinian leadership for one disputed reason or another, the unexpected consequence of almost global objection to the proposed Israeli 'annexation' of internationally disputed territory on the West Bank, appeared

to drive the momentum towards the first Agreement between Israel and a state with which it had not been in conflict, and a 'normalisation' without issues involving the Palestinians being resolved.

The UAE/Israel Agreement per se is not the answer to the issues between the Palestinian people and Israel, but it is unwise not to see it as a reflection of newly perceived realities in the region. If there was any doubt about that, the subsequent decision of Bahrain, and other moves on flights and commercial arrangements from other Arab states can be no other than a significant shift in the region, an example of those wishing for the future if not to bury the past, at least no longer to be held entirely back because of it.

If however it is not the complete answer, as without Palestinian input it cannot be, then it opens up possibilities for such an answer and the UK should press unrelentingly and urgently for the opportunity to be taken. The UK is right to continue to believe that ending the dispute contributes to the peace and security of the region, that injustices towards the Palestinian people cannot be left sidelined, that Israel should not be threatened with terror, that a just settlement of Palestinian aspirations is compatible with a secure and recognised Israel, and that an Israel fully embedded politically and economically in the Middle East is in the world's interest. Both Israel and Palestinian leadership must engage again, as the status quo will not hold indefinitely, and these recent agreements, and indeed the efforts of the US, could well be an unexpected key.

# Section Three:

## The UK and Africa

### 3.1 Introduction

The challenge which faces UK in January 2021 is very different from that we had anticipated on 31<sup>st</sup> January 2020 when we officially left the European Union. The impact of Covid-19 on our economy, employment, exports, food security and much else is likely – at least over the next 3-5 years – to be greater than even the least co-operative of exits from the transition period.

Our relationships with the states of Africa will assume an even greater importance as we seek to work together to build peace and prosperity with what is our and most of the EU's closest continental neighbour at its Northernmost point.

- Africa is home to more than one quarter of the member states of the United Nations;
- It has 35% of the member states of the Commonwealth and 22% of its population;
- The population of the continent will double to c.2.5 billion by 2060, nearly five times the likely population of the EU and with a youthful demographic compared with an ageing UK and Europe;

- Nigeria's population alone is predicted to exceed that of the entire European Union by 2050-60;
- The Continental Free Trade Area which was established on the African continent in 2019 covers countries with more than 1 billion people.

A thriving peaceful and secure African continent is overwhelmingly in the interest not only of its own peoples but also the UK and the EU, just as a thriving peaceful and secure Europe is in the interests of Africa. We should not forget the terrible loss of life and hardship which the two twentieth century world wars, started by Europe, brought across Africa.

We believe that it is vital for the UK to continue to build and maintain strong relationships with each African state, as well as the African Union. That is all the more important now that the UK will no longer have access to the European Union's own presence in countries where the UK currently has no direct representation.

Close relationships with the active African economic regional groupings are also very important. We would highlight the ECOWAS (Economic Community of Western African

Eastern and Southern Africa), SADC (Southern African Development Community), CEN-SAD (Community of Sahel-Saharan States) and IGAD (Intergovernmental Authority on Development). All provide opportunities to work with many African states on peaceful cooperation and development.

African states will grow as import and export markets for the UK in addition to being the focus of outward and increasingly inward investment. These markets have over the past 30-40 years been overlooked by most UK business with the result that export market share has been lost to Asian, North and South American and even other European businesses. The UK has been reasonably successful in encouraging imports from African states – notably agricultural products, including fresh vegetable and flowers. In several African states, there are more visitors annually from the UK than any other country, supporting jobs and foreign exchange earnings. UK outward investment is increasing, through the private sector and state-backed investors such as CDC plc. The previous PM Rt Hon. Theresa May MP stated during her visit to Nigeria, South Africa and Kenya in 2018 that she wanted the UK to be the G7's largest investor across Africa by 2022.

We consider the substantial opportunities for mutual cooperation in section 3.2.

In all these areas, it makes sense to build partnerships with African states and EU member states as we do at present. Resources are scarce and duplication needs to be avoided.

But these partnerships have to be based on mutual respect for sovereignty and support for existing institutions wherever possible.

We believe that the UK can offer a distinctive approach by seeking to learn from the experiences of African states and to encourage more African-owned businesses to invest in the UK.

### 3.1.1 Proposals

- *The UK should have an Embassy or High Commission in every state with a dedicated (not shared) Ambassador or High Commissioner.* Under recent Conservative-led governments, we have seen more missions opened (for instance in Liberia, Eswatini and Lesotho). These missions do not have to be large. We have seen one which was effective with two staff, an ambassador and an administrator.
- *The UK should also have a dedicated Ambassador to the African Union, just as we do to the European Union.* At present, that role is held by the UK's Ambassador to Ethiopia as the AU's headquarters are in Addis Ababa. However, the importance of the AU is huge, especially with the advent of the AfCFTA. *The UK should also ensure that it engages fully with all regional economic groupings with an ambassador/High Commissioner given the responsibility of engaging with each.*
- The Commonwealth is an essential part of the UK's engagement with African

states. *We suggest that the most effective ways to do that are through cooperation in peacekeeping, education, science and research, food and water security, climate change the environment, investment and youth job creation, and sport.* Political cooperation is more likely when it is built on a firm basis of working together on human needs. As currently the only Commonwealth state which is a permanent member of the United Nations Security Council, the UK also has the opportunity and responsibility to speak up for the broad concerns of the Commonwealth.

- We could also support the Commonwealth remaining open to other states joining so that it becomes a 21<sup>st</sup> century grouping tackling 21<sup>st</sup> century challenges. The recent accession of Rwanda and Mozambique, neither of which were British colonies or protectorates, is welcome.
- The UK obtained observer status of the CPLP (the Community of Portuguese Language Countries) in 2018, a welcome step. Several of its member states are in Africa. The OIF (Francophonie) celebrates its 50<sup>th</sup> anniversary this year. Many of its member states are in Africa. *It would be a good opportunity for the UK to join Ireland and many Eastern European states in applying for observer status.*
- Given that *peace and prosperity* on the African continent is in the interests of the whole of Europe (including the UK and the EU), it is essential that the UK and EU continue to work closely together on both the formal and informal level.

- Of great importance are the large numbers of UK citizens who were either born in Africa or have African heritage. They already contribute greatly to relations between the UK and African states through personal contacts, large-scale investment in businesses and charitable work. Yet the UK Government does not sufficiently encourage their expertise and willingness to build strong relationships. We recommend that the UK Government establishes formal channels through which UK citizens of non-UK heritage can support the growth of positive international relationships.

## 3.2. What is going to happen in the next few years?

The following may happen on the continent of Africa in the coming years, with a direct impact on both the UK and the EU.

### 3.2.1. Impact on jobs and livelihoods

The population of Africa is predicted to rise to 2.4 billion by 2060 from approximately 1.2 billion today. At the forefront of the thinking of every government is how to generate the jobs and livelihoods for the tens of millions of young people entering the workforce every year.

*Action:* The UK's can play a significant part in supporting countries across the continent to meet the demand for sustainable growth, jobs and livelihoods in a number of ways:-

- Opening our market to goods and services on a fair basis. A trade

agreement or agreements with the AfCFTA is a priority.

- Investing heavily in the private sector. This means encouraging and supporting UK businesses through a much stronger trade and investment organisation on the ground.
- Working with governments to share experience on systematic approaches to job and livelihood creation especially for young people – and particularly in the SME and informal sectors which will generate most.
- Concentrating our development partnerships on areas which are job rich and where we have expertise – health services and sciences, education, financial services, agriculture/food processing, culture and sport.
- Supporting the Commonwealth in its priority of working with young people and focussing on job creation.
- All of the above would be best done in cooperation with other states which have a similar approach, especially EU member states.

