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Transatlantic Relations after Brexit

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Abstract: Brexit represents a potentially significant change to the way transatlantic relations have been organized since WWII. The “special relationship” between the United Kingdom and the United States, born out of historic and cultural affinities, has come under strain, since America traditionally relied on Britain as its political and economic entry point into Europe. This paper will explore the new, post-Brexit system of multiple partnerships and alliances that is likely to emerge. While the US will be keen to maintain strong bonds with the UK, it will have no other choice but to reinforce ties with other European Union countries. Over time, a second “special relationship” may develop, as the US pivots towards the Franco-German axis as a key interlocutor for transatlantic relations. Germany has already begun to assume leadership for transatlantic economic and trade issues, having re-emerged as the dominant economic power and key decision-maker in the EU under Chancellor Merkel. Likewise, a noticeable Franco-American rapprochement has occurred since France re-joined NATO in 2009; more recently, France has become the US ally of choice for military cooperation, which will be key for the future evolution of transatlantic security relations. After Brexit, France will be the only major military force in the EU, a nuclear power possessing a permanent seat on the UN Security Council, with an experienced army that has intervened in crisis points around the world.

The UK has emphasized that Brexit will not change its strong commitment to European security as a key NATO ally. Nevertheless, after it leaves the EU, Britain will no longer have a seat in the European Council or the Council of Ministers where member states coordinate their national foreign and defense policies. This paper will examine the opportunity that this presents for continental European countries to enhance defense cooperation with the US within the NATO framework, especially following Russian interventionism in Eastern Europe. Because of Brexit, the UK is likely to lose previous influence over institutions relating to the EU’s independent external relations (CFSP and CSDP), which means that the US will have to work more closely with the EU on strategic cooperation. The Lisbon Treaty defined foreign affairs and defense as intergovernmental policy areas, thus EU external relations have been limited to a soft security role. The current context of international instability indicates that this may no longer be sufficient, encouraging several EU officials to argue for greater permanent structured cooperation. Brexit has made this possible, since the UK had previously vetoed any such attempts. However, in order to maintain the cohesion of the Western alliance, it is essential that the US, Britain and other non-EU countries be closely associated with the CFSP and CSDP in the future. Even though extensive negotiations will be necessary concerning the implications for NATO, where the US enjoys a dominant position, greater EU defense cooperation represents an opportunity to strengthen NATO and the Western alliance as a whole.

The origins of transatlantic relations go back to the 18th century at the time of the American War of Independence. As George Washington, Commander-in-Chief of the Continental Army, led a desperate attempt to free the thirteen colonies from their British overlord, France agreed, partly through the good offices of Benjamin Franklin and the Marquis de Lafayette, to provide substantial financial and military assistance to

support the American cause. Without such help, it is doubtful George Washington’s insurrection would have succeeded, and American history may have turned out very differently.¹ Nevertheless, Franco-American relations have wavered back and forth over the past two centuries, with seminal moments of cooperation and conflict. Great Britain, due to cultural and historical affinities, has often been the United States’ preferred

1. Taylor A., *American Revolutions: A Continental History, 1750-1804*, W. W. Norton & Company (2016).

ally in Europe, a bond cemented by the “special relationship” forged in the fires of the Second World War. Nevertheless, following Britain’s vote to leave the European Union on June 23, 2016, the privileged partnership between the United States and the United Kingdom has come under strain. The American government made clear its preference for the UK to remain in the EU, with President Obama emphasizing that Brexit would relegate Britain to the “back of the queue”.²

Although US officials, and Obama in particular, quickly backtracked after the vote by assuring that Brexit would change nothing in the “special relationship”, it is hard to believe that Britain’s departure from the EU will not affect the future evolution of transatlantic relations.³ While the strong bonds between the US and the UK will endure, Brexit leaves the United States with no other choice but to reinforce ties with other allies in the EU. This paper suggests that transatlantic relations are likely to evolve towards a system of multiple partnerships and alliances, thus presenting an opportunity for enhanced cooperation between Europe and the US. Over time, a new privileged partnership with the United States could emerge based on the Franco-German axis,⁴ with France an ally of choice for foreign and military policy, and Germany for economic and trade policy. While the United Kingdom will remain a key ally for the United States, Obama’s successors will have to adapt to the novel situation triggered by Britain’s vote to leave the EU. The first part of this paper will provide the context of transatlantic relations before Brexit, the second part will analyze how the US might transition towards a system of multiple partnerships with Europe, and the third part will look into future possibilities for transatlantic cooperation in the years to come.

