

## European views on the UK's renegotiation: Spain, Finland, Estonia and Cyprus

The success or failure of David Cameron's planned renegotiation of the UK's EU membership will depend to a large extent on how the other 27 EU member states respond to his proposals. But how do countries across the EU view the UK's renegotiation? Building on a [report](#) published in 2014 by the German Council on Foreign Relations, EUROPP is running a series of overviews of the renegotiation from each of the EU's member states. Compiled by the LSE's [Tim Oliver](#) and written by authors based at universities and research institutions, the overviews will set out what discussion – if any – there has been about the renegotiation and the wider views within each country on the renegotiation and a potential Brexit. This post is the fifth in the series and gives views from Spain, Finland, Estonia and Cyprus.

- **Spain:** [A flexible but Europeanist Response](#)
- **Finland:** [Supportive, but a wait-and-see approach](#)
- **Estonia:** [Brexit would be contrary to Estonia's interests](#)
- **Cyprus:** [Special ties with the UK will determine Cyprus's final stance](#)

### Spain: A Flexible but Europeanist Response

Europeanism still defines Spaniards' attitudes on foreign policy. Unlike other EU countries, no Eurosceptic parties have emerged during the harsh years of the economic and financial crisis, nor have the main political parties or other social organizations developed any anti-European discourse. That is to say that Spain and Britain can be understood as two diverging visions about the future of European integration and their roles within it. However, the Spanish government defends a flexible response towards Britain's intentions to renegotiate its EU membership, as long as it does not affect the DNA of the EU.



[Mariano Rajoy's government was missing in the Brexit debate](#) until David Cameron started his second tour around European capitals in early September. [In a joint press briefing in the Moncloa Palace](#), Rajoy clearly called for the UK to remain in the EU and supported the pro-free trade and liberalising agenda proposed by Cameron, without expressing any public disclaim on the restrictive proposals for EU migrants in the UK. Moreover, Spain's first symptoms of economic recovery and Catalan calls for independence are still overshadowing any public address on the EU agenda made by the Spanish government, preventing it from being a proactive partner within the EU.

[The European Council on Foreign Relations](#) has already identified the main red lines for Spain and other member states in the British attempt to renegotiate its EU membership. Being both Conservative, Spain and Britain share similar interests in enhancing the single market, cutting red tape for small businesses and being supportive of TTIP negotiations. However, the Spanish government cannot cope with any proposal whose goal would be to limit the freedom of movement in the EU or would directly restrict social benefits to Spanish migrants in that country. Considering that Spaniards were the [third top nationality for National Insurance Number Registrations in 2014](#) but also that over a million British people live regularly in Spain, it is just common sense to find any element of reciprocity between both countries in dealing with access to the benefit system for EU citizens.

As far as the question of treaty change is concerned, there is no public discussion in Spain. The main Spanish political parties agree that, in the current context, any intergovernmental negotiation among 28 member states would be like opening Pandora's Box. If Britain needs more opt-outs in order to remain in the EU, Spain will have enough

flexibility to accept it, and even push for it. Madrid will never defend a “Europe à la carte” strategy for itself, but admits that differentiated integration may allow enhanced integration for those countries who really want it.

Are we facing a battle of ideas between a German Europe project and a British Europe one? If so, Spain will definitely remain closer to German ideas of ‘more Europe’ rather than British proposals of ‘less Europe’. Furthermore, as general elections in Spain are scheduled for mid-December, the party in government is keen to present its leader, Mariano Rajoy, as the closest and most reliable partner of Angela Merkel. Following these elements, we can even predict that if Britain and Germany agree on the agenda for the new UK-EU relations, Spain will easily support the agreement for a ‘better Europe’ for all.

### **Laia Mestres – IBEI**

Laia Mestres is a Postdoctoral Researcher at the Institut Barcelona d'Estudis Internacionals (IBEI).

---

### **Finland: Supportive, but with a wait-and-see approach**

Successfully settling the so-called ‘UK Question’ has been a pivotal issue in Helsinki for quite some time, yet multiple ongoing European crises have largely hijacked much of the Finnish EU agenda. The continuing ambiguity over the UK’s renegotiation, and relatedly, a difficulty of seeing a meaningful Finnish contribution to the process has resulted in a prolonged wait-and-see approach in Helsinki.



The most interesting development in addressing the UK question in Helsinki is a domestic one. The inclusion of the openly populist and Eurosceptic Finns Party in the current Finnish government along with the two major centre-right and pro-European parties in June 2015, has been noted also in the UK as it could potentially bring Finland closer to the UK in EU affairs. Over the past few years strong links have grown between the Finns Party and the UK Conservative Party.

The minister for foreign affairs, Mr. Timo Soini, has [recently restated](#) his support for Cameron’s EU renegotiation and referendum plan by saying it is ‘an absolutely great idea’. However, he also noted that the UK cannot expect Finland to be a ‘100 per cent supporter at every stage’, and that his hands are tied by the Finnish government’s positions.