### **3.2.2. Food security (see also 3.2.5. Climate Change and the Environment)**

Food security is an immediate risk in certain parts of the continent. The locust swarms of 2020 have exacerbated an already tight situation. Agricultural productivity remains low.

*Action:* The UK has considerable expertise in improving yields and sustainable agriculture – both through commercial businesses and research institutes. The UK will also be facing food supply and security challenges as the transition period ends. We recommend that the UK puts together a small but highly experienced team to work together with willing African states – and other international partners such as the EU -to improve for both the UK and those states agricultural productivity and practices, food security and trade.

### **3.2.3. Peacekeeping and peacebuilding (see also 3.2.5.) Climate Change and the Environment)**

Terrorism and extremist violence is seen particularly in the countries of the Sahel. But it has also affected regions of several other states. UK armed forces are operating alongside those of several African States as well as France and the US. There is little sign that this instability will die down in the coming years; if anything, it may increase and threaten currently peaceful states in sub-Saharan Africa. The UK will have to decide how much further we wish to commit forces, if requested, in support of AU, UN or other missions.

*Action:* Peacekeeping and peacekeeping have featured too little in the work of the UK and the EU in recent years. The deployment of a battalion from the UK as peacekeepers to South Sudan in 2016 was noteworthy because it was the largest such deployment in 20 years. In contrast, African states have been continuously supplying peacekeepers on a large scale often at considerable cost in loss of life. The UK has provided on the ground

training for peacekeepers through missions in both East and West Africa. This should continue and increase, perhaps in cooperation with the EU.

One successful EU mission led by the UK until we left the EU (now led by Spain) has been Operation Atalanta, the naval operation to counter piracy in the Indian ocean. It is vital that we continue to participate in this mission.

Peacebuilding is also an obvious area in which the UK could seek to work closely with EU member states and the EU to support states in Africa where there is desire for peacebuilding but little capacity. We have seen such work by UK NGOs in South Sudan/Sudan, CAR and Mauritania – supported by the EU, and particularly focussing on training women in these roles.

### 3.2.4. Health and combatting disease

2020 has shown the devastation which can be caused by infectious diseases. It has shown the need for stronger health systems and research/testing capacity in both the UK and African states. The UK has been able to assist some African states with critical health infrastructure, such as oxygen manufacture.

Ebola and now Covid-19 have shown the importance of cooperation in global health. They have also exposed weaknesses in even advanced health systems, not least that in the UK. Partnerships are therefore at the heart of the UK's future work with African states.

Health systems are expensive. But money spent efficiently on health brings great dividends – disease prevention particularly among children and women, longer, healthier and more productive lives and large numbers of relatively well-paid jobs.

*Action:* The UK can work, where possible with EU states, to support African states in strengthening health systems and research/testing capacity. We can learn from the experience in DR Congo and Uganda in the recent successful containment of Ebola. We can also encourage the UK-based pharmaceutical and medical supplies sector to invest more in direct manufacture of products in Africa. The UK can continue to expand partnerships between UK and African medical/nursing/allied health science schools to increase the number of health professionals.

### 3.2.5. Climate Change and the Environment

Africa as a continent is seeing large-scale impact of climate change.

- The Sahel experienced a decrease in rainfall of 30% between 1960 and 1984, leading to famine, the deaths of hundreds of thousands and displacement of millions.
- According to a UN report, temperatures in many African states are expected to increase significantly, for instance in Namibia, Botswana and Zambia.
- Rainy seasons are often starting later and ending sooner, meaning less water

for agriculture with a consequential impact on food security.

These changes bring hardship to large numbers of citizens across Africa and also affect the UK and EU states through forced migration and conflict.

- The United Nations Framework on Climate Events has found that climate change is contributing to desertification, sea-level rise, ocean acidification, air pollution, rain pattern shifts and loss of biodiversity. These will lead to humanitarian crises and more people migrating, many towards Europe.
- Security experts point to the connection between climate change and terrorism. For example, Al-Qaeda and other groups have been increasingly effective in recruiting in regions which have experienced a reduction in agricultural livelihoods.

**Action:** As noted in b) and c) above, it makes sense for the UK to continue to work closely with EU states and the EU in partnership with African states on matters which cause humanitarian emergencies and also have a direct impact on Europe through forced migration, violent conflict and food insecurity. That cooperation has to be not only in security, but much more in supporting African states to improve the economic opportunities and living conditions for their citizens. Some UK-led programmes are already addressing this.

As in the case of food security, we recommend that the UK puts together a small but expert group under an internationally renowned scientist with ambassadorial rank with the job of ensuring that the UK's work is effective, efficient and coordinated with our partners.

### 3.2.6. Education

Education at all levels is facing serious challenges in the UK, across Africa and globally.

At the same time, educators across the world have quickly developed many online tools for educating students remotely. Rather than discontinuing these when 'normality' resumes, schools, colleges and universities can make the most of them to supplement 'in person' education. There is a real opportunity to make good education available to all young people.

As one of the major global developers of educational resources, the UK has a significant opportunity to work with African states to put these innovations – including those developed in Africa - to good use. They can also be used to cut the cost of secondary and tertiary education which is a barrier to millions of young people.

The UK can also work with African states and other partners, especially the EU, to ensure that each family has direct access to the devices and broadband which will be essential to closing the digital educational divide.

The UK could pioneer a similar scheme to Erasmus for students linking the UK and African states, and invite the EU to join.

### 3.2.7. Sport, Arts and Culture

For many citizens across Africa, the UK is best known for the English language, and hence English-medium education, visual and aural media, and sport. In the UK, likewise, there is an ever-increasing influence of African scientists and educators, artists, musicians, sportsmen and women.

#### *Sport*

The opportunities for the UK and African states working together to mutual benefit are perhaps greater in this area than almost any other. The English Premier League creates bonds between supporters of the same club in Leeds and Lusaka, Manchester and Mombasa.

Athletics is another sporting bond. More than half the world's population – including across Africa – watched the London 2012 Olympics and Paralympics.

The UK has a unique role to play in ensuring that the Commonwealth Games enhances its reputation as a global multi-sport competition second only to the Olympics. Birmingham 2022 gives us an opportunity to welcome our European friends and neighbours to a great city to see world-class sportsmen and women in action. We urge the Government and Organising Committee to ensure that the Games are promoted across Europe. We also suggest that European businesses are invited

to participate. The Commonwealth will thrive if it is inclusive.

#### *Arts and Culture*

Many British cultural and creative organisations trade internationally. The Department for Digital, Culture, Media & Sport (DCMS) helps to promote Britain abroad. The value of UK exported services by the UK creative industry in 2014 was £19.8 billion. In 2014 of the £644 million exported by music, performing arts and visual arts sector only £5 million was exported to Africa, compared to £362 million exported to Europe. (Arts Council England, 2016).

Many African states are creative and cultural powerhouses with increasing influence across the globe and certainly in the UK – to give just a few examples, film in Nigeria (Nollywood) and South Africa, music in DR Congo and Mali, painting styles such as Tingatinga in Tanzania and several winners of the Nobel Prize for Literature (from Madagascar, Nigeria, Egypt, South Africa and Algeria).

There are great opportunities for much more co-operation between the UK and African states. The British Council does vital work. One example of a British Council programme is the South Africa Arts Programmes which are run in Botswana, Malawi, Mauritius, Mozambique, Namibia, South Africa, Zambia and Zimbabwe which form Southern African cluster. But what is needed is a specific public private partnership which would bring together work with African artists and governments to develop their creative industries with mutual exchanges on a large

scale, joint promotions and investment in the commercial sector. Creative industries create jobs and livelihoods on a large scale as well as the opportunities for increased international trade and profile.

