UK-Russia relations and the Brexit debate: advancing integration or mutual mistrust?

Abstract: The emphasis on the potential threat from Russia during the Brexit debate reflects the current state of political relations between the two: each is portrayed as a threat to the other’s national interests and there is a marked absence of mutual trust at the state level. This article assesses the current state of UK-Russia relations and examines the potential impact of Brexit. What are the key drivers of the relationship? What are the roots of the apparent antipathy between the two? Is Brexit really, as has been claimed, in Russia’s interest? And have Russian opinions on Brexit been influenced by its view of EU?

Keywords: Russia, UK, Brexit, EU, security

During the campaign prior to the UK’s vote on its membership of the European Union (EU) in June 2016, Russian President Vladimir Putin was portrayed as one of the principal supporters of the Leave campaign, along with Donald Trump and IS: popular opinion presumed that the Kremlin was rubbing its hands with glee, not only at the prospect of the UK voting to leave the EU, but also at the increasingly visible splits within the European organisation. Nevertheless, Philip Hammond’s claim in March 2016 that Russia was the only world power that would welcome ‘Brexit’ was roundly criticised by Russian officials. Foreign Ministry spokeswoman Maria Zakharova accused the British government of conducting an ‘anti-Russian information campaign’, stating that the ‘artificial invocation of the Russian factor in an internal British debate… points to official London’s desire to increase tension in bilateral relations for its own internal political interests’ (Ministry of Foreign Affairs, 2016a). Zakharova went on to stress that Russia strictly adheres to the principle of non-interference in the internal affairs of other states and accused the British government of being in a weak and desperate position on the issue of the referendum. This démarche highlighted an enduring theme in relations between London and Moscow: the depiction of Russia as a threat to UK national interests prompting claims of ‘Russophobia’ from Moscow.

The emphasis on the potential threat from Russia during the Brexit debate reflects the current state of political relations between the two: each is portrayed as a threat to the other’s national interests and there is a marked absence of mutual trust at the state level. The reality is far more nuanced than popular narratives and media stories portray and, until Russia’s annexation of Crimea in 2014, the mutual mistrust in the political arena contrasted with intensifying economic, military and societal links. Unfortunately, these burgeoning connections have been brought to a halt by the deterioration in political relations and are unlikely to recover quickly. This article assesses the current state of UK-Russia relations and examines the potential impact of Brexit. What are the key drivers of the relationship? What are the roots of the apparent antipathy between the two? Is Brexit really, as has been claimed, in Russia’s interest? And have Russian opinions on Brexit been influenced by its view of EU?

The Brexit debate and Russia

President Putin remained silent on the issue of the UK’s EU referendum for the duration of the campaign. His first official statement came the day after the vote, as it became clear that the UK had voted to leave the EU. Speaking in Tashkent on 24 June 2016, following a meeting of the Shanghai Cooperation Organisation (SCO), Putin condemned claims by UK politicians and government ministers regarding Russia’s apparent opinions of Brexit, stating that ‘[w]e did not interfere, are not interfering and will not interfere in this in any way’.
Nevertheless, Putin did not miss an opportunity to attack both the British government and the EU, noting that the concentration of power within the EU remains very high ‘at the top’ (President of the Russian Federation, 2016). Putin’s language hinted at disdain both for the way that the Remain camp had conducted their campaign and for the EU as a whole: ‘nobody wants to feed and subsidise weaker economies, support other states, entire nations. This is an obvious fact. It is evident that people are unhappy with decisions about security, which is being eroded by powerful waves of migration’ (President of the Russian Federation, 2016).

