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Britain, The Gulf and the Wider World
Lessons from the 'First Brexit'

by Gerald Power

It's often repeated that Brexit is an unprecedented moment in UK and EU history. But there has already been a 'Brexit', a sudden British withdrawal from a close and synergistic relationship with foreign partners; a decision which divided domestic opinion while leaving the rest of world perplexed. The first Brexit was the British government's decision in January 1968 to withdraw from its role as formal protector of a clutch of territories 'East of Suez' in the Arabian Gulf and in East Asia (the actual withdrawal took place in 1971). It was an exit the current British government admits regretting. Now, the Conservatives are courting the very states unceremoniously abandoned in 1968, and its Gulf pivot looks like becoming a major long-term pillar of its foreign policy. But has 'Global Britain' – the current buzzword among Brexiteers for the agile, open and prosperous post-EU UK – learned the right lesson from the jettisoning of its position in the Gulf fifty years ago? And what can Britain's first Brexit tell us about the current one?

Britain became protector of the modern-day UAE, Qatar, Bahrain, Kuwait and Oman in a series of treaties between the 1830s and World War I. Until the Second World War the Gulf's importance to Britain centred on India: it was a conduit for Indian trade and communications, and served as a cordon sanitaire against potential rivals for power in the subcontinent. After World War II oil became increasingly important. The UK's interest in the Gulf was also dictated by the Cold War; like the Americans in Indo-China, the British saw the spectre of Communism hanging over the region. Meanwhile, for Gulf rulers the British link provided protection (many of the territories were very small in terms of area and population), legitimacy and a source of expertise in areas such as infrastructure and internal security. Thus, by the 1960s, there were compelling reasons for the British to maintain their Gulf primacy. Why, then, did Harold Wilson's Labour government decide to quit in 1968?

The British position in the Arabian Gulf was untenable, and for three reasons. First, although the local Gulf rulers enjoyed the benefits of British protection, the majority of Arab opinion was against it. Kuwait had already severed its ties with Britain in 1960 for this reason. Second, the withdrawal from East of Suez must be seen as part of a broader tableau of British international readjustment after World War II. This was the era of decolonization and the push for European Union membership: Britain was winding down its pretentions to globalism and focusing more on Europe. Third were domestic considerations. A currency crisis of 1967 forced the government to devalue Sterling and to introduce extensive spending

cuts. To maintain military bases thousands of miles away while inflation and industrial stagnation were starting to bite at home was politically unacceptable.

The short-term legacy of the first Brexit was clear: it downgraded Britain's international status and plunged the Gulf into insecurity. The abruptness of the decision was regarded as a betrayal by both local Gulf rulers and Washington. The withdrawal was the cue for Iran and Iraq to intensify a long-running feud over regional primacy. However, from other perspectives the results are more ambivalent. The USA (not the USSR) took on the burden of policing the Gulf, the Gulf states themselves quickly made the transition to independence and the UK proved partially successful at readjusting its global role in accordance with its reduced economic power. Moreover, after the shock subsided, Britain and the Gulf states maintained cordial if less intimate relations.

It is these relations that the May government is at pains to build on. Addressing Middle Eastern and Gulf leaders in Bahrain in 2016, Boris Johnson conceded that 'disengagement East of Suez was a mistake', and declared that Britain was determined to develop with renewed vigour security, trade and investment links with its former protégés. Continuing Gulf investment in London, the expansion of British prestige brands in the Gulf market and deepening military cooperation are the cornerstones of this Gulf policy.

In many ways, UK-Gulf diplomacy is a perfect example of the fluid bridge-building that post-Brexit Britain must perform with important regions, international organizations and states. It is not without risks and drawbacks. Promised military investment in the Gulf may be undermined by UK budget restraints. Even if the military schemes are realised, a recent think tank report has cautioned that Britain could end up with a Gulf presence 'large enough to get us into trouble but too small to get us out of trouble once it starts'. The Gulf is important but there are also numerous sources of danger and instability, including links to terrorism, ongoing conflicts and diplomatic rows in Yemen and Qatar, and perennial questions over Iran. Finally, close connections between London and regimes such as that of Saudi Arabia will continue to provoke criticism on human rights grounds.

What of the broader lessons of 1968 for Brexit Britain? Perhaps the most important is in terms of perception. After its 1968 decision, the UK was viewed negatively by its Gulf partners, summarily cut adrift after more than a century of protection, and by Britain's Cold War allies, who were now faced with an unwanted financial and strategic burden. There was no convincing and attractive narrative to make this more palatable – simply unilateral withdrawal in Britain's self-interest. This bears striking resemblance to contemporary international attitudes towards Britain. The UK government needs to do something about this. 'Global Britain' must become a meaningful and attractive perception-changer around the world. And here the Gulf pivot, with its concentration on security and hard power, has its limits. Britain's attraction to many states and societies rests on its rich 'soft power' resources and its reputation as a champion of liberty and human rights. Preoccupied with its Brexit negotiations and scrambling for trade deals, the May government seems to be overlooking this. And while Brexiteers may relish turning the country's focus beyond Europe, they ought to be mindful of the long-term importance of reassuring and conciliating its soon-to-be former EU partners. The Irish border issue is the obvious case which requires the practice of

pragmatic emollience from London. In regard to continental Europe, cultural and emotional bridges need to be built even if institutional ones are being burned. Britain needs to invest in diplomatic staff, British Council facilities, the BBC World Service – who knows, perhaps even offer the Elgin Marbles to Greece! In any case, Britain's reembrace of East of Suez fifty years after leaving can only be one piece of a much bigger and infinitely more challenging foreign policy package.

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