### **3.2.7.1 Challenges for the sector**

#### *Artist mobility*

For creative and cultural industries it is vital to have free movement of artists and performers. The sector would benefit from having opportunities for touring, employing the best African talent to work in Britain and having artistic collaborations. It is beneficial to improve the connectivity of British creative clusters.

What applies to artists also applies across the board – business, tourism and family visits, for instance. If we make it difficult for people to visit the UK, they will go where there is more of a welcome.

#### *Funding*

The Government has given unprecedented support to the arts as they have been severely affected by the Covid-19 crisis. Continued support will be needed. It could be linked to the development with public/private partnerships with African (and other states) to support the development of their creative sectors. This can create substantial opportunities for jobs and livelihoods, particularly for younger people at a time when they are desperately needed.

#### *Legislation and legal protections*

The UK has a strong tradition of developing the protection of intellectual property. However protection has been weak or non-existent for many artists in Africa. As we renegotiate trade and cooperation agreements across the world including with the EU, we can make protection of the intellectual property for all parties a priority and support African states as they strengthen their own intellectual property protections.

### **3.2.8. Freedom, human rights and democracy**

The UK and EU states have in the recent past worked closely together to support freedom, rights and democracy. While we should never be afraid to speak up for these, we must also acknowledge the chequered history of the UK and Europe, especially when it comes to the African continent. Lectures are rarely well-received.

All states in Africa will be committed in full or part to either the Universal Declaration on Human Rights or the African Charter on Human and People's Rights (the Banjul Charter) – just as the UK is a signatory to the Universal Declaration and the European Convention on Human Rights (not to be confused with the EU's Charter of Fundamental Rights).

We propose that the UK has regular dialogues with African states – and invites EU and other states to participate – on adherence to these principles to which all have signed up. It would be a genuine dialogue in which the

UK's application of these principles would be debated as much as that of other states. Mutual learning – and holding to account – is likely to be more effective.

These dialogues could be conducted through existing organisations such as the Commonwealth Parliamentary Association (CPA) or the Inter-Parliamentary Union (IPU) as well as through youth parliaments and civil society organisations.

The UK should always be ready to support countries which are trying to improve the functioning of their democracy and upholding of the freedoms and human rights to which they committed themselves.

In addition, the UK should use its position as a permanent member of the Security Council of the UN to ensure that the Responsibility to Protect is upheld – and be prepared to push for action under Pillar Three (if a state is manifestly failing to protect its populations, the international community must be prepared to take appropriate collective action, in a timely and decisive manner and in accordance with the UN Charter) where required. The Responsibility to Protect was agreed after the genocides in Rwanda and the Balkans during the 1990's. The UK, EU and African states therefore have a particular responsibility for ensuring that it is upheld.

### **3.3. EU/E3 partnerships and new partnerships**

**Why and to what extent is a partnership with the EU/E3 in the UK's interest as we address challenges? To what extent will new partnerships be enhanced by our continuing relationship with former EU colleagues?**

The UK has less than 1% of the world's population and a medium-sized economy. The UK's interests are therefore best served by working in partnership with countries which share our outlook and values.

As we have set out above, in many areas it makes good sense to work closely with the EU and E3 (France, Germany, UK) in cooperating with African states.

The emphasis needs to be on partnerships and agreements, with institutional backing, rather than on creating new broad-based legal institutions.

We believe that the UK needs to take a pragmatic approach when it comes to cooperation with the EU/E3 in relationships with African states. Many of the matters in which we will wish to cooperate – jobs and livelihoods, climate change, global health, food security and terrorism for instance – are too important to fall foul of arguments over sovereignty.

We consider that one way forward would be for the UK to invite EU member states and the

EU itself to join in the work which the UK is developing with African states, including in development work.

### **3.4. What may be unexpected?**

We do not have the ability to predict the unexpected. But we will point to a number of trends which may well influence the future of many African states (and indeed European states).

#### **3.4.1. The strong and growing influence of China, Russia, Turkey and Israel**

China's interests are long-term highly strategic, securing access to natural resources, infrastructure on the Indian Ocean (which should be viewed in conjunction with its recent treaty with Iran) and influence at the UN (where African states have 54 votes). China's support for the liberation struggles has not been forgotten. However, there is increasing questioning over motives and increasing indebtedness to China.

Russia is using its military muscle (usually through contractors such as the Wagner Group) to increase influence with leaders and gain access to natural resources.

Turkey has recently opened a military base in Djibouti (alongside France, the US, China and Japan). Turkish firms are active investors across Africa, initially in construction but increasingly in other sectors, including the airline industry where Turkish airlines has a

very strong African network (in contrast to the sadly diminishing BA network).

Israel as a newly independent state formed very close relationships with several newly independent African countries in the 1960's. That largely came to an end after the 1967 Six Day War. However, Israel's expertise in agriculture and irrigation, IT and advanced technology and its military capabilities have made it an increasingly important partner for some states.

#### **3.4.2. Water conflict**

The construction of the Grand Ethiopian Renaissance Dam on the Blue Nile seriously raised tensions between Ethiopia and Egypt this year. Both are countries with powerful armed forces. There is some progress on an agreement on how quickly the huge dam can be filled and what happens in years when the flow of the Nile through Egypt is reduced through poor rains. But it is a clear example of the impact of water stress, which is only likely to grow.

#### **3.4.3. Food security**

The population shift between rural and urban areas is steady and substantial. Almost the entire population of most African states lived in rural areas at independence. Now a high percentage live in cities and towns. There are tremendous opportunities for increased production resulting from improved techniques and technologies and removing the extensive barriers to regional trade. But progress is urgently needed.

### **3.4.4. Jobs and livelihoods**

With the population of the continent forecast to increase to 2.4 bn by 2060, the urgent need to create jobs and livelihoods is obvious. Many countries are taking this seriously. But if progress is not accelerated, the scenes we saw in 2015 and subsequent years, with large numbers of people making their way across the Mediterranean to Europe will be repeated and on a much larger scale.

### **3.4.5. Ethnic and religious conflict**

Sadly, there is a real chance of major ethnic or religious based conflicts breaking out. We are already seeing regular deadly attacks by Islamic extremists on Christians and others in East and West Africa and the Sahel. Conflict between Muslims and Christians has ravaged the CAR. The genocide of the Tutsi in Rwanda in 1994 so shocked Africa and the world that there has been more effort to prevent a recurrence. But there is no room for complacency, in Africa or indeed anywhere in the world.

### **3.5. Conclusion**

Both the UK and the EU have to take our relationship with African states much more seriously than we have over the past 30 years.

For the UK, that means working in partnership with those states and other partners (including and especially the EU) in tackling the challenges which are common to us all – jobs, livelihoods and migration, security and countering terrorism and extremism, food and water security and the impact of climate change on the environment.

We have made several concrete suggestions in all of these areas. But the one which we believe will establish the UK's immediate serious intent is to establish full diplomatic and trade missions in all African states, with a separate full Ambassador to the African Union.

## Section Four:

# The UK and the Americas

### 4.1. Introduction

As the United Kingdom charts its new course as a non-EU member state, the Western Hemisphere presents itself as among the safest arenas to test-drive its new 'Global Britain' approach to international affairs. Home to some of our closest and longest-standing allies, the Americas include numerous Commonwealth states, existing trade partners and, arguably, our most important non-European ally: The United States of America. This section aims to outline the current foreign policy landscape in the region, as well as the potential opportunities and challenges that the UK may encounter following the end of the transition period later this year.