HISTORIC BACKGROUND AND CONTEXT

Over the past few decades, modern Franco-American relations have fluctuated back and forth. It should be emphasized, however, that despite General de Gaulle’s periodic quarrels with the US,⁵ relations between the two countries have generally been good. Indeed, de Gaulle provided unwavering French support to President Kennedy at critical times such as the Cuban missile crisis,

and his successors consistently sought to strengthen ties with the United States. For example, France was a key contributor to the US-led coalition during the first Gulf War in 1991, and to NATO’s aerial bombing campaign in Serbia and Kosovo during the 1990’s. Nevertheless, despite this overall positive trend, French President Chirac refused to follow the US-led “coalition of the willing” into Iraq in 2003. Although France had displayed strong support for the United States following the 9/11 terrorist attacks and was at the forefront of the coalition that intervened in Afghanistan in 2001, Chirac threatened to veto any UN Security Council resolution on the Iraq issue. The former French foreign minister Dominique de Villepin made an impassioned speech before the UN General Assembly condemning the intervention in Iraq. US Secretary of State Condoleezza Rice responded by “punishing France” with a government-encouraged boycott of traditional French products, such as wine and cheese, and the renaming of French fries as “freedom fries” at the White House.⁶ When Obama took office in 2008, the context of Franco-American relations had reached an historic low point.

All this stands in sharp contrast to the “special relationship” that the United States has enjoyed with the United Kingdom, born out of strong historic and cultural affinities. Despite occasional caveats, Britain has consistently stood shoulder to shoulder with its American ally on the international stage. For example, Prime Minister Tony Blair, echoing Churchill’s remarks to de Gaulle that if Britain had to decide between Europe and “the open sea”, it would always choose the “open sea” (i.e. the United States),⁷ positioned the UK on the frontlines of the US-led “coalition of the willing” that intervened in Iraq in 2003, against staunch French and German opposition. Furthermore, from the American viewpoint, the “special relationship” also had a very strategic purpose: the US could rely on the UK to support EU policies in Brussels that aligned with, or at least were not opposed to, American interests.⁸ Before Brexit, the UK had the advantage of being both at the heart of the English speaking world and part of the European Union. Many American businesses, banks, law firms and financial institutions established their European headquarters in London as their key entry point to access the lucrative EU common market.

2. Speech by US President Barack Obama during his visit to the UK, April 22, 2016. <http://www.bbc.com/news/uk-36115138>

3. Haass R., *Political Losses From Brexit Will Be Deep and Enduring*, *Financial Times* (June 24, 2016).

4. Le Corre P., *After Brexit, the US will need a new “BFF”*, *The Brookings Institution* <https://www.brookings.edu/blog/order-from-chaos/2016/06/28/after-brexit-u-s-will-need-a-new-bff/>

5. *When General de Gaulle returned to power in 1958 to become the first President of the Fifth French Republic, tensions with the United States emerged when he decided to withdraw France’s military from NATO. De Gaulle withdrew French forces stage by stage from 1959 to 1966 in order to enhance France’s independence, believing that the integrated military structure was dominated by the United States. Although the General was keen to reassure his allies that France would remain part of the political organization of NATO, his policy prompted an angry reaction by US President Lyndon Johnson, and complicated Franco-American relations for the rest of the Cold War.*

6. *CNN International* (March 12, 2003). <http://edition.cnn.com/2003/ALLPOLITICS/03/11/sprj.irq.fries/>

7. *Speech by British Prime Minister Winston Churchill to the House of Commons, May 11, 1953. Taken from Langworth R., Churchill by Himself: The Definitive Collection of Quotations*, Public Affairs Press (2008).

8. *Indeed, de Gaulle had feared that the UK would act like a Trojan horse for the United States in the European Community, hence he vetoed Britain’s application for membership twice in the 1960’s. See: Bozo F., French Foreign Policy since 1945: An Introduction*, Berghahn Books (2016).

The resurgence of Germany as the dominant power in Europe, along with the relative decline of French influence, has also impacted transatlantic relations. France played a leading role in launching the European project after WWII.⁹ President de Gaulle and Chancellor Adenauer developed a strong personal bond that led to the signing of the “Elysée Treaty” in 1963, cementing Franco-German partnership as the pillar of the European project. Throughout the Cold War, with Germany divided and the United Kingdom choosing to remain on the sidelines, France enjoyed strong influence in the European Community. The Franco-German partnership was balanced. Following Germany’s costly reunification during the 1990’s and early 2000’s, France’s economy performed better than Germany’s, and Germany became known as the “sick man of Europe”.¹⁰ Since 2006, however, the situation has reversed; the gap between the French and German economies has widened significantly since the 2008 global financial crisis. Over the last decade, Germany has systematically outperformed France in almost all economic indicators, including GDP, growth, unemployment, balance of trade and debt levels.¹¹

This position of growing economic strength shifted the balance of power in Europe. Germany assumed a leadership role in the EU with the onset of the Euro debt crisis, at a time when most other member states, like France, faced serious economic challenges.¹² Unsurprisingly, this new situation has affected the evolution of transatlantic relations over the last decade. In response to the changing dynamics across the Atlantic, the Obama administration has come to recognize Germany as the key decision-maker in the EU. Despite occasional disputes over issues such as spying, there has been a clear rapprochement between the US and Germany. For example, Obama has turned towards Merkel first to discuss transatlantic economic and trade matters, or even for international problems such as the migrant crisis.¹³ Consequently, up until the Brexit vote, Germany and the UK often took precedence over France in the eyes of Washington as privileged partners for transatlantic relations, albeit for different reasons.

