As the political crisis deepens in the United Kingdom, the world watches on with concern. When will Brexit take place, and on whose terms? What will be the consequences of leaving the European Union on the British economy, and on the UK as a regional power, in and beyond Europe? And what can New Delhi do to reinvent and preserve its special relationship with London?

Sir Oliver Letwin provided an overview of the situation in the UK as Brexit inches closer to its deadline even while questions hang over its final form. Letwin voted for Remain in the referendum and led Theresa May’s “Brexit Unit” for a short while. On September 3, 2019, Letwin joined 20 other rebel Conservative MPs to vote against the Conservative government of Boris Johnson, in order to prevent the UK leaving the European Union without a deal. The following section is a summary of his opening remarks.

“Any Deal is Better than No Deal”

Letwin noted the importance of an orderly, democratic exit within the framework of a withdrawal agreement, negotiated under Article 50 of the Treaty on the European Union (TEU). He emphasised that “we maintain that it is not democratic or sensible for the country to leave without a deal.” Panelists discussed various implications and consequences of a no-deal Brexit.

Letwin noted the difficulties associated with reconciling the requirements of what he calls the “Triangle of Forces”: the Anglo-Irish agreement, European Union requirements of the integrity of the single market and, the requirements of the European reform group, within the conservative party.

“We will most likely reach the 31st of October without a deal being signed, then there will be an extension, and at that point, there will either be a general election or a referendum,” Sir Letwin concluded.

The panel opened up for discussion with inputs from audience members. Participants asked what are the stakes for India against this backdrop of immense speculation on the impact of Brexit on India-UK business ties? How is Brexit likely to affect the larger India-UK relationship?

Both speakers underlined the strong relationship that exists between India and the United Kingdom. Amb. Mathai noted, “the relationship will continue irrespective of what form Brexit takes.”

Panelists discussed the attitudes of some of the major powers towards Brexit; while some, like India in 2015, have taken the view that the matter is internal, others have been more explicit in their stance. Countries such as the United States and Russia, under President Trump and President Putin, have been supportive of Brexit. Others such as China, have been more circumspect, given that Britain is not central to the Belt and Road Initiative (BRI). The Indian position was best summarised by Amb. Mathai, “we have been cautious of not implanting ourselves in between national debates.”

Panelists highlighted two significant areas where the United Kingdom will lose out post-Brexit, namely; intelligence sharing arrangements and defence. Panelists highlighted four areas of cooperation to strengthen India-European ties; finance, science and technology, defense manufacturing and, knowledge exchanges.
India-EU Ties and the Future of Europe

Participants debated two key issues – the trading stance of the EU going forward and the global ability of Europe in constructing a multi-polar world. On the issue of the Free Trade Agreement with the EU, Amb. Mathai noted: “This will be a high priority for the EU once Brexit happens, to quickly make sure that among the main trading partners there isn’t a sense that one internal disruption will cause any external disruption.” To this extent, he expects to see some progress on the Free Trade Agreement with India.

Panelists highlighted the most significant areas tying post-Brexit UK with the EU, namely, the trading and financial relationship, defense cooperation and intelligence sharing, and people-to-people ties. On the future of Europe, Letwin said “whatever the exact relationship between the UK and the EU, the big question going forward for the next 20 or 30 years, is the ability or inability of the UK and other major powers to have a cohesive view of the role of Europe in the relationship between the great moving parts of the world, US, China, India and, the rest of Asia.”

“Will Europe assert its voice in order to keep the peace [between China and the US] and enable the whole world to benefit from peaceful coexistence, or allow the fact of Brexit and absence of a European foreign policy to mean that Europe does not play a role?” he asked.

(From L to R) Sir Oliver Letwin, Conservative Member of Parliament for West Dorset; Dr. Constantino Xavier, Fellow, Foreign Policy, Brookings India; and Ambassador Ranjan Mathai, former Indian Foreign Secretary (2011–2013) and High Commissioner to the United Kingdom (2013–2015).