### 4.2. Recent US Foreign Policy

Despite its established position as a global leader, the United States has engaged in a far more limited leadership role in international affairs over the past few years. This is unsurprising, given the outlook of the current administration. During the 2016 election, Donald Trump campaigned for the presidency on a platform that was committed to putting America first. Indeed, in his inaugural address, President Trump stated "from this moment on, it's going to be America First...We will seek friendship and goodwill with the nations of the world – but we do so with the understanding that it is the right of all nations to put their own interests first."

Nowhere has Trump's 'America First' strategy been more evident than his administration's

approach to existing multilateral organisations. Under Trump's leadership, the United States has either questioned the existence of or exited entirely numerous multilateral organisations and agreements. These have included the Paris Climate Agreement, making the US one of the few countries in the world not to ratify the accord, as well as various organisations within the United Nations – including UNESCO, UNHRC and UNRWA – under the stated reasoning of the agencies alleged anti-Israeli bias. Most recently, Trump has begun proceedings for the United States withdrawal from the World Health Organisation (WHO) over what he believes to be their mishandling of the coronavirus pandemic.

The current administration's exit from numerous multilateral organisations and agreements has been coupled with an increased emphasis on unilateralism in military and security matters. For instance, the decision to withdraw from the Iran nuclear deal while other signatories – including the UK, France and Germany – attempted to preserve the agreement, exemplifies the Trump administration's unilateral approach to matters of global security. President Trump has also personally continued to criticise NATO, complaining that the US' contribution is too great and that other member states should contribute more.

Finally, concerning international trade, the Trump administration has seen the United States pivot from being free trade champions to free trade cynics. With Trump as president,

the United States has pulled out of the Trans-Pacific Partnership (TPP), renegotiated existing trade deals that it believed to be unfair (such as NAFTA with Canada and Mexico and KORUS with South Korea), participated in a trade war with China and criticised and openly questioned the role of the World Trade Organisation (WTO).

As such, given the current positioning of the United States on the world stage, the UK could benefit from engaging with the US alongside our leading European allies, with France, Germany and other EU states aligned with us on many of these matters relating to military cooperation, free trade and global climate action. However, with Joe Biden set to become the next President, the foreign policy of the United States going forward will change and could alter any joint approach the UK and its European allies may wish to take.

### **4.3. The Potential Foreign Policy of the Biden Administration**

As President, Biden is likely to return to a foreign policy more akin to that pursued by Trump's predecessors, but will obviously undertake his own approach given the fast-moving international environment he would find himself facing.

One area where the Biden administration is likely to differ most strongly from Trump's 'America First' approach to foreign policy is the United States' engagement with multilateral organisations. Biden has already committed to rejoining the Paris Climate Agreement on the first day of his presidency.

The Biden administration also has plans to re-join WHO and commit once more to the Iran Nuclear Agreement, as a precursor to further negotiations provided Iran returns to its adherence to the JCPOA. Biden has also been very critical of the Trump administrations' approach to NATO and, while he has agreed that European allies should do their fair share of funding, he explained in an article for *Foreign Affairs* magazine that "the alliance transcends dollars and cents; the United States' commitment is sacred, not transactional. NATO is at the very heart of the United States' national security, and it is the bulwark of the liberal democratic ideal." This return to multilateralism was also emphasised by former Deputy Secretary of State and now senior adviser to the Biden campaign Tony Blinken in a recent discussion with Chatham House. Blinken stated, "I think that there is a perception, grounded in a fair bit of reality, that the United States is absent without leave – AWOL – when it comes to leading in...the international arena...[but] I still believe profoundly that the United States, acting at its best, is a unique force to mobilise collective positive action to tackling the world's problems. That's something we've gotten away from, it's something a Biden administration would get back to." Such a return by the United States to engagement through multilateral organisations would be widely welcomed by members of the international community, including the UK and our European neighbours.

However, there are some areas where the Biden administration may not depart so strongly from the policies pursued by Trump's State Department. A number of foreign policy thinkers in and around the Biden campaign and Democratic Party, such as Thomas Wright,

Senior Fellow, The Brookings Institution, have been clear that a return to an Obama era foreign policy would not sufficiently tackle the problems of today, advocating instead a different approach towards China and that foreign policy and trade decisions give greater consideration to their effects on the American middle-class. As such, President Biden is likely to continue challenging China on regional expansion and human rights, with a less enthusiastic embrace of globalisation and free trade – although the approach they undertake compared to the Trump administration will undoubtedly be different. Indeed, Biden himself has said that “the United States does need to get tough with China,” but advocates the US confronting Beijing alongside its allies rather than in a unilateral trade war as the Trump administration has pursued. Moreover, Biden has pronounced his commitment to “fair trade” and has stressed that although the United States would continue to trade with countries around the world during his presidency, his administration will consult with environmental and labour groups before agreeing any new trade deals, as well as investing in American industry so that they are not unduly disadvantaged. Blinken touched on this approach, too, in his discussion with Chatham House stating, “If we’re not able to demonstrate...in the conduct of our foreign policy, that it’s actually delivering for people in ways that make sense in their own lives, we’re not going to get their sustained support...We do need to think about how every action we take abroad actually works for our people at home.”

However, it has been suggested that a post-Brexit UK may lose influence as it can no longer act as link between the US and the EU. One should not forget how clearly the

previous Obama-Biden White House signalled their support for the UK remaining in the EU and so the new Biden administration is likely to decide to work directly with the EU, which might theoretically risk leaving the UK marginalised – which is even more probable in a no-deal scenario. Indeed, the recently adopted 2020 Democratic Party platform criticised the Trump administration for viewing those who are “anti-European Union...as political allies – not destructive antagonists.” Biden himself stated that “any trade deal between the U.S. and U.K. must be contingent upon respect for the [Belfast] Agreement and preventing the return of a hard border” in a warning to the Government over the Internal Market Bill and its handling of Brexit more broadly. Nevertheless, the Biden administration will certainly welcome cooperation with the UK, not only as a security partner, but also as a member of key multilateral organisations, particularly as they wish to reengage and re-join international agreements such as the Paris Climate Agreement and Iran nuclear deal in which the UK also participates.

#### **4.4. Canada**

Canada is one of Britain’s closest allies, with shared history and strong family ties. Canada is a leading member of the Commonwealth and has the same Head of State as Britain. We have shared constitutional structures. Like Britain, Canada is a member of the “Five Eyes” alliance bound by the multilateral UK-USA Agreement for joint cooperation in signals intelligence, military intelligence and human intelligence. Military cooperation is significant, both bilaterally and within the context of NATO. Britain has important training bases in Canada.

Economic ties are also close, with extensive trade and investment in both directions. Canada negotiated a Comprehensive Economic and Trade Agreement (CETA) with the EU while Britain was still a Member, which further intensified Canada's economic links with Europe. However, the UK is now withdrawing from that agreement, following its departure from the EU. Canada has stated that it does not want to negotiate a bilateral deal with Britain until our future relationship with the EU has become clearer. We must hope that a future deal will at least replicate the advantages of CETA, but it should be remembered that CETA almost entirely excludes two key sectors: financial services and agriculture, whose exports are of high importance for both Britain and Canada.

Britain's future relationship with Canada will greatly depend on whether it opts post-Brexit to remain as close as possible to its geographical neighbours in Europe or its linguistic partners in the "Anglosphere." Some have discussed "CANZUK", a putative economic and political union of the UK, Canada, Australia and New Zealand, covering trade, investment, foreign policy and military cooperation, and free movement of citizens, but that has so far found little traction and is unlikely to be firmly embraced for fear of alienating the francophone population. Britain's strategic choices vis-a-vis China and the Trans-Pacific Partnership via CPATPP will also be of concern to Canada.