A SYSTEM OF MULTIPLE PARTNERSHIPS AND ALLIANCES IN TRANSATLANTIC RELATIONS AFTER BREXIT

Brexit represents a potentially significant change in the balance of power on the continent. As long as the EU is able to prevent contagion after Brexit, the UK’s departure from the EU is likely to transform transatlantic relations in the coming decades. If the European project is able to move forward and member states succeed in re-launching the process of “ever closer union”, then the United States will need to modify the way it interacts with its European partners. A new system of multiple partnerships and alliances is likely to develop over time. While Obama’s successors will be keen to maintain the close relationship with the UK, they will have no other choice but to strengthen ties with other EU allies, particularly the Franco-German axis as the pillar of the European project.

For instance, following Brexit, the US will most likely accelerate its rapprochement with Germany as the dominant economic power in the EU. Obama had relied on the UK under Prime Minister Cameron to support the American viewpoint with his EU allies during negotiations over the Transatlantic Trade and Investment Partnership (TTIP), with the aim to create a Transatlantic Free Trade Area (TAFTA). With Brexit, the US will have to work much more closely with Germany if any agreement is to be reached. France and Italy, as the second and third largest economies in the EU respectively, have an important role to play. However, due to significant and continuing financial difficulties, it is hard to see how they could displace Germany as the uncontested EU leader in this policy area. Moreover, France and Italy have traditionally not shared the same views on free trade as the United States, and French President Hollande has been strongly opposed to TAFTA in its current form, threatening to veto the continuation of negotiations if the US does not compromise on key issues.¹⁴ The German conservative party is much closer to US views about free trade, enhancing Merkel’s position as Obama’s interlocutor of first choice on transatlantic economic and trade discussions. Likewise, because of their economic importance, the US has also worked closely with other EU allies during TAFTA

9. French foreign minister Robert Schuman was a driving force in helping to launch the initial Coal and Steel community back in 1951.

10. The Economist (June 3, 1999), ‘The Sick Man of the Euro’. <http://www.economist.com/node/209559>

11. The Economist (January 9, 2014), ‘Can François do a Gerhard?’ See <http://www.economist.com/news/leaders/21593456-president-talking-reform-it-his-interest-and-his-countrys-he-should-carry-it>

12. This is clear in the way in which Merkel succeeded in imposing fiscal discipline across the EU, against initial opposition from French Socialist President Hollande, underlining how the Franco-German partnership is no longer as balanced as it used to be. The fact that the Socialist French President has not succeeded in mitigating the impact of austerity highlights France’s declining influence in the EU, as this was one of Hollande’s main electoral promises, particularly the re-negotiation of the fiscal compact.

13. Oreskes B., Germany: America’s real special relationship. Brexit accelerates US shift away from the UK, POLITICO (June 30, 2016). <http://www.politico.com/story/2016/06/germany-brexit-relationship-225000>

14. Rankin J., ‘Doubts rise over TTIP as France threatens to block EU-US deal’, The Guardian (May 3, 2016). <https://www.theguardian.com/business/2016/may/03/doubts-rise-over-ttip-as-france-threatens-to-block-eu-us-deal>

negotiations, including Spain, the Netherlands, Sweden and Poland, a process likely to continue following Britain's departure from the EU.

Furthermore, Frankfurt is better positioned than Paris or Rome to replace London as the EU's new financial capital, due to a more competitive and attractive tax regime, flexible regulations and labor laws. Much will depend on what terms the new British Prime Minister Theresa May is able to negotiate regarding Brexit, and whether the UK retains full access to the single market. While the UK will remain an important financial and economic partner for the US, it is likely that Germany, instead of France, could become the new entry point for US corporations to access the EU market. Likewise, Dublin, capital of the Republic of Ireland is well-positioned to replace London as a potential relocation point for US corporations seeking entry, due to its EU membership and use of the English-language.

Britain's departure from the EU may also open-up a security and military policy gap in Europe. Although the Lisbon Treaty enhanced the EU's capacity to intervene as an international actor, it also defined foreign and defense issues as intergovernmental policy areas. This means that member states retain their power of veto, as well as their ability to conduct their own national policies in these domains. Thus, important foreign policy and military decisions continue to be taken by member states themselves, which then seek to coordinate their responses to international crises through mechanisms such as the European Council (between heads of state) or the Council of the EU (between foreign or defense ministers).¹⁵ This has been the way Europe has responded to many of the most significant international crises over the last few years, where bilateral and multilateral negotiations between member states in Brussels were necessary to coordinate a common response, in collaboration with major allies such as the United States.

US President Obama has been keen to emphasize that, despite Brexit, the UK's security role in Europe will be maintained.¹⁶ Likewise, Michael Fallon, the British Secretary of State for Defense, has underlined that Brexit will not modify in any way the UK's military

commitments as a key NATO ally and guarantor of European security. Indeed, since the Brexit vote, the UK has reinforced its military presence in Estonia to defend NATO's eastern front, renewed its nuclear Trident submarine program, and enhanced collaboration with key EU allies such as France in the fight against the Islamic State.¹⁷ Together with its historic ties to the Commonwealth and a permanent seat on the UN Security Council, the UK has relied on its global clout to play a leading role in influencing how Europe has responded to various international crises.