This statement encapsulates the official Russian approach to the issue of Brexit: officially, an apparently neutral silence, but, in reality, manipulated as a pretext to disparage the UK and the EU. Relations between the UK and Russia must be viewed within the context of broader EU-Russia relations. Under Putin’s leadership, Russia has viewed its relationship with the EU as key to developing its own role on the global stage and shaping the international environment to assist its domestic development, although it has been made clear that this should not be sought at the expense of the national interest.1 Moscow has always been far more interested in the political and economic gains from a partnership with the EU, as opposed to embracing the ideals and values that the organisation espouses, something that is also evident in its relations with the UK.2 The EU is an international organisation comprised of various member-states who have ceded a certain amount of sovereignty in the belief that a system of co-operation and interdependence will boost their security. Such a system is based upon the conviction that those involved share certain values and norms, and naturally relies upon a certain level of external ‘interference’ in the internal affairs of each member-state. It is perplexing to Russia that a country would willingly cede sovereignty over specific issues to an external authority and encourage interference in its domestic affairs. In this respect, it shares a certain degree of understanding of the position of those - both within the UK and other EU member-states - who believe that too much power has been centralised in Brussels, away from national capitals. It has been argued that Russia should seek to influence the positions of individual member-states on international issues, rather than trying to influence the EU as a single entity, recognising the divergence in the views and approaches of the various member-states, together with the fact that they often fail to speak with one voice (Likhachev, 2002, pp. 30-37). Moscow has certainly sought to leverage this lack of unity to its own advantage: divisions and a lack of consensus mean vulnerabilities that can (and have been) exploited. The UK’s decision to leave the EU provides a further opportunity for Russia to take advantage of internal divisions, both within the UK and the EU. Thus, Russia’s position on ‘Brexit’ needs to be considered within the context of wider UK-Russia relations.

The UK and Russia – competition or conflict?

Despite centuries of shared history and the fact that both countries are permanent members of the UN Security Council and consider themselves to be leading international powers, neither country has been a priority for each other since the end of the Cold War: their bilateral relations largely took a back seat to relations between Russia and the EU, NATO and the broader West.

Consequently, for many years UK interest in, and concerns about, Russia were largely connected to its membership of the EU and NATO, as well as its close relationship with the US. The UK’s 2008 National Security Strategy (the country’s first published security strategy) mentions Russia in passing on several occasions in relation to energy security, US-

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1 In a speech delivered in July 2002, Putin affirmed that Russia needed to seek partners and allies who recognised the country’s national interests, but that compromise and the coordination of positions would not be made at the expense of the national interest.

2 In a speech in Moscow in 2004, Romano Prodi talked of ‘the shared ideals of democratic institutions, human rights, the protection of minorities and the rule of law’.
Russia talks on nuclear disarmament and the need to engage with it on missile defence and Iran. The second UK NSS, published a year later in 2009, refers directly to the Russia-Georgia conflict of August 2008 and its ‘potential negative wider implications’ (p. 24). Nevertheless, the principal focus remains Russia’s contribution to, and impact on, European energy security, and it is not portrayed as a threat. The 2010 UK NSS makes no mention at all of Russia, a startling omission, particularly when contrasted with the latest version, published in November 2015 in the wake of Russia’s annexation of Crimea in March 2014 and its continued support for separatists in eastern Ukraine. The 2015 UK NSS draws attention to increasing competition between states and the potential for the existing ‘rules-based’ international order to be undermined. Within this context, it refers to Russia over 20 times, noting that it has become more ‘aggressive, authoritarian and nationalistic’, and highlights the need to boost national expertise on Russia, which has been reduced over the past decade or so, reflecting the lack of priority placed on UK-Russia relations. By contrast, the UK is not mentioned specifically in the revised iteration of Russia’s NSS, which was published at the end of December 2015. However, the UK’s close relationship with the US, along with its leading role within NATO, mean that it is part of a Western coalition that has been very proactive in international affairs since the end of the Cold War, attracting considerable criticism from Russia. According to the 2015 Russian NSS, the conduct of Russia’s ‘foreign and domestic policies are being challenged by opposition from the US and its allies, who are seeking to maintain their dominance of international affairs’ (p. 4). This reflects Moscow’s unhappiness with what it views as the existing Western-centric order, as well as its opposition to US dominance of the international system, which it feels is destabilising. Speaking in October 2014, Putin criticised the US for throwing the international system into ‘sharp and deep imbalance in pursuit of its own national interests.’