The current government’s programme stipulates that Finland does not support EU Treaty reform. As David Cameron now seems to have dropped the idea of pushing for an immediate EU Treaty change, Finns are likely to find it easier to address the UK’s demands in general. Indeed, the minister of finance, Alexander Stubb, has [suggested](#) that the UK’s demands for economic reforms, enhanced role for national parliaments, and limitations on benefits for migrant workers are justified.

Traditionally, Finland and the UK have been on the same page in developing the single market and advancing the EU’s external trade. Cutting red tape and improving the EU’s competitiveness should therefore not be a problem for Helsinki. Some difficulties can however emerge in other fields. First, the UK might need to work harder to explain the rationale for UK opt-outs from the EU Treaty’s objective to move towards an ‘ever closer union’, especially considering that it is not part of the Eurozone and has opted out of Schengen.

If this demand is connected to David Cameron’s objective to obtain ‘safeguards’ against potentially converging interests of the Eurozone countries, Finns are likely to be concerned about potential further complexities and inefficiencies in the EU’s institutional structures. Second, and although Finland is a strong supporter of enhancing the role of national parliaments in the EU’s decision-making, it has also called for clarity between the two levels of parliamentary scrutiny in the EU’s decision-making (i.e. the EU and national).

Moreover, it has emphasized that its parliament has a strong and robust role in EU affairs and urged others to follow suit. Finally, while the aim to limit EU citizens’ access to work related benefits and social security in other EU member

states might find some support in Finland, UK negotiators are likely to be reminded that these issues should be resolved through EU law-making processes, and that any such demands should not undermine the principle of non-discrimination.

The most significant obstacle that Finnish decision-makers and observers face vis-à-vis the UK's agenda, however, relates to the fact that the UK has not yet clarified in detail its renegotiation demands. It is therefore difficult to openly discuss in Helsinki what would be acceptable for Finland, or indeed how Finland could actually contribute to the process. The UK demands will certainly be put under close scrutiny in Helsinki, yet they are equally likely to be approached constructively. As [minister Stubb](#) put it: 'I believe without the UK there is no EU'.

**Juha Jokela** – *Finnish Institute of International Affairs*

Juha Kokela is program director of the European Union research program at the Finnish Institute of International Affairs, Helsinki. This view is based on his contribution to the CERI and Robert Schuman Foundation's report '[Brexite: what Fair Deal between the UK and EU member States?](#)'

---

### **Estonia: Brexit would be contrary to Estonia's interests**

Many positive and nice words were exchanged when the Estonian prime minister, Taavi Rõivas, and British prime minister, David Cameron, met in Downing Street on 9 October 2015. "Estonia and the UK have a similar understanding of the changed security situation – we are very close allies in both NATO and the European Union," Rõivas said.



As far as NATO is concerned Estonia appreciates the UK's decision to send additional troops to the Baltic region and so Rõivas' words may even be true. However, the assertion that Estonia and the UK are also very close allies in the EU raises large doubts.

The latest Eurobarometer poll (July 2015) revealed quite clearly how very different Estonians and Britons are. Namely, support for the euro was highest in Estonia (83%) and lowest in the UK (20%). In the Baltic States, which have all now adopted the euro, support has steadily risen despite the Greek crisis.

This is exactly why it is premature to call the UK and Estonia allies in the European Union. In the noughties, it was even thought that Estonian policy in the EU might be "Britishised" as Estonia pursued a very liberal economic policy with a flat tax regime, and stressed the importance of the single market. Russia's aggressive behaviour and the introduction of the euro in Estonia in 2011 changed all that. The euro was securitised and Estonia moved closer to Germany who played the main role in the euro crisis. In addition, Estonia realized more strongly than ever that to cope with Russia, the EU must speak with one voice. All these moves forced the member states, especially in the Eurozone, to cede more of their sovereignty.

Contrary to a closer Union, the UK has always wanted to stop the closer integration of Europe. Therefore, the interests of Estonia and the UK in the EU differ to a large extent. It is to Estonia's benefit to see the EU as a large and mighty counterweight to Russia. This therefore poses a problem for Estonia. A UK departure from the EU would not serve Estonian interests, but the two countries do not see eye to eye on how the EU should change.

With the UK out of the EU, the very essence and logic of the Union would change. It would deny the assumption that the EU is about accumulating integration and that the countries in the EU would never leave. As Slovakia has threatened to leave the EU due to the refugee issue, one might only imagine what kind of domino effect the UK's departure might have. A smaller EU cannot be taken seriously by the other world powers, especially in the eyes of Russia, who always sees the loss of territory as a sign of weakness.

And finally, although it is a minor detail, the UK departing from the EU may have one unexpected consequence for Estonia. During the Cold War, beside Russian, Estonia studied mostly English in school. Estonians now speak English

as their first foreign language. But they are not very fluent in either French or German. If the UK leaves the EU, the importance and use of English would very likely decrease also reducing options for Estonians to apply for jobs in the European institutions, as the use of French and German would increase.