Nevertheless, Britain's departure from the EU means that it will no longer have a seat at the European Council or the Council of the EU, where certain key foreign and defense policy decisions are taken. Thus, the scope of its previous influence is likely to diminish. In all certainty, Britain will continue to be consulted as a prominent ally, and it is essential for the EU and the US to maintain close cooperation with the UK after Brexit in order to preserve the cohesion and effectiveness of the NATO alliance. However, the fact that Britain will no longer be at the negotiating table in Brussels means that the US arguably has no other choice but to reinforce defense cooperation with other EU allies. As a result, a new system of multiple partnerships and alliances will likely develop for transatlantic security relations in the years to come. While the historic bond between the US and the UK will endure, Brexit presents EU countries with an opportunity for enhanced cooperation with the US within the NATO framework. Continental Europe contains many of the world's leading militaries that are key NATO allies, having provided consistent support to the United States during international crises.

For example, since reunification, Germany has succeeded in positioning itself as a strategic partner for the US. Germany's first foreign military engagement since WWII took place during the 1990's, when the Luftwaffe participated in NATO air strikes against Serbian forces in Bosnia and Kosovo. In response to the unstable international context over the last few years, there appears to have been a turning point in Germany's attitude towards its armed forces, ending a taboo that dates back to WWII. For the upcoming fiscal year, the German government has proposed to increase defense spending by €1.7 billion, representing a 6.8 percent rise

15. Bindi F. and Angelescu I., *The Foreign Policy of the European Union: Assessing Europe's Role in the World* (2nd edition), The Brookings Institution, Washington (2012).

16. Speech by US President Barack Obama during the NATO Summit on July 8, 2016 <http://www.bbc.com/news/world-europe-36744187>

17. Fallon M., *Le Brexit ne modifiera pas l'engagement britannique pour la sécurité européenne (Brexit will not modify Britain's engagement in European security)*, Le Monde, 21 July 2016: http://www.lemonde.fr/referendum-sur-le-brexit/article/2016/07/21/michael-fallon-le-brexit-ne-modifiera-pas-l-engagement-britannique-pour-la-securite-europeenne_4972551_4872498.html

compared to the current year.¹⁸ This is not a short term policy, as the government is aiming to spend €39.18 billion on defense by 2020, add nearly 7000 soldiers to the German military by 2023, and spend 130 billion euros on new equipment by 2030.¹⁹ Already, Germany has begun to play a more important role on the world stage, including its contribution to bolstering NATO's eastern European defenses in response to Russian aggression, more troops for the EU's common defense policy to support French interventions in Africa, as well as enhanced participation in the air strikes of the US-led coalition fighting the Islamic State.

Similarly, Italy and Spain are both military powers that host strategic US overseas military bases, which have served as key platforms for NATO operations in the the Mediterranean and North Africa. They have both provided contributions to the 2003 US-led intervention in Iraq, and more recently to NATO's 2011 operation in Libya, bolstering their position as valuable US allies in Europe. Likewise, recent Russian interventionism in Ukraine has encouraged countries in Eastern and Northern Europe to significantly increase their military spending and enhance cooperation with the US through regular joint military training. Baltic states, which share a border with Russia, have reacted strongly, with Latvia increasing its defense budget by nearly 60% this year, followed by Lithuania with a 35% increase, and Estonia with a 9% increase.²⁰ Poland, currently positioned as the main military power in Eastern Europe, has also raised defense spending by 9%, and Sweden is seriously debating the possibility of joining NATO after outlining a plan to increase military spending by 11% over the next five years.²¹

All this coincides with a dramatic reversal of American military disengagement from Europe since the end of the Cold War. Following Russia's annexation of Crimea in March 2014, US President Obama announced in June 2014 the launching of a "European Reassurance Initiative" (ERI), a one-year emergency response of \$1 billion to bolster NATO's eastern defenses. Following the continuing escalation of tensions with Russia, not only in Ukraine but also in Syria, the US Congress has approved Obama's proposal to quadruple funding for the ERI to \$3.4 billion in 2017, up from \$789 million

in 2016. Moreover, the ERI enjoys strong bipartisan support in Congress, which means that it has become a long-term commitment, forming part of a multi-year plan to "reassure allies of the U.S. commitment to their security and territorial integrity as members of the NATO Alliance".²² Thus, given the level of its current commitment to European security, the US will need to enhance defense cooperation with continental European countries following Britain's departure from the EU in order to maintain the unity and potency of the NATO alliance.