If the existing system of international relations, international law and the checks and balances in place got in the way of these aims, this system was declared worthless, outdated and in need of immediate demolition … The very notion of ‘national sovereignty’ became a relative value for most countries. In essence, what was being proposed was the formula: the greater the loyalty towards the world’s sole power centre, the greater this or that ruling regime’s legitimacy. (Putin, 2014)

The 2015 Russian NSS is vocal in its criticism of both the US, NATO and the West (all key for the UK and thus implicit criticism of the UK), which it accuses of creating ‘centres of tension’ in Eurasia that threaten to undermine Russia’s national interests (p. 5). The document calls for greater cooperation with the EU and other European states, the ‘harmonisation of integration process in Europe and the post-Soviet space’, as well as the establishment of an ‘open system of collective security with a clear legal basis’ in the Euro-Atlantic region. There is anger at what is seen as the West’s rejection of partnership with Russia and the document makes it clear that Moscow is looking to develop its relations with a number of actors around the world as ‘equal partners’, as long as its interests are taken into account.

Thus, the conclusions that can be drawn from a reading of the two countries’ formal security documents is that each party sees the other as a potential threat to its interests, although for very different reasons: the UK’s concerns about Russia are centred around the apparent return of traditional, state-based threats, the use of force to achieve strategic objectives and the potential challenge to the ‘rules-based international system’, whilst, by contrast, Russia’s concerns about the UK are focused on political influence, the issue of values and norms, and fears that the EU, NATO and the West are seeking to constrain Russia and have rejected its
offer of partnership. This divergence reflects long-running suspicion and mistrust in the relationship at the state level; the emphasis on the potential threat to the UK from Russia during the Brexit debate was a manifestation of these broader trends.

**Diplomatic tension, economic partnership**

Maxine David (2013) notes that from the very beginning, UK-Russia relations have been ‘characterized by trade, diplomacy, monarchical links and culture’ (p. 52). The multifaceted nature of interaction between the two continues today, although it has been undermined by diplomatic tensions since 2014. An important and oft-overlooked aspect of the UK-Russia relationship is the cultural and societal link between the two countries. Whilst there may be a chasm between the two parties at the state level, at the individual level links are thriving. Education and English language training is a vital component of this, and over 3,500 students a year arrive from Russia to attend universities across the UK. Russia is also a top source country for the private education sector, particularly (although not exclusively) UK boarding schools, and tourism between the two countries continues to thrive, in spite of state-level tensions. There is also continuing scientific collaboration, with the most obvious example being Major Tim Peake’s sojourn on the International Space Station.

The most visible aspect of the bilateral relationship between London and Moscow is the political one, which has generally been poor for over a decade, but this has not stopped the development of closer links in other areas, particularly trade and the security sector, discussed below. Under Putin’s leadership, there have been significant changes in wider Russian foreign and security policy since 2000, as the country has recovered from the instability of the 1990s and developed a more coherent, coordinated policy, perceived by many, including the UK, to be more assertive. Many of these changes have brought Moscow into confrontation with London. 2003 was a key year for a variety of reasons and indicative of the state of the relationship. Firstly, the UK was a key part of the ‘coalition of the willing’ in Iraq, an operation perceived as regime change by Moscow, which staunchly opposed it. Diplomatic tensions were put aside during Putin’s state visit to London in June 2003 and the establishment of a joint-venture between BP and TNK. However, the acrimony re-emerged in November when a London court granted political asylum to Ahmed Zakayev, the deputy of former Chechen leader Aslan Maskhadow and wanted in Russia on charges of involvement in terrorist activities. The Zakayev case is a prime example of the divergence in views between Russia and the UK on the issue of values such as human rights and fundamental freedoms. It was also viewed by Moscow as a further evidence of the West’s hypocrisy and double standards in the fight against terrorism, an opinion reinforced in February 2005, when the British Channel Four News programme broadcast an interview with Shamil Basayev, the alleged mastermind behind the 2002 Moscow theatre-siege and Beslan school siege in 2004, as well as numerous other terrorist attacks across Russia.

