

How Can Brexit Affect the EU Research and Development? *

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Abstract

The objective of this paper is to determine the influence of Brexit on the European Union with regards to research and development. The core research problem is an analysis of the decline of the EU's R&D potential, with special consideration given to the position of multinationals (MNEs) and to the EU budget on EU innovation policy. The analyses performed show that Brexit has significantly weakened the EU in the R&D area, especially for the resources of researchers and R&D personnel and the potential of EU companies in the pharmaceutical and biotechnology industry. However, taking into account the fact that in nominal terms Great Britain was one of the leading recipients of the Horizon 2020 programme and in the earlier scientific-research programmes, in the current multiannual financial framework other members could benefit more from common research funds. The UK will continue to participate in EU research programs, albeit on a third country basis, and therefore selectively. The established general rules in this matter provide an opportunity to continue the extensive EU-UK research cooperation, but they do not include the Erasmus program, which is important from the EU point of view.

Keywords: R&D, Brexit, EU multinationals, EU budget expenditure, Horizon 2020.