These developments make France a potential ally of choice for the future evolution of security relations between Europe and the United States. Although all NATO members make valuable contributions to the alliance, France and the UK have historically been the dominant military powers in Europe since WWII. Therefore, following Brexit, the US will have to work more closely with France on EU military cooperation. Indeed, despite recent increases, Germany's spending on defense still represents only 1.2% of its GDP with 34.9 \$ billion in 2015, and projected increases in the coming years are likely to remain far below the 2% NATO target. This contrasts with France, which spent 2.1% of its GDP on defense in 2015 (50.9 \$ billion) and Britain, which spent 2% of its GDP on defense the same year (55.5 \$ billion).²³ For historic reasons, Germany has not been keen on investing to re-become a major military power on the same level as France or the UK, with public opinion preferring instead to invest in domestic infrastructure or education. Likewise, all other countries in the EU do not come close to equaling France's military capacity or defense budget, the closest being Italy, which spends less than half of what France spends on defense (23.8 \$ billion in 2015, representing only 1.3% of its share in GDP).²⁴

Indeed, France has one of the most forward-deployed armies in the world, an experienced and powerful military that has been successfully mobilized for operations around the globe. The country has played a critical role in battling and containing terrorism and civil unrest throughout its former colonial sphere in sub-Saharan Africa and the Middle East. Most recently, the French military intervened in the Ivory Coast (since

18. Hoffmann L., *German Defense Spending Hike Reflects Regional Trend*, Defense News (24 March 2016) <http://www.defensenews.com/story/defense/international/europe/2016/03/24/german-defense-spending-hike-reflects-regional-trend/82204164/>

19. Smale A., *In a Reversal, Germany's Military Growth Is Met With Western Relief*, The New York Times (5 June 2016). http://www.nytimes.com/2016/06/06/world/europe/european-union-germany-army.html?_r=0

20. Jones S., *Defence spending by Nato's Europe states up as uncertainty rises*, Financial Times (30 May 2016). <https://www.ft.com/content/e0058620-259d-11e6-8ba3-cdd781d02d89>

21. O'Dwyer G., *Russian Aggression Drives Swedish Defense Spending*, Defense News (February 7 2016): <http://www.defensenews.com/story/defense/policy-budget/warfare/2016/02/07/russian-aggression-drives-swedish-defense-spending/79841348/>

22. Cancian M. F. & Samp L. S., *The European Reassurance Initiative, Critical Questions - Center for Strategic and International Studies* (9 February 2016). <https://www.csis.org/analysis/european-reassurance-initiative-0>

23. Perlo-Freeman S., Fleurant A., Wezeman P. and Wezeman S., *Trends in World Military Expenditure, SIPRI Fact Sheet* (2016). <http://books.sipri.org/files/FS/SIPRIFS1604.pdf>

24. Ibid.

2002), Libya (2011), Mali (2013), the Central African Republic (2013), Chad (2014), Iraq (2014) and Syria (2015).²⁵ France has maintained a network of major military bases throughout the African continent, and currently has over 10,000 troops deployed across five countries, including Mali, Mauritania, Burkina Faso, Niger and Chad.²⁶ Moreover, France is also a nuclear power with a permanent seat on the UN Security Council, which makes it part of the very select club of global decision-makers.

Another advantage enjoyed by France is that it does not need to rely on Parliamentary approval for foreign military intervention, allowing the French military to intervene rapidly, effectively and at short notice.²⁷ The French President enjoys far more powers than many of his democratic peers, especially when compared to Parliamentary regimes such as the UK, a situation clearly illustrated during the summer of 2013. As US President Obama wavered on whether or not to launch air strikes in Syria following Assad's use of chemical weapons, the UK Parliament voted against intervening with the US in Syria. By contrast, President Hollande had the French military ready to intervene at short notice, with no need for Parliamentary review. Moreover, France has consistently increased its military spending over the last few years, and the pace has accelerated following the wave of terrorism that hit the country in the wake of the *Charlie Hebdo* attacks in January 2015. The French President has announced a plan to increase defense spending by four billion euros from 2016-20 to tackle terrorism at home and overseas,²⁸ a figure that has been revised upwards following the terrorist attacks in Nice last July.

Therefore, while transatlantic security relations are likely to develop towards a situation of multiple partnerships following Brexit, France is well positioned to play a leading role. Indeed, closer analysis reveals that, long before the Brexit vote, a noticeable rapprochement between France and the United States had already begun with Obama's election in 2008. Keen to restore good relations with the US following a sharp deterioration under the Bush years, former French President Nicolas Sarkozy decided in 2009 that France's military should re-join NATO's integrated command structure. This put

an end to 43 years of semi-detachment following de Gaulle's controversial decision to withdraw back in 1966. Subsequently, France has been at the forefront of all US military interventions under Obama, with President Sarkozy taking the initiative for the 2011 intervention in Libya. He not only succeeded in convincing his reluctant American ally to support a NATO operation,²⁹ but also pushed for the adoption of a UN Security Council resolution to provide a context of legality (even though the end result of the intervention is now open to debate). Likewise, the French military has worked in very close cooperation with the US military for all its interventions on the African continent, including in Mali (January 2013) and in the Central African Republic (December 2013). According to two American officials, the US army's global commitments are already significant, thus the value of France's military contribution is the French army's ability to intervene decisively and at short notice, precluding the need for US intervention and making France a dependable ally in an emergency situation.³⁰

More recently, France and the United States have stood shoulder to shoulder in the fight against the so-called Islamic State; France, for example, has provided the second largest contribution to the international coalition engaged in air strikes in Syria and Iraq.³¹ Following the November 2015 terrorist attacks in Paris, US President Obama allowed French President Hollande to have increased access to US intelligence regarding ISIS, a symbolic show of solidarity, unprecedented since WWII. The height of this Franco-American rapprochement arguably occurred on January 20th 2016, when US Secretary of Defense Ashton Carter explained during a press conference in Paris that he spoke more often and worked more closely with his French counterpart Jean-Yves Le Drian than with any other ally.³² This is a clear indication of a fundamental transformation in Franco-American relations. It would appear that any acrimony from the Bush years following France's refusal to join the US-led coalition in Iraq, as well as historic tensions linked to France's participation in NATO, has now subsided. Under Obama, the United States has initiated a rapprochement with France as a key European ally for matters of foreign and defense policy, a trend that should accelerate after Britain's departure from the EU.