However, whatever the immediate outcomes, and Canada had stated before the 2016 referendum that it hoped the British people would decide to Remain, there is no doubt that Britain and Canada share an open and

outward-looking philosophy, contributing to the UN, the G7, the G20, and the valued network represented by the Commonwealth today. Both countries place high priority on upholding and strengthening the rules-based international order, and Canada will hope that a still United Kingdom will prove a stable, reliable, effective and constructive partner.

#### 4.5. Latin America and the Caribbean

The relationship with Latin America and the Caribbean in the context of the UK's departure from the EU can be broadly divided into two categories:

- I. Those countries that the EU has free trade deals with that the UK has/will successfully carry over.
- II. Those countries with trade deals not carried over.

Key players in group I. include the Andean countries, Central America and the Caribbean Forum (CARIFORUM) trade blocs. The UK has managed to successfully negotiate trade agreements with each of these regions, which are currently included in respective comprehensive trade agreements with the EU.

However, differences do exist between the new UK agreements and those currently in place with the EU. For example, the current EU agreement with Central America is based on three pillars of political dialogue, cooperation, and trade which are complementary to each other in order to support economic growth, democracy and political stability in Central America. The UK-Central America agreement signed in 2019, while extensively covering trade in goods and

services and intellectual property, differs in the wider elements of the EU-Central America agreement such as the provisions on political dialogue and human rights. Cooperation with European partners on developing political, societal and environmental protections in Latin America is essential because, as indicated by Chatham House, “beyond the regulatory barriers, there is also the possibility that UK consumers may reject agricultural products produced in less sustainable and humane conditions, or in countries that are seen by the public as abusing the environment.”

Moreover, the UK may experience a weakening of relations with countries that we are currently on good terms if we can no longer act as a conduit between them and our EU neighbours. As David Jessop of the Caribbean Council states, “a weaker UK economy and any broader decision that it might make to stand alone without the immediate prospect of an easily accessible nearby markets, will at least in the short term touch the region. This is because Britain is still the principal European importer of Caribbean commodities, an important source of visitors, the facilitator of offshore financial services, the home to one-million members of the Caribbean Diaspora, and remains supportive of the region, albeit in future less influentially.” Furthermore, the existence of French and Dutch territories in the Caribbean – as well as a number of French and Spanish speaking islands – may see the EU shift its trade preferences in the region.

As such, despite successfully negotiating post-transition period trade agreements, cooperation with European partners will

continue to be important as the relationship with certain nations in the region, such as Bolivia, are largely led by the EU and longstanding relationships with other regional players who depend on us for links to the EU could be damaged if such cooperation with our European partners were to falter.

Group II. includes the arguably more significant players in the region: Mexico and the Mercosur states (Argentina, Brazil, Paraguay and Uruguay).

The EU and Mexico have had a free trade agreement functioning since 2000 and this has been extended further with a modernised ‘agreement in principle’ in 2018 for an “EU-Mexico Global Agreement”. The UK so far does not have an agreement with Mexico to cover trading arrangements after 1<sup>st</sup> January 2021. Under the current EU agreement, Mexico's trade with the UK has traditionally accounted for 7.5% of its total trade within the EU. British companies have also invested over £6 billion in Mexico in the period 1999-2012 alone (with over a thousand British companies trading in the country). Furthermore, the two-way trade between the UK and Mexico surpassed £3.5 billion in 2018. It is essential that the UK signs and agreement with Mexico and maintains strong connections with the country – including through European cooperation, especially if an agreement is not reached by the end of this year.

Finally, the EU recently reached an agreement with the Mercosur states for a comprehensive trade agreement in 2019 (although this agreement was frozen after Jair Bolsonaro

came to power in Brazil as a result of his policies towards the Amazon Rainforest). Despite strong connections and political will in place from both sides, the trade agreement proved very difficult to achieve with discussions taking over 10 years. Therefore, in order to shorten this period for a future UK-Mercosur deal, we would be well served to cooperate closely and build relations with European partners in order to learn from their experiences and share in their contacts to help achieve such a deal.

In conclusion, the UK is lacking agreements with several key partners in Latin America, and has a more limited level of networks, cooperation and influence across the region as compared with many of our European partners. The UK's departure from the EU and potential weakening of ties with our European partners may lead to less influence, ongoing decrease of standing in relation to other players in the region, reduced trade and increased barriers to entry. In order to mitigate these threats, the UK must continue close cooperation with European partners in order to extend its influence and networks in Latin America, support an increase of trade,

investments, development of human rights and environmental protections in order to help build on existing and future trade deals.

#### **4.6. Conclusion**

As the UK leaves its transition arrangement with the EU in January 2021, the Americas present fertile ground for 'Global Britain' to prove itself as an independent trading nation. Not only is the region home to a number of trade agreements that have already been successfully negotiated to carry over, it includes countries such as the United States, Canada, Mexico and the Mercosur nations with whom agreeing free trade deals would be highly significant. Nevertheless, the region also presents a post-Brexit Britain with a number of challenges – with the potential for waning regional influence and a United States that may not believe the UK has much of a political role to play with EU nations if an orderly Brexit isn't achieved. What is certain, therefore, is that to have the best possible opportunities for success with new trade deals and maintained regional influence, the United Kingdom must continue to have close relations with our European friends and neighbours.

# Section Five:

## The UK and East and South Asia

### 5.1. Introduction

One of the most telling arguments during the EU Referendum Campaign of 2016 was that an independent United Kingdom could trade more effectively with the Asian economies, whose markets were growing faster than Europe's. That was a false dichotomy, since Germany exports far more to Asia than does the UK and has gained traction in Asia through its EU membership rather than the reverse. However, the key point is that Asia, and in particular East Asia and South Asia, offer great opportunities. The People's Republic of China and India are the fastest growing of the large Asian economies, but Japan, South Korea, Taiwan and the ASEAN countries also offer significant opportunities.

Asia is the world's largest continent, measured by land mass and population, but analysing it in aggregate can be misleading, in spite of the existence of a number of pan-Asian institutions, such as the Asian Development Bank or the ARI, as well as multilateral architecture such as APEC for Trans-Pacific dialogue and ASEM for Trans-European. Nevertheless, options for UK engagement are best viewed bilaterally, country by country. This paper will highlight significant issues for Britain in its relations with some of the key Asian countries and make some recommendations.

### 5.2. Japan

Following a belated but mutually beneficial process of post-Second World War reconciliation, Britain's relations with Japan are now warm and constructive. In many spheres of activity Japan is a major partner, sharing our democratic values and many policy priorities.

The post-war relationship was first built on trade but from the 1980s foreign direct investment (FDI), by Japan in the UK assumed increasing significance. The UK now has a share of over a third of Japan's FDI in Europe: around 1000 companies responsible for over 180,000 British jobs. Many investors state that they are reluctant to reduce or to end their FDI in the UK, even though Britain's EU Membership and role as gateway to the wider EU market was a major reason for the original decision to invest here. Japanese companies, officials and politicians have repeatedly warned the British Government of their concerns over Brexit, especially a hard Brexit. Japanese automotive sector investors with a highly integrated, "just-in-time" supply chain are fearful of the EU's 10% automotive tariff and inevitable customs delays, should no-deal take place. To build one vehicle in the UK may require at least five intra-EU cross-frontier moves.

In recent years there have been high hopes of mutual benefit from Japanese investment in

the renewal of the UK's nuclear capacity. Sadly the Toshiba Group, owners of Westinghouse, withdrew from the Moorside project at Sellafield and the Hitachi Group, which had invested so successfully in high speed rail in the UK, had placed the Wylfa project in Wales on hold until the British Government could give sufficient financial support to make the planned nuclear investment viable. A board decision to withdraw was announced in mid-September, but perhaps with the right British government commitment in the near future, this might be reversible.