The killing of Alexander Litvinenko in London in November 2006 reinforced persistent Cold War-era stereotypes of Russian espionage and intrigue overseas, and derailed efforts to repair diplomatic relations between London and Moscow. A former Russian intelligence officer, Litvinenko had been granted asylum in the UK in 2001 after criticising the Russian authorities and security services. His death in 2006 prompted a series of tit-for-tat diplomatic expulsions, which were the prelude to a further deterioration in relations. An independent inquiry into his death from polonium poisoning concluded in 2016 that there was ‘strong circumstantial evidence of Russian state responsibility for the killing’ and went on to state that ‘the FSB operation to kill Mr Litvinenko was probably approved by…President Putin’
(The Litvinenko Inquiry, 2016, pp. 240-244.) Consequently, political relations between Moscow and the UK hit a new nadir: generally poor since 2003, the issue of Ukraine, sanctions and the findings of the Litvinenko inquiry have triggered a further deterioration.

For the most part, there has been a disconnect between political and economic relations, with the latter continuing to develop even as high-level political relations became increasingly acrimonious. However, trade has been hit by deteriorating relations post-2014, particularly as mechanisms for economic cooperation such as the UK-Russia Joint Steering Committee on Trade and Investment and the High-level Energy Dialogue, have been frozen and there is a perception that the UK is more hawkish on the issue of EU sanctions towards Russia. Certainly, the UK has been one of the most vocal supporters of tougher EU sanctions against Russia over its activities in Ukraine. Nevertheless, in 2016 the Russo-British Chamber of Commerce, which promotes and supports business between the two countries, celebrated its centenary, a significant milestone in business links, particularly when viewed against the backdrop of diplomatic tensions. According to the UK’s Department for International Trade (2015), the export of goods and services from the UK to Russia grew by over 75 per cent between 2009 and 2012. This led to Russia becoming the largest market for UK goods outside of the US, the EU and China in 2012. Despite this, the UK’s share of the Russian market is still small, below that of France, Germany and Italy. By 2013, the export of UK goods and services to Russia was worth £7.6bn. Principal exports include engineering products, pharmaceuticals, chemicals, consumer goods and education (Department for International Trade, 2015). This dropped to £6.8bn in 2014, when Russia became the 19th largest market for UK goods and services, totalling 1.3 per cent of total exports. In the same year, imports from Russia to the UK were worth £7bn (Dar & Webb, 2016, pp. 7-8). The UK remains one of Russia’s leading foreign trade and investment partners: it is the fifth largest investor in Russia, with around 600 companies operating there (although this is far below the thousands of German companies present in Russia). BP remains one of the largest UK investors in Russia, despite having its fingers burnt in the TNK affair3, whilst Anglo-Swedish pharmaceuticals giant AstraZeneca opened a new factory in the western Kaluga region of Russia in 2015. Against a backdrop of continuing political tensions between Russia and the West, it is unlikely that this upwards trajectory in terms of trade and economic links will be maintained over the coming years.

There is also a reasonable Russian business presence in the UK, principally in London, although it is lower than would be expected and the level of UK assets invested in Russia is larger. In 2014, Russian investments in the UK amounted to £27bn, only 0.5% of total European investment in the UK (Ruparel, 2014). Nevertheless, over 100 companies from Russia and the broader Commonwealth of Independent States (CIS) are listed on the London Stock Exchange and have raised over $72bn in new and further offerings since the first initial public offering (IPO) of a Russian company in February 2005. Furthermore, the London property market has been very attractive to Russian buyers: according to Ruparel (2014), a report by Savills in 2014 noted that two per cent of ‘high-end’ buyers in the capital were Russian, spending an average of £4.5m per property. Russian investment overseas has dropped following the series of shocks that have hit the Russian economy in recent years,