25. Bender J., *France's Military Is All Over Africa*, *Business Insider UK* (22 January 2015). <http://uk.businessinsider.com/frances-military-is-all-over-africa-2015-1?r=US&IR=T>

26. <http://www.gouvernement.fr/en/french-military-forces-deployed-in-operations-abroad>

27. *In his effort to end what he perceived as a weakness of the Parliamentary regime under the Fourth Republic, General de Gaulle had insisted on crafting the Fifth Republic with a strong executive. The French President must inform Parliament within three days of a military intervention, which may lead to a debate but no vote. The Parliament only votes if the intervention lasts for more than four months, in which case it must agree to any prolongation. See: Bozo F., *French Foreign Policy since 1945: An Introduction*, Berghahn Books (2016).*

28. BBC news (April 29, 2015), *France increases defence spending 'to counter extremism'*. <http://www.bbc.com/news/world-europe-32509301>

29. Cox M., Stokes D., U.S. *Foreign Policy* (2nd edition), Oxford University Press (2012).

30. *Interviews with a Pentagon Official, August 11, 2016 and with a State Department Official, August 30, 2016, both in Washington D.C.*

31. <http://www.euronews.com/2016/07/18/terrorist-attacks-why-france>

32. US Department of Defense (January 20, 2016), *Joint Press Conference by Secretary Carter and French Minister of Defense Le Drian in Paris, France*. <http://www.defense.gov/News/Transcripts/Transcript-View/Article/643932/joint-press-conference-by-secretary-carter-and-french-minister-of-defense-le-dr>

SCENARIOS FOR THE FUTURE EVOLUTION OF TRANSATLANTIC SECURITY RELATIONS

Another very significant aspect of Brexit for the future of transatlantic relations has to do with its impact on the evolution of the EU's independent foreign and defense policy, known as the Common Foreign and Security Policy (CFSP) and Common Security and Defense Policy (CSDP). As discussed above, the Lisbon Treaty defined foreign and defense issues as intergovernmental policies, with member states retaining their own national policies in these areas. Nevertheless, European countries have gradually come to realize that, regardless of the importance of safeguarding national sovereignty, pooling resources towards a larger European foreign policy is likely to enhance their influence on the world stage. Thus, ever since the Maastricht Treaty in 1992, subsequent EU treaties have succeeded in gradually building an independent EU common foreign and defense policy, with the Lisbon Treaty ushering in significant new developments. The latter created two new offices to represent the EU abroad: a Permanent European Council President and a new High Representative for Foreign Affairs, to be supported by the "European External Action Service".³³

Once the UK leaves the EU, it will no longer have as much influence in shaping the Common Foreign and Security Policy. Although the latter is still at an embryonic stage, the EU High Representative for Foreign Affairs, Federica Mogherini, has played an active role on the world stage, particularly with respect to negotiations over Iran's nuclear program, Russia's annexation of Crimea, and the influx of refugees. The European External Action Service (EEAS) has also emerged as an incipient EU foreign ministry, providing valuable support to the High representative. Because it is not a state, the EU has often been able to influence the outcome of negotiations by positioning itself as a neutral referee between conflicting parties. Examples include the EU becoming a member of the so-called 'Quartet'—together with the UN, the US and Russia—which began in 2002 to negotiate a two-state solution to the Israeli-Palestinian conflict.³⁴ This underlines how the US has begun to engage with the EU as a serious

and credible international partner. Since Brexit is likely to diminish the UK's influence over the CFSP, the United States will need to adapt to this new reality and engage more closely with other EU allies on foreign policy issues.

Moreover, until Brexit, France and the United Kingdom had been at the core of initiatives for European defense cooperation. This includes a network of bilateral and multilateral defense agreements such as the Saint-Malo and Lancaster House Accords, as well as the embryonic Common Security and Defense Policy. Over the last two decades, the EU has begun to emerge as a non-negligible security actor on the international stage. Since 2003, it has successfully carried out 30 peace missions and operations both in Europe and across the globe, including in Africa, the Middle East, Central Asia and the Far East, composed of battle groups with soldiers drawn from member states.³⁵ The fact that Britain will leave the EU opens a big question mark on its future contribution to any such common defense initiative. While France and the UK have reaffirmed that Brexit would change nothing to their bilateral military cooperation,³⁶ it is likely the UK will cease to participate in the CSDP.