There is far less British FDI in Japan, partly as Japan's very different and complex culture acts as a barrier, partly due to high costs of establishment, and partly due to regulatory constraints on foreign investment, both green-field and via mergers and acquisitions.

During the 1970s and early 1980s relations with Japan were dominated by a large structural trade deficit in Japan's favour. Intense Japanese competition was responsible for the virtual elimination of a series of British industrial sectors, ranging from motor-bikes to zip fasteners. Subsequently, Britain's competitiveness improved and Department of Trade and Industry (now BEIS), campaigns such as the Opportunity and Priority Japan campaigns guided UK companies on how to penetrate the Japanese market. Japanese FDI in the UK also sometimes helps the bilateral trade balance, when goods made in the UK are exported back to Japan.

The EU-Japan Free Trade Agreement took years to negotiate, and it is good news that

thanks to excellent bilateral, political and diplomatic relations a UK-Japan Comprehensive Economic Partnership Agreement was agreed in principle on 11<sup>th</sup> September 2020, Britain's first major trade deal since leaving the EU. It is mainly a cut and paste version of the existing FTA with the EU, but with a few enhancements, and gives tariff-free access for almost 99% of British exports. Political pressure was applied to Japan to import famous products such as English Stilton or Welsh lamb, but Japanese people have long had an aversion to pungent cheese and a kind of meat they find too sweet. Beef and pork have better prospects.

It should be remembered that successful negotiation can merely open doors and reduce barriers and tariffs. It naturally cannot guarantee sales. British exporters to Japan have sometimes ruefully commented about the results of official liberalisation: "Open door, brick wall!" On the other hand, a UK-Japanese FTA was rightly one of the highest priorities of the Department for International Trade, given Japan's population of 126m and large GDP. It is thought likely to benefit UK GDP by about 0.1% annually or by £1.5 billion, and is a significant step towards Britain joining the Comprehensive and Progressive Agreement for Trans-Pacific Partnership, (CPTPP).

Prime Minister Abe made it clear on signing the EU-Japan Agreement that he was signing with the EU 28 – this was not just a political point but a legal one, hence the UK's recent approach to the UK-Japan Agreement. Failure to agree within this negotiating framework would have caused huge legal complications in a variety of areas. For instance, since Mitsubishi operate electricity sub stations in

the North Sea, a no-deal scenario would present a legal minefield where the UK Government might have to pay huge sums just to keep supplies and systems functioning. If it came to a renegotiation of contracts, the first point would be jurisdiction since the ECJ is no longer the umbrella it once was.

There is important and longstanding cooperation between Britain and Japan in invisibles, especially financial services, and the City of London benefits from a large Japanese community of bankers, brokers, insurers and other specialisations and related professions. The new Agreement should further improve the environment for the UK's services companies, both financial and digital.

Contemporary Japan has an excellent reputation for abiding by the rule of law and respecting intellectual property. So there is continuing scope for technical and scientific cooperation between the two countries. Both exchanges and joint research have borne fruit increasingly, though language and culture place obstacles in the way.

Education and youth exchange plays an important part in UK-Japanese relations, with many academic links at university level, and significant educational and youth exchange programmes, particularly the Japan Exchange and Teaching Programme, which recruits several hundred UK graduates every year, making Britain the second largest provider of teaching assistants and cultural ambassadors to the programme after the USA. Over 40 countries are partners with Japan in this global programme, and over ten thousand young

Britons have taken part since its inception, returning to Britain with valuable experience and contacts for future bilateral bridge-building.

Overseas Development Assistance is another area where Britain and Japan have cooperated over the years, in a wide variety of developing countries. Cooperation is both at official level and through NGOs.

Defence and security offer scope for increasing cooperation, and the Anglo-Japanese Alliance of 1902-23 is still commemorated. Relations between the Royal Navy and the Maritime Self-Defence Force are warm, though the USA still dominates defence procurement.

### **5.3. People's Republic of China**

The United Kingdom was the first Western country to recognise the new People's Republic of China little over three months after its establishment. Trade and investment have flourished since the start of China's policies of Four Modernisation and Opening to the Outside World in 1978. Although the UK joined other Western countries in applying certain sanctions after the harsh crack-down of June 1989, especially on any strategically sensitive exports, other trade and investment soon picked up, and the continuing liberalisation of the Chinese economy offered a variety of new opportunities.

Successive British Governments followed a policy of constructive engagement and did their best to facilitate China's integration

within the community of nations. Assistance to China in joining the World Trade Organization was one aspect of this, as was support for the 2008 Olympics in Beijing. Very large numbers of Chinese students have been welcomed to Britain since the late 1970s, and in 1984 when Margaret Thatcher and the then Chinese leader Deng Xiaoping reached agreement over the reversion of Hong Kong to China in 1997, the Joint Declaration had the status of an international treaty. Crucially China promised to respect Hong Kong's capitalist system, way of life, and rule of law for a 50 year period, which many people hoped might be renewed in 2047 since the mutually agreed "One Country, Two Systems" formula seemed to make sense in its own right and to offer China a chance to reintegrate Taiwan one day on a similar basis.

Unfortunately, hopes for a continuation of the pragmatic trend set by Deng and his successors, who embraced international cooperation, have proved misplaced. The advent of Xi Jinping as President in 2012 heralded a new period of assertive nationalism. A China seeking "Equality and mutual benefit" was superseded by one committed to the "Harmonious Society" at home and the ambitious "Belt and Road" project abroad. Government became more authoritarian, and more critical of Western partners who raised objections to its policies. Authoritarian Russia seemed a more natural partner, though the two autocracies do not agree on everything and remain rivals in some respects.

China presents Britain with a dilemma. On the one hand, its economy is still relatively one of the fastest growing in the world, as well as

being one of the largest. China's current population is just over 1.4 billion. From a trade and investment point of view there should still be considerable scope for cooperation. There should also be mutual benefit in accepting significant flows of Chinese Foreign Direct Investment, (FDI), and working with Chinese financial institutions in the City of London.

China is one of the world's biggest emitters of greenhouse gases, but as a large partly agricultural country has a clear self-interest in minimising extreme weather events and climate change. Britain has well developed companies specialised in the mitigation of environmental problems. So here too is an area of continuing mutual benefit for future cooperation. Moreover, Britain was quite right to become a shareholder in the new Asian Infrastructure Investment Bank, a Chinese initiative which the USA asked Britain not to back.

On the other hand, just as China has a right to assert its own ideology, Britain should not in any way weaken its commitment to its own values. Nor should our Government avoid speaking out on moral issues for fear of upsetting a sensitive Chinese government. However, China tends to take more account of firm measures, rather than the kind of empty rhetoric than plays well to the gallery in Britain but makes the Chinese lose face publicly.

Should that cost us a few contracts, so be it. There should still be enough scope for mutual economic advantage. The British government's hand was forced on Huawei, by US sanctions,

but there is no reason why we should join a US trade war with China. Given China's more adversarial stance towards Britain, some have questioned the wisdom of accepting Chinese investment in all UK critical national infrastructure, but after careful and detailed analysis there does not seem to be a security risk in accepting sizeable Chinese investment in the renewal of Britain's nuclear capacity. It should be an area for mutual benefit, and CGN's substantial financial commitment should be welcomed.

A knee-jerk reaction against China's agreed investment in this sector would be mistaken, since China's financial contribution is badly needed for the renewal of UK nuclear capacity and to help us achieve Net Carbon Zero by 2050. In no way would the Chinese be able to "switch off the lights" in the UK as a weapon of economic pressure or retaliation. Moreover, unlike Huawei, this is not area where Britain's secrets would be in jeopardy. CGN's main aim is to benefit from the UK's world class regulatory standards.