3 In 2003 BP, which had been present in Russia since 1990, agreed to merge its assets with TNK, a major Russian oil producer, forming TNK-BP, a 50-50 joint venture. BP made Russia a geographical focus, gambling on its for much of its post-2007 reserves replacement, but in 2007 the joint venture hits difficulties when the Russian natural resource minister, Yuri Trutnev, threatened to revoke some of the licences held by TNK-BP on the grounds of low production rates. The partnership was dissolved in 2013 and state-owned oil giant Rosneft acquired BP’s stake. BP now has a significant stake in Rosneft and continues to operate in Russia.
notably the sharp drop in oil prices, depreciation of the rouble and the impact of international sanctions. Furthermore there is a perception that the UK authorities are seeking to prevent further Russian capital being invested: according to the Russian embassy in London (2016), a recent example includes the blocking of a bid by the Russian company LetterOne to acquire 12 British oil and gas fields in the North Sea.

Like relations in the economic sphere, pre-2014, bilateral relations between the UK and Russia on military and security issues stood in stark contrast to the poor state of the diplomatic relationship. Military cooperation between the two had been developing successfully since the 1990s. One of the notable successes was the Russian Resettlement Programme (RRP), which had been run by the UK Ministry of Defence since the mid-1990s and constitutes one of the most successful foreign military assistance initiatives in Russia. The RRP retrained thousands of retired Russian officers at centres around Russia, with the objective of ensuring a smooth transition to civilian life by supporting the search for long-term employment. A report on projects funded by the UK government in support of conflict prevention notes that the RRP was a notable success ‘both for the beneficiaries and for the promotion of UK strategic interests’ (Austin & Bergne, 2004, p. 2). Other key areas for cooperation including English language training, as well as training of the Russian armed forces in support of interoperability on international missions such as peace support operations. Russian officers were also offered places on British professional military education courses, including those at the Royal College of Defence Studies (RCDS), UK Staff College and the Britannia Royal Naval College. In addition, the Royal Navy had twinning relations with Russian ships and, in August 2005, a British military team led the successful rescue of a Russian A28 mini-submarine that had been trapped underwater by cables in the Russian Far East. Members of the British rescue team were awarded Russia’s Order for Maritime Services and the Order for Friendship, the first time that Russian military honours were awarded to members of a foreign military (The Guardian, 2005). There was also operational-level cooperation between British and Russian security agencies (along with the US and others) during the Sochi Winter Olympics of 2014.

Thus, until 2014 there had been a reasonable level of bilateral cooperation between the UK and Russia in the military sphere and in January 2014 it was reported that work on a Military Technical Cooperation Agreement (MTCA) between the two countries was nearing conclusion. The agreement was intended to provide a framework for cooperation between Russian and UK defence firms (although only at an unclassified level) and would have allowed the British Army to purchase some equipment from the Russian defence industry, which is one of Russia’s key exporters and helps bring in a significant amount of foreign currency (Holehouse, 2014). The defence industry is also an important enabler in terms of Russia’s global influence: Russia is the world’s second biggest exporter of arms after the US and is seeking to increase its market, actively seeking new ‘client states’. The principal focus of the proposed MTCA was to enable the sharing of information between the two countries’ defence industries and allow them to purchase components from each other, although only unclassified technologies. However, the agreement was suspended in the wake of the annexation of Crimea in March 2014, along with all bilateral military cooperation, including a planned joint UK-US-French naval exercise with Russia, which was cancelled, and a Royal Navy ship visit to Russia. Cooperation has been replaced with an emphasis on the threat of
Russian ‘hybrid’ warfare, incursions by Russian Tu-95 Bear bombers into UK airspace\(^4\) and warnings from MI6 about increased levels of Russian intelligence activity.