Since defense remains an intergovernmental policy area, the CSDP has had to focus on soft security, which involves crisis management, conflict prevention, nation building and post-conflict reconstruction. Although limited when compared to the hard military power of countries such as France or the UK, the CSDP has nonetheless succeeded in gradually enhancing its profile. For instance, EU peace missions have played a crucial role in countries such as Kosovo, Bosnia Herzegovina and Macedonia, facilitating the transition from civil war to peace, democracy and the rule of law.³⁷ Six CSDP missions have, in fact, utilized military force, demonstrating that the EU has become capable of deploying a limited form of hard power, although still on a much smaller scale than states.³⁸ Although unrelated to the CSDP, another example of "hard power" would be the EU's ability to impose sanctions on Russia in the wake of its invasion of Crimea (first in July 2014 and renewed since then), which have had a negative impact on the Russian economy.

33. Hill C. and Smith M., *International Relations and the European Union* (2nd edition), Oxford University Press (2011).

34. Keukeleire S., Delreux T., *The Foreign Policy of the European Union* (2nd edition)

35. *European External Action Service, Security and defence – CSDP*. <http://www.eeas.europa.eu/csdp/>

36. Briançon P., *Brexit or not, France and Britain deepen military alliance*, POLITICO (July 5, 2016). <http://www.politico.eu/article/brexit-or-not-france-and-britain-deepen-military-alliance-lancaster-treaties-defense-david-cameron-nicolas-sarkozy/>

37. Hill C. and Smith M., *International Relations and the European Union* (2nd edition), Oxford University Press (2011).

38. *The 2000 combat troops deployed in the Democratic Republic of Congo in 2003, without any NATO back-up, demonstrated the EU's ability to fight high-intensity battles against sizeable insurgent forces. Ibid.*

Britain will be leaving the EU at a volatile moment in international politics. Although a rising force on the world stage, the limitations of the EU's soft security capacity were highlighted recently in crises such as the Arab Spring and Russian aggression in Ukraine. In both cases, it was the hard military power wielded independently by member states, either through NATO's intervention in Libya or the bolstering of defense cooperation to deter Russia in Eastern Europe, which played the leading role. The recent deterioration in international relations underlines that hard power is still an essential aspect of world politics, and that the EU's current capabilities as a soft security actor are no longer sufficient. This situation has led several member states to argue for the urgent need to reinforce EU military cooperation. For example, despite ongoing criticism towards Brussels regarding the EU's migrant policy, Hungarian Prime Minister Viktor Orbán has recently called for the creation of a joint EU army to counter the threat posed by Russia.³⁹ While the project of a more united European defense has been debated for decades, the EU is currently surrounded by unstable regions such as the Middle East, North Africa and Eastern Europe, a position that renders such an initiative more urgent than ever. As a result, the President of the European Commission Jean-Claude Juncker proposed during his 2016 annual address in Strasbourg to create a "permanent EU military headquarters to work towards a common military force" in the years to come.⁴⁰

Brexit means that a stronger and more united EU military is now possible, as the UK had previously been opposed to any type of integration for defense. Fearful of potential duplication with NATO, as well as loss of control in an area considered the core of national sovereignty, Britain had always vetoed any attempt to reinforce EU defense beyond bilateral cooperation.⁴¹ As long as there is no domino effect after Brexit, then it is likely the process of "ever closer union" will resume, particularly in areas of foreign and defense policy where there is a pressing need for it. The paradox is that, while Euroscepticism is on the rise, foreign

affairs and defense represent two aspects of EU policy that continue to enjoy widespread popular support across Europe. Opinion polls carried out over the last twenty years consistently reveal that between 65 % to 75% of European people support the reinforcing of EU external relations and military capacity, which underlines that there is great potential for further integration in these areas.⁴² The UK's departure from the EU will open-up many new possibilities for reinforcing the CSDP beyond soft security. For example, in early October, France and Germany signed an agreement to share an air base and transport planes as a first step in reinforcing EU defense cooperation after Brexit.⁴³

A federal European army is not on the agenda; given the current volatile situation within the EU, advocating one is both unrealistic and counter-productive. Therefore, the intergovernmental method is likely to prove the best pathway forward, and greater permanent structured cooperation between EU defense contributors is likely to emerge in the years to come on this base.⁴⁴ However, the exact shape of the future CSDP is currently being debated, with several potential approaches having been suggested. These range from conservative or realistic approaches that involve slightly upgrading current institutional arrangements to more ambitious and comprehensive approaches that would enhance both the range and scope of EU defense cooperation.⁴⁵ France, as the principal military force in the EU after Brexit, is ideally positioned to lead attempts to reform the CSDP. Nevertheless, France cannot bear on its own the whole burden of EU security, which will require extensive cooperation between all member states. Moreover, in order not to weaken the cohesion of NATO and the Western alliance as a whole, it is essential that a reformed EU defense structure be associated as much as possible with other NATO allies that are not members of the EU, including Canada, Norway or Britain. Indeed, despite Brexit, the UK remains the second largest contributor to NATO after the US, thus it would be absurd not to closely associate Britain to the CSDP.