There is also no reason why Britain and China cannot both gain by continuing to cooperate in scientific research and development, though China's attitude towards Intellectual Property protection must be borne in mind, sometimes cavalier and on occasions short-sightedly one-sided. China's national laws often have reassuring wording, but problems can arise in the implementation of its laws at local level, at a time when China is trying to establish its own technology as "world-beating" in most fields. China's hunger for the latest and best in international technology as grist to their industrial mills can be understood but not

condoned in one of the world's foremost economies.

Finally, Britain's universities gain greatly from the large numbers of Chinese students, who study in this country. The Home Office has rightly helped reduce delays for Chinese students in obtaining visas, just as Chinese business-related visitors have benefited from an improved, fast-track system. Individuals from the Chinese diaspora in Britain often prove helpful in developing bilateral links in trade and other fields. In addition, members of Britain's large Pakistani community can sometimes also assist this process of bridge-building in view of China's historically very close partnership with Pakistan.

#### **5.4. Taiwan**

With a population of almost 24 million, a well-managed, fast-growing economy, and a healthy democracy, Taiwan offers UK business many opportunities for trade and investment. The rough handling of the Hong Kong protestors by the People's Republic of China has undermined hopes that "One Country, Two Systems" could one day be used as a formula for the reunification of China, though officially both the PRC and Taiwan governments believe in a "One China" policy.

In recent years the PRC has usually not objected too strongly that British companies were engaged in business with both Taiwan and the PRC.

It is a matter of concern and regret that recent PRC statements have adopted a more bullying tone towards Taiwan and appear to threaten the possibility of reunification by force.

## 5.5. Hong Kong

The British Government has been fully justified in strongly criticising the Chinese Government's deviation from commitments made in the 1984 Joint Declaration that led to the 1997 handover of Hong Kong. Those commitments were solemnly made under an international treaty, registered with the United Nations.

It is also quite right that Britain should now be offering a safety net with eventual UK citizenship to British National (Overseas) passport-holders and to other potential political refugees from Hong Kong.

Diplomatic efforts should be made to avoid confrontation with the PRC, but not at the cost of Britain's honour and worldwide reputation.

## 5.6. South Korea

With a population of over 50 million, a well-managed, fast-growing economy, and a healthy democracy, South Korea offers UK business many opportunities for trade and investment. Like Taiwan it tends to be dominated by US suppliers, but by no means exclusively. South Korea should be a priority candidate for a bilateral FTA.

South Korea has also begun to see the UK as a worthwhile FDI destination, but it was disappointed by Brexit, as its companies valued the UK as a friendly gateway to the then EU Single Market of 512 million people rather than just the UK market on its own with 67 million.

South Korea is also a good partner for the UK in scientific and educational cooperation. Britain should continue to give South Korea full diplomatic support against the threats of its unpredictable neighbour to the North. It is helpful that the UK also has an Embassy in Pyongyang. So is able to encourage the process of dialogue.

## 5.7. ASEAN

The Association of Southeast Asian Nations, (ASEAN), comprising Brunei, Burma (Myanmar), Cambodia, Indonesia, Laos, Malaysia, the Philippines, Singapore, Thailand, Timor-Leste, and Vietnam, represents great political, religious and ethnic diversity. With a population of almost 670 million, of which Indonesia with 274 million, the Philippines with 110 million and Vietnam with 97 million are the largest, there are many opportunities for UK engagement.

These range from trade and investment to educational and scientific cooperation. Attitudes to China vary considerably among member states, and UK diplomatic and political support is valued. Links with the three Commonwealth countries are especially close.

## 5.8. India

With a population of nearly 1.4 billion people, India is likely to overtake the PRC soon by that measure. Although economic growth has been significantly slower than in China, its pace is accelerating. Britain's long colonial relationship can produce ambiguous responses, but on balance present-day attitudes are positive.

Trade and investment are the most important aspect of current relations, as India is gradually reducing its dependence on overseas development assistance. India has liberalised its economy significantly, but political and commercial diplomacy are still required to open certain protected sectors for UK investment.

It should be remembered that the projected India-EU FTA stalled on four counts, all of which were UK red lines: mode 4 immigration, public procurement, financial services, and majority ownership by non-Indian domiciled companies. UK-India FTA negotiations will therefore be challenging, against the backdrop of the earlier unsuccessful EU negotiations, mainly obstructed by the UK.

India has unresolved border issues with China, and there have been recent clashes in the Himalayas. China is a traditional ally of Pakistan, and Russia has long been more of a supporter of India, ever since the struggle for Independence.

The growth of the Indian navy could act as a constraint on Chinese naval expansion, and the USA has been wooing India in strategic military terms and also for nuclear cooperation. It is a high priority for Britain and the USA to encourage India and Pakistan to de-escalate their confrontation, especially now that both countries have nuclear weapons and quite a weak safeguard system.

Britain has huge scope for educational and scientific cooperation with India, but successive Indian governments have complained that obtaining visas and work permits for Indian nationals is too restrictive and that the Chinese sometimes seem to be offered more favourable conditions.

The Indian diaspora in Britain is an asset for transnational bridge-building in many fields.

## 5.9. Recommendations

- The mutually advantageous Free Trade Agreement agreed in principle on 11th September 2020 should be signed with Japan as soon as possible, followed by a nation-wide campaign to highlight to our business community the new opportunities provided by the Agreement.
- HM Treasury should urgently increase its offer of financial support to the Wylfa nuclear project, so as to see if it is possible to bridge the current financial gap and prevent Hitachi's definitive withdrawal after years of very positive preparatory investment. It is vital for Britain to have the benefit of proven

Japanese experience, technology and finance for the renewal of our civil nuclear capacity, as well as relying on France and China.

- The FCDO should seek to promote further cooperation with Japan in Overseas Development Assistance.
- The British Government should encourage Japan to expand the highly successful Japan Exchange and Teaching Programme with a larger percentage of young British graduates.
- British companies should be encouraged to continue to maximise cooperation with the People's Republic of China in trade and investment, in spite of current political and diplomatic disagreements between the two countries.
- It is in Britain's interests to welcome Chinese FDI where there is no security downside. In particular, there is mutual benefit in the already agreed deals with China for the renewal of Britain's nuclear power generation capacity.
- Britain should remain true to its commitments to the Hong Kong people and move forward with the implementation of a safety net in terms of eventual UK citizenship for British National (Overseas) passport-holders and political refugees.
- Britain should maximise the support for its Hong Kong policy among EU and

Commonwealth partners, and allies such as the USA.

- South Korea should be a priority candidate for a bilateral FTA.
- The negotiation of an FTA with India should also be accelerated.
- An upgraded investment in Asian area and language studies should take place in UK schools and universities, so as to prepare our young people for more effective engagement with the complex cultures of Asia.

## 5.10. Conclusion

Closer and more effective engagement with East and South Asia offers Britain many opportunities, both in trade & investment and scientific & educational cooperation. However, there are significant political and diplomatic challenges, not least in the relationship with the People's Republic of China and Hong Kong.

What is undeniable is the importance to Britain of East and South Asia and the need for our schools and universities more vigorously to promote the study of Asia's history, culture, economies, and languages. Asian diasporas in Britain can play a helpful role in creating greater mutual understanding.

# Section Six:

## UK-EU Defence

### 6.1. Introduction

In the years immediately following the Brexit referendum there were hopes that despite Brexit, the UK could forge a close defence and security partnership with the European Union. In this field at least, “we may be leaving the EU, but not leaving Europe” was the sentiment that governed British policy. However, expectations of retaining counterterrorism and policing cooperation foundered on the incompatible EU and UK positions with respect to the European Court of Justice (CJEU). The EU is only able to extend instruments, such as the European Arrest Warrant, to non-member states if they agree to abide by the CJEU’s jurisprudence. Meanwhile, for Brexit supporters, it must be admitted, escaping the jurisdiction of the CJEU is for them one of the most important aims of the whole project. The prospects for structured cooperation in internal security matters as part of the “Future Relationship” are accordingly extremely limited. While operational coordination and intelligence sharing between allies will continue intergovernmentally on a need to know basis deeper security cooperation on a day to day operational basis is, unfortunately, currently unrealistic.