**Conclusions**

The state-level relationship between the UK and Russia has historically been characterised by concurrent patterns of collaboration and confrontation. A persistent narrative of rivalry tends to overshadow the cooperation that occurs, feeding simplistic stereotypes and media headlines, demonstrated by the fears surrounding Russia that were exploited during the run-up to the referendum on the UK’s membership of the EU in 2016. There is no doubt that there are very serious differences between the two parties at the diplomatic level, particularly in terms of the issue of values, and each considers the other to pose a threat to wider national interests. The relationship has been severely tested by Russia’s annexation of Crimea and continued support for separatists in eastern Ukraine, as well as the fallout from the findings of the Litvinenko inquiry, and remains in a fragile state. While the relationship is important to both actors, particularly in economic and security terms, it does raise questions as to whether they are capable of progressing their partnership further in order to diminish the wide disparity that currently exists between the hardening rhetoric and reality. Nevertheless, in spite of diplomatic tensions, business links continue to develop, although the environment that these are forged in has become far more challenging and the disconnect between diplomatic, economic and societal relations looks set to continue. The volatility of the Russian market, ongoing political uncertainties surrounding the intentions of the Kremlin, particularly within the context of a Trump presidency, and the downward trajectory of relations between London and Moscow since 2013 have all undermined the progress that was made over the past decade.

Since Putin came to power in 2000, the Kremlin has demonstrated an increased willingness, and ability, to use the military lever to achieve broader strategic and foreign policy goals. The 2014 annexation of Crimea and increasing support for pro-Russian separatists in eastern Ukraine are indicative of a far more confident Russia, one that is determined to counter the perceived expansion of Western involvement within its ‘sphere of influence’ to ensure that it remains the predominant power in the post-Soviet area, using force if necessary. This has brought it into confrontation with the West, including the UK, which believes that Russia’s apparent disregard for international norms and principles constitutes a threat to national security, as well as a challenge to the rules-based international order. There has been deep unease about Russia’s recent actions, both in Ukraine and Syria, which have demonstrated Moscow’s ability and desire to use force in pursuit of its strategic objectives, as well as its ability to act as a spoiler in international affairs. For its part, Russia is concerned about the West’s focus on the promotion of democracy and humanitarian intervention, as well as the emphasis on common liberal democratic values such as the protection of human rights, values that the UK pursues in its foreign policy. UK-Russia tensions mirror the confrontation between Russia and the West, with both parties criticising the other for the same thing: a disregard for international law, the use of force against sovereign states, ‘bullying’ less powerful actors, and a strong belief in the ‘rightness’ of their actions. The Russian 2015 NSS made it clear that the Kremlin considers Russia to be a major power within the global system, one that has a key role to play ‘in tackling major international problems, the resolution of military conflicts, the maintenance of strategic stability and of leadership in international law.

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\(^4\) Media reports give the impression that incursions by Russian aircraft and naval vessels into UK airspace and coastal waters have increased dramatically, but work by Foxall demonstrates that they have remained at a fairly constant level for the past decade (2005-2015), tending to increase at times of political tension. For further details see Foxall (2015).
and inter-state relations.’ Encouraged by its successful use of the military lever in Syria, Russia is likely to take an even more assertive line on the global stage in the future and will seek to use all the levers of influence at its disposal. Whilst Brexit is a single episode within the context of wider UK-Russia relations, the splits that have become increasingly visible both within the UK and the EU in the wake of the UK referendum in June 2016 reveal vulnerabilities that can be exploited to Moscow’s advantage. Moscow may well view the 2016 vote for ‘Brexit’ as a favourable outcome, not least because of the ongoing political tensions between Brussels and London, which highlight the increasingly fragmented nature of the EU and confirm the existence of long-running divisions over a variety of issues, including the purpose and role of the organisation. However, the UK will continue to play a key role within NATO and is one of the framework nations (along with Canada, Germany and the US) providing forces for the alliance’s enhanced forward presence in Estonia, Latvia, Lithuania and Poland. Thus, it will continue to present a challenge to the Kremlin’s notion of how the European security order should be constructed, as well as its concern about Western influence within the post-Soviet space.

References


