

Brexit Vote Implications: What the Outcome Means for the UK, Europe, and the U.S.

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Brexit will likely heighten the sense that the international order is unraveling and complicate U.S. relations with the EU, so Washington should take steps to reassure its fellow NATO governments.

The Eurostar from Brussels to London was notably quiet and sparsely populated Friday afternoon. It's not possible to know whether the empty seats were directly related to the outcome of Thursday's UK "Brexit" vote to leave the European Union. But the route could certainly be more lightly traveled in the future, once the British diplomats seconded to the EU have made their way home.

British voters' decision has roiled financial markets and is likely, at least in the short term, to hurt both the UK and global economies. The messy, involved tasks ahead of the UK include the process of disentangling itself from the EU after 43 years, choosing a new national leadership, and dealing with a possible renewed push for independence by Scotland and potential rifts with other areas (notably Northern Ireland) that leaned "Remain" in Thursday's referendum. Beyond UK internal matters, three big foreign policy questions loom:

1. What are the implications for Europe?

The European Union will have to cope with the departure of the second-largest economy in its common market. Politically, the consequences may be even more severe. The resentment toward Brussels that helped propel the Brexiteers -- fueled by perceptions of unfettered migration and of infringement on British sovereignty -- is felt widely throughout Europe. These concerns are expressed not only by right-wing leaders such as Hungarian Prime Minister Viktor Orban and former Polish Prime Minister Jaroslaw Kaczynski but also by large segments of France and Germany. The EU will need to decide whether to embrace its remaining members even more tightly or, instead, to devolve some of its powers back to national capitals in an effort to address concerns that it meddles needlessly in members' affairs. As this debate unfolds, the burden of leading it -- and Europe itself -- will fall to French President

Francois Hollande and German Chancellor Angela Merkel, both of whom face their own domestic crises and elections in 2017.

Another major, and perhaps counterintuitive, consequence of Brexit is that NATO will grow more important and possibly stronger. After the UK exits the EU, NATO will be the only multilateral organization bringing together all of Europe's major powers with the United States. None of those members is likely to contemplate exiting. The NATO summit in Warsaw in July takes on outsized importance, as it will provide an opportunity to send a clear message to the world (and a warning to Russia, which undoubtedly greets any EU weakening with gratitude) about the alliance's continuing cohesion.

2. What are the implications for the United States?

When President Barack Obama visited the UK in April he helped British Prime Minister David Cameron campaign against a Brexit. The U.S. president famously asserted that leaving would put Britain at "the back of the queue" when it came to negotiating a new trade deal, given Washington's focus on wrapping up the Trans-Pacific Partnership and the Transatlantic Trade and Investment Partnership. Both of those trade agreements face strong headwinds in the U.S.; these days it is U.S. politicians who seem most skeptical of free trade, not the Brexiteers, who largely argued that leaving the EU would enable Britain to pursue free-market policies rather than rescind them.

Broadly, the "special relationship" between the U.S. and the UK will endure and may even grow closer as Britain formalizes its divorce from Europe. Yet Brexit will have adverse consequences for the U.S. in Europe by virtue of that closeness. In the past, the U.S. was able to influence Europe through London, especially at times of tension in Washington's relationships with Paris and Berlin. EU support is vital to the success of policies such as sanctions against Iran as well as sanctions on Russia, which the EU must vote every six months to renew. That support requires unanimity in the 28-member bloc. Britain's departure from the EU may make such consensus more elusive or at least reduce Washington's ability to influence. To retain that influence, the U.S. will need to strengthen its relationships with France and Germany, and hope that those two countries themselves remain on the same page strategically.

3. What are the implications for the world?

Across the globe, policy makers must assess what Britain's choice means for their economic relations with the UK and with Europe. Beyond that, Brexit contributes to a growing sense that the international order is unraveling: Russia has repudiated its most fundamental treaty commitments and is increasingly aggressive toward the West; U.S.-China tensions over the South China Sea are mounting; U.S. politicians talk of a return to political and economic isolation, etc. If deeper instability is to be averted, it will be incumbent on world leaders -- especially whoever next leads the U.S. and the UK -- not simply to reaffirm their commitment to the old order but also to describe how they will reform and modernize it to meet present-day challenges.

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[\(http://blogs.wsj.com/washwire/2016/06/24/brexit-vote-implications-what-the-outcome-means-for-the-u-k-europe-and-the-u-s/\)](http://blogs.wsj.com/washwire/2016/06/24/brexit-vote-implications-what-the-outcome-means-for-the-u-k-europe-and-the-u-s/) ❖

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