Hopes of defence cooperation were better founded. Accompanying then Prime Minister Theresa May’s speech in Florence in 2017 was a detailed set of proposals for formalised UK-EU defence and international security collaboration, including participation in the

EU Defence Fund, and in the “decision-shaping” phase of policymaking at the Political and Security Committee. Had the UK government’s overall approach been more constructive, it might have been perceived more positively, however this was regrettably also dismissed as cherry-picking. The UK case that Britain could offer its “security surplus” to the EU was countered by Brussels’s (for which read Paris, in this case) insistence on developing “strategic autonomy”. Similarly, participation in EU structures like the EU Defence Fund fell foul of the need for it to be conducted within the ambit of the single market. Nevertheless, unlike in internal security where the EU’s freedom of action is constrained by the EU Treaties, defence policy is still almost entirely developed in national capitals, albeit also coordinated through NATO, as well as newer multilateral, but inter-governmental, initiatives like President Macron’s European Intervention Initiative (EI2).

### 6.2. NATO

The defeat of Jeremy Corbyn kept the UK fully committed to an alliance that might otherwise have struggled had three of its most important members (the US and Turkey as well as a Corbyn UK) operated in semi-detached mode. Nevertheless, the alliance’s future is now brighter given the result of the US election. The Biden administration is expected to restore the strength of the alliance, the US’s focus will inevitably switch towards China, leaving European states, including the UK

increasingly to provide their own security, even if this does not take the French-inspired form of a “European pillar” within NATO. Unfortunately, the proposal by Charles Tannock, to revive the Western European Union as an alternative European, but non-EU structure alongside NATO, met particularly strong resistance from Paris.

### 6.3. EU Developments

Following Brexit, the EU took a number of initiatives, starting with the publication of an EU Security Strategy in 2016, followed by the activation of Permanent Structured Cooperation (PESCO) by almost all remaining members. The post Brexit launch of PESCO (Permanent Structured Cooperation) may of course in time become more salient to EU Defence integration freed of the UK veto on supporting further CSDP progress.

The European Defence Agency has begun the process which will lead to a regular Coordinated Annual Review of Defence (work is ongoing but no unclassified version has been published), and the EU’s next budget allocates a budget for defence equipment, though a new EU Defence Fund (EUDF). These initiatives seek to streamline defence procurement in the EU, reduce duplication of effort, and promote the EU’s defence industry.

### 6.4. Changing Strategic Environment

The most significant strategic change since 2016 has been the comprehensive defeat of ISIS (Daesh). Its evolution demonstrated the effectiveness for rapidly deployable counter-

terrorist capability, combined with local allies and air cover, as is now being deployed in West Africa under French leadership. ISIS’s defeat is however inextricably linked with Assad’s Russia- and Iran- supported ascendancy in the Syrian civil war, and the strongly decreasing likelihood of him ever being held to account for his crimes against humanity.

At the same time Russian interference with European democracies has been characterised by continuity. From the attempted assassination of Sergei Skripal to murders of Chechen dissidents in France, repeated cyberattacks, and incursions into other countries’ air spaces, Moscow has continued to probe Western defences, as well as maintaining its proxy wars in Eastern Ukraine and Syria. Though its intervention in Libya failed, it is now standing by to reinforce autocracy in Belarus. This, together with Trump’s refusal to confront Russian aggression, has further alarmed Baltic and Nordic states, as well as Poland and led to significant defence spending increases in Sweden and the Baltics. An adequate response to Russian “hybrid war” has yet to be devised.

Security in the mediterranean has deteriorated, notably the result of the civil war in Libya that has now lasted almost a decade, which has divided the EU and increased tensions between Turkey, France, Egypt and Greece. As this is being written, Greece and Turkey are engaging in dangerous naval and aerial brinkmanship related to oil and gas exploration in Cyprus’ EEZ in the Aegean.

This occurs also at a time of increased Chinese assertiveness on military political diplomatic and economic fronts under President Xi. Britain has a duty to contribute to democracies' containment of this expansionism but any significant military role, in addition to that played by the United States can more realistically be undertaken by regional allies such as Japan, South Korea, Australia and Taiwan.

## 6.5. Strategic Focus of UK

These increased military needs come at a time when money is extremely short. As well as the temporary disruption due to the Covid-19 pandemic, which can largely be defrayed by borrowing at record-low interest rates, there is the longer-term economic hit from Brexit, which the consensus of economists expects to lead to a long-term decline in British economic performance due to the unwinding of the economic benefits of EU membership.

Whatever ambitions may be entertained for "global Britain", the resource constraints are severe and need to prompt a stark reassessment. Unless defence spending is increased far beyond 2% of GDP in the long run, perhaps to 3% or even 4%, Britain will not be able to retain full-spectrum military capability. Since such high defence spending is not politically realistic in peacetime, given the other demands on public expenditure, choices will have to be made about what capability to retain.

The leaks from the government's integrated defence and security review suggest drastic cuts are being contemplated, including mothballing the army's tanks and halving the number of F-35s ordered. Combined with likely reductions in service manpower, which stretches the Armed Forces extremely thin. Absent an unwise decision to scrap the nuclear deterrent, this a major reevaluation of Britain's defence posture. This paper accordingly concludes with a number of tasks for future multilateral defence policy, principally in Europe.

*Air cover:* Take advantage of the UK's geography, to focus on full-scale air capability, at the expense of downgrading land forces. Under this scenario, it would be right to mothball tanks. This would allow Britain to contribute to NATO and European territorial defence by balancing the efforts of the land-focused German and Polish armies. Key capabilities would still be available for certain high-priority missions, including NATO's forward defence deployments in Poland and the Baltic states.

*Special Operations:* Building on long experience in counterinsurgency, counter-terrorism and stabilisation missions, the UK could provide high-end capability including drones to support the large deployable gendarmerie forces fielded by countries such as France and Italy.

*Support Services:* Though not as well equipped as the United States, the UK still leads Europe in planning, C4ISR, cybersecurity, and other support capabilities

including strategic lift. These can be made available to multilateral European operations, for instance through the E12.

*Baltic/Arctic Reinforcement:* Britain's location makes the security of the Baltic and North seas and high Atlantic against Russian aggression a core defence task for her naval and air assets in support of Norway, Sweden, Finland, the Baltic States, Poland and Germany, with the assistance of the United States and Canada.

*Carrier diplomacy:* The UK cannot afford to operate both its aircraft carriers, let alone provide both of them with a battle group escort. The second could either be operated as part of a joint battle group, or conceivably

be leased to an ally such as France or South Korea.

These choices are painful ones. Nevertheless, a full-spectrum unilateral defence policy has not been a realistic option for decades. Having, through Brexit, foregone the option of leading more integrated European defence capabilities, as well as reduced our future economic performance, it is necessary to face this reality. Nonetheless, the UK retains important military assets and expertise, which through the kind of energetic and creative diplomacy discussed in the other essays in this collection, can continue to play a central role in protecting the values and interests of the UK and our allies and partners in Europe and further afield.



Founded over 50 years ago, the Conservative Group for Europe (CGE) is committed to a positive and constructive approach to the UK's relationship with the members of the European Union and the wider Europe.

The Group believes that it is in the interests of the United Kingdom, the European Union and the wider world that the UK maintains the closest, practicable political, economic, social and security relationship with its European friends, partners and allies.

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