At the same time, Estonia is weary of Britain's demands for reform as the price to keep it within the Union. As in many countries, there is support for enhancing the economic competitiveness of the EU, but for Estonia this is done with an eye to German – and thus Eurozone – positions and aims, not Britain's. Proposals to limit access to in-work benefits for EU migrants raise objections found throughout Eastern and Central Europe.

Renegotiations also mean that Estonia, like other member states, may have to choose whose side to take – either Britain's or Germany's – which causes some discomfort for a small country like Estonia. Estonians remember that when, along with the other Eastern European countries, it chose to support the US and the UK over the Iraq war in 2003 it received a lot of criticism from Germany and France.

Consequently, the UK's decision to leave the EU would be contrary to Estonia's interests, but finding an agreement to keep Britain inside the club will not be easy. The only sensible option for Estonia is to work with the other EU countries to keep the UK in the European Union.

#### **Erkki Bahovski – Diplomaatia**

Erkki Bahovski is the Editor-in-Chief of Diplomaatia, foreign and security policy magazine in Estonia.

---

### **Cyprus: Special ties with the UK will determine Cyprus's final stance**

Cypriot news has been dominated by the revival of the 'Cyprus Problem' and negotiations aiming for a reunification of the island, the Cypriot government's struggle to lead the economy to recovery and Greece's financial saga. Consequently, the UK's rather unorthodox approach in renegotiating certain aspects of its EU membership has not yet sparked any substantial interest. Nevertheless, Cyprus and the UK have a long-standing special relationship and it is this relationship that will largely shape the government's final response when substantial negotiations get underway.



Cyprus is a former British colony and since the declaration of its independence in 1960, the UK has retained two military bases on the island and is also one of three countries responsible for guaranteeing its independence. Over the past decades, the two countries have developed multi-faceted relations that include political, economic, commercial, cultural and educational links. These relations were further strengthened following Cyprus' EU entry and its participation in the Single Market, with the UK being one of the three strongest trading partners for Cyprus. Indicatively, between 2009 and 2013, domestic exports to the UK more than doubled (above 6% of total exports) while the percentage of the services both exported and imported between Cyprus and the UK is around 20% for Cyprus. Additionally, more than 250,000 Cypriots live and study in the UK, tens of thousands of Britons live as permanent residents in Cyprus, and around a million UK tourists visit the island each year.

Given these deeply entrenched ties, the Cypriot government will not seek in any way to jeopardize British EU membership through its stance in the renegotiation process. As expected, this was reflected in a recent meeting between the Cypriot president Anastasiades and prime minister Cameron on 18 September 2015. A Downing Street press release stressed that President Anastasiades, "expressed his support for the UK's reform agenda, in particular the emphasis on greater competitiveness and a stronger role for national Parliaments".

Even though the UK has not yet put forward specific demands for renegotiation, one can outline in general terms what these will be and, in turn, what the possible Cypriot responses might be.

*Making the EU more competitive, cutting red tape and further liberalising the single market:* Like the UK, Cyprus relies heavily on the financial services sector and, therefore, the two countries support further liberalisation and the

elimination of all possible barriers in this sector of the EU's single market.

*Upgrading the role of national parliaments:* Cyprus will most likely favour proposals that could possibly tackle the 'democratic deficit' of the EU. This could be achieved by strengthening the role of national parliaments in the EU's decision-making processes, introducing for example a revised yellow-card system where national parliaments would have a more decisive role in influencing legislative proposals discussed at the European level.

*Revising the European Treaties:* Cyprus would probably align with other EU countries in arguing that there would be no beneficial effects from a revision of the European Treaties at this point in time. However, Cyprus would be expected to accommodate UK demands for an 'opt-out' on the phrase 'ever closer union' given that this would not have repercussions on other states.

*Curbing social benefits to EU citizens in the UK:* The Government of Cyprus is very sensitive when it comes to the application of the EU's basic freedoms. Agreeing to any sort of restriction to the free movement of people within the EU could create precedence with a possible negative effect for the ongoing peace talks over the 'Cyprus Problem'. The Cypriot government is likely to acknowledge the problems caused by abusers of the current social welfare systems in European countries and would consent to proposals that specifically tackle any such problematic cases. However, under no circumstances would the Cypriot government accept any derogation regarding the basic freedoms applicable within the EU.

In light of the above, one should therefore expect Cyprus to take a moderate and constructive stance on the British renegotiation with a view of not jeopardising the UK's EU membership.

**Adonis Pegasiou** – *University of Cyprus*

Adonis Pegasiou is an Adjunct Lecturer at the University of Cyprus and a Research Fellow at the European University Cyprus.

*Please read our comments policy before commenting.*

*Note: This article gives the views of the author, and not the position of EUROPP – European Politics and Policy, nor of the London School of Economics. Featured image credit: Gemma Bou / Flickr (CC SA-BY 2.0)*

Shortened URL for this post: <http://bit.ly/1Wiill6>

-