39. BBC news (August 26, 2016), *Czechs and Hungarians call for joint EU army amid security worries*. <http://www.bbc.com/news/world-europe-37196802>

40. Speech by Jean-Claude Juncker to the European Parliament in Strasbourg, September 14, 2016. <http://www.bbc.com/news/world-europe-3735919>

41. BBC news (September 14, 2016), *Juncker proposes EU military headquarters*. <http://www.bbc.com/news/world-europe-37359196>

42. De France O., *What EU citizens think about European defence*, European Union Institute for Security Studies (2013): http://www.iss.europa.eu/uploads/media/Brief_43_CSDP_polls_01.pdf

43. Radio France Internationale (5 October 2016), *France, Germany to share military facilities post Brexit*: <http://en.rfi.fr/france/20161005-france-germany-share-military-facilities>

44. Giuliani J. D., *Réassurer la défense de l'Europe : Projet de traité pour la défense et la sécurité de l'Europe*, Policy Paper – Questions d'Europe n°405, Fondation Robert Schuman (3 October 2016).

45. Keohane D. and Mölling C., *Conservative, Comprehensive, Ambitious or Realistic? Assessing EU Defense Strategy Approaches*, Policy Brief No.41 – Foreign and Security Policy Program, The German Marshall Fund of the United States (2016).

Nevertheless, associated status is not the same thing as full membership, and Brexit means that the UK will likely cease to be part of the CSDP in the near future.

Thus, if the EU succeeds in developing a more cohesive defense policy, then the United States would need to adapt to this new situation by reinforcing military cooperation with the CSDP in the years to come. Extensive negotiations on what the implications are for NATO, where the US currently enjoys a dominant position, will be necessary. Despite fears of duplication, however, it is arguable that a stronger EU defense is not only fully compatible with NATO, it may even help to strengthen the alliance at a time of great international instability. If the EU were to develop a system of permanent structured military cooperation, this would add to NATO's already formidable capacities. The President of the EU Commission confirmed that "a common (EU) military force should be in complement to NATO ... More defense in Europe doesn't mean less transatlantic solidarity."⁴⁶ In fact, the US had been complaining for some time that NATO allies were not spending their fair share on defense compared to the US.⁴⁷ Hence, a stronger EU military capacity would allow for more equitable burden-sharing. As long as the US would be willing to provide the EU with a more important voice within NATO, there would be no danger of weakening the cohesion of the alliance. NATO is likely to be reinforced by a more balanced decision-making structure, a factor that some American officials may find hard to accept, at least initially. All this is of course hypothetical, and only time will tell if the EU is able to pull together as a credible international security actor, and how the US reacts to this.

Brexit represents a potentially significant change to the way transatlantic relations have been carried-out since WWII. Much will depend on what terms the new British Prime Minister Theresa May is able to negotiate for Brexit. Nevertheless, the

fact that the UK is going to leave the EU means that, while US officials will be keen to maintain their close relation with Britain, they will need to strengthen ties with other EU allies in the years to come. A second "special relationship" could develop based on the Franco-German axis as the main pillar of the European project. Over the next few years, France is well positioned to become America's European partner of choice for security and defense policy, and Germany for economic and trade policy. France, as the only remaining major military power in Europe after Brexit, is poised to lead the reinforcement of the EU's common foreign and defense policy, meaning that Franco-American relations will be key to the future evolution of transatlantic security. Likewise, given that Germany has now become the dominant economic power in the EU, German-American relations will also become very important to the future evolution of transatlantic economic and trade issues.

Brexit should not be taken lightly, as it represents a potentially major threat to the cohesion of the Western alliance, at a time when there is a need to stand together to meet multiple challenges, ranging from Islamic terrorism to Russian aggression. If Brexit is not handled well, then there is the risk of a domino effect within the EU, bringing down the Western alliance as a whole. Indeed, if the EU were to implode, nationalistic tensions might resurface in Europe, bringing an end to peaceful cooperation since WWII. In reaction, the United States could well lose interest in an old continent mired by internal feuding, especially after losing Britain as its closest interlocutor in transatlantic relations. This might encourage the US either to retreat once again into isolationism as it did after WWI, or, as a more likely scenario, to simply ignore Europe and accelerate its pivot towards Asia as the central concern of its foreign policy.

Either scenario would be fatal and the Western alliance would not survive, opening the dangerous possibility of renewed Russian expansionism into Europe. For precisely these reasons, it is essential

⁴⁶. *Ibid.*

⁴⁷. De Galbert S., *Are European Countries Really 'Free Riders'?*, *The Atlantic* (March 24, 2016) <http://www.theatlantic.com/international/archive/2016/03/obama-doctrine-europe-free-riders/475245/>

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that Brexit be handled well by all actors concerned, and that a smooth transition towards a system of multiple partnerships and alliances is built in the years to come. The EU and the UK need to find a compromise settlement that achieves the difficult balancing act of maintaining Britain's association with Europe, while avoiding the threat of contagion from a domino effect. Likewise, the US and the EU must continue to engage with the UK as a major international partner in order to maintain the cohesion and effectiveness of NATO. Most importantly however, in order to reinvigorate the Western Alliance, it is essential for the US

and the EU to find new ways of enhancing their collaboration on all issues. Therefore, building a new transatlantic partnership based on the Franco-German axis may be one of the best ways of allowing the Western alliance to survive, thrive, and, together, successfully meet the new challenges of the 21st century.

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