SWP Comment

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# Why an In-Out Referendum Won't Settle the European Question in British Politics

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An in-out referendum on Britain's membership of the European Union is increasingly looked upon in the United Kingdom as not only likely but an essential step for the country to answer what David Cameron described as the "European question" in British politics. A referendum, it is hoped, will be cathartic; settling the question once and for all, cleansing British politics, providing a fresh start for relations, whether they are between a UK that is in or out of the EU. Those who express such hopes are expecting more from a referendum than it can provide. A referendum is a necessary step forward, but it is only that: a single step, after which further steps will be needed. Settling the European question and bringing stability to Britain's relations with the EU – whether in or outside the EU – will require comprehensive, longer-term changes, which a referendum can help trigger but in no way guarantee.

In announcing that if a Conservative government were elected in 2015 it would seek a renegotiated relationship between the UK and EU to be then put to the British people in an in-out referendum, David Cameron declared that: "It is time to settle this European question in British politics." His speech was met with widespread criticisms that it had created unnecessary uncertainty, given that implementation is dependent on too many factors beyond his control. Indeed, there remains a chance that Cameron's commitment could fall by the wayside, as with many previous referendum commitments.

Yet Cameron's idea also drew support from people on both the left and right,

Eurosceptic and Europhile. In a speech backing Cameron's plan, former Conservative Prime Minister Sir John Major best captured the hopes for a referendum: "The relationship with Europe has poisoned British politics for too long, distracted parliament from other issues and come close to destroying the Conservative Party. It is time to resolve the matter."

### The European Question in British Politics

For Cameron, a combination of changes to the EU that has taken it out of the UK's "comfort zone" – along with a repeated failure to consult the British people over

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SWP Comments 14 May 2013 this – has led to a situation where the "democratic consent for the EU in Britain is now wafer-thin". Ignoring this, he argued, will only allow support for withdrawal to grow, making the situation worse. The only solution, he asserted, is not only to consult the people but to seek a renegotiated relationship settling Britain's place in a changed EU. Once a new relationship has been outlined, it would be put to the British people to choose whether – in their opinion – maintaining this relationship or leaving the EU is the best choice for the future of their country.

In his speech Cameron also noted some of the underlying tensions in Britain's relationship: the insular mentality, a history of strained relations, a pragmatic - rather than ideological or visionary - approach and long-standing frustrations at the EU's inability to adapt to a changing world. In doing so Cameron failed to connect whether these underlying tensions, many present before the UK joined the EU, can be settled through a referendum. The British political landscape is littered with countless splits, rebellions and divisions precipitated by the issue of Europe, driven by different historical, ideological and practical visions of what Britain's place is in Europe, the idea of European integration and the UK and Europe's place in the wider world. As such Europe is a multifaceted issue. The question is more than to be or not to be in the EU.

### **Great Expectations**

Despite this, a referendum could be the means to confront the issue of Europe head on, prompting an informed debate that would prevent politicians on all sides from exploiting public ignorance. Armed with an improved understanding, the British people can provide a fresh democratic mandate to a relationship with the EU, allowing Her Majesty's Government to focus more clearly on the relationship, whether in the EU or as a partner on the outside. For supporters of withdrawal, it offers the chance to put to an end European interference in British life.

A referendum can be a positive step, especially if it confronts a public opinion that, for too long, has been shaped largely by Eurosceptic messages. But it would be exactly that: a single step. Expecting a referendum to settle Britain's relations with the EU sets an expectation that a referendum alone lacks the capability to meet. As with any political process, referenda have their strengths and weaknesses. The scale of the task of addressing the multifaceted topic of Europe makes these weaknesses all too clear. We should not expect that a referendum campaign lasting, at most, a few months can secure permanent change to an issue that has been the cause of political squabbles for more than six decades. We must then be clear in our expectations: a referendum can only work if it is the beginning of a much longer and sustained period of change.

### A Referendum for the People or the Political Parties?

It is uncertain whether Cameron's referendum commitment is intended to settle the European question in wider UK politics, public opinion or the European question in the Conservative Party. Any study of referenda shows they are not always held out of principle or as a constitutional requirement. Under Britain's uncodified constitution, the power to call a referendum rests almost entirely with the government, and especially the Prime Minister, who can set the timing and control what choices are put to the people. Commitments to referenda have repeatedly been used as a means to manage tensions within a governing party or, more recently, the coalition. Cameron's speech was intended to pacify growing disquiet amongst Conservative backbenchers alarmed by a growing threat from the Eurosceptic UK Independence Party and frustrations at being in coalition with the pro-European Liberal Democrats. But the tension predates UKIP and the coalition - Europe has long been a divisive issue in the party, with William Hague, the current Foreign

Secretary and former Conservative Party leader, once describing Europe as a "ticking time bomb" in the party. It was quickly apparent that Cameron's speech had failed to defuse the bomb. Pressure from Conservative Eurosceptics has continued, as has the rise of UKIP.

Cameron's tactic is nothing new. Previous commitments to holding a referendum - John Major on membership of the Euro in 1992; Tony Blair on the Euro in 1999; Blair on the European Constitution in 2005; the coalition government's European Union Act 2011 - each dealt largely with internal party tensions. The 1975 referendum, which was the last and only time the British people have been directly consulted, was called by the then Labour Prime Minister Harold Wilson as a means to maintain unity in his Labour government. Instead, it merely delayed a split in the party by a few years and - despite the referendum registering 67 per cent support for membership - by the 1983 general election, Labour was campaigning on a commitment to withdraw. The issue of Europe in wider British politics also remained unsettled. That Cameron risks repeating the mistakes of Wilson has not passed unnoticed. The Conservative Party could split, with British politics shaped by the fallout.

This is not to argue that the issue is confined to the Conservatives. Labour's past travails could return. So far, Labour Leader Ed Miliband has avoided committing to a referendum, preferring not to distract media attention from the Conservative infighting on the issue, which also serves to hide Labour's own divisions on the issue. Pressure on him is slowly growing, but Miliband has ruled out a commitment to a referendum for the time being. He fears committing to a referendum which a Labour government - with a slim majority or in coalition - would have to fight midterm, when the popularity of most governments is at their lowest. The Liberal Democrats, often portrayed as the most pro-European party, have also committed themselves in the recent past to an in-out referendum to manage internal party tensions. Given this record of referendums being offered as a means of coping with party tensions, it is likely this will lie behind any future referendum when it happens.

### Euroscepticism Will not Disappear

A referendum result supporting Britain's continued membership might see Euroscepticism change, but it would not see the end of it, or its potential to cause difficulties in UK-EU relations. Any such hope overlooks how entrenched, well-organised and well-funded Euroscepticism as a political force has become. A wide variety of civil society groups that are connected to a network of European groups form a part of the wider European growth in Euroscepticism.

The most prominent group, the UK Independence Party, has seen substantial gains in recent elections and looks set to dominate the 2014 European parliament elections. Some within the Conservative Party fear UKIP's rise could cost them victory in the next general election. While this may be so, it is worth noting that UKIP has taken votes from all three main parties. Its growth has been aided, in part, by public concerns about Europe, but also by much larger concerns over issues such as immigration and the economy. It has also been used as a protest vote, exercised by an electorate that, for more than thirty years, has shown a decreasing willingness to support twoparty politics.

Attempts to label Eurosceptics "Little Englanders" overlooks how even the Scottish – often seen as slightly more at ease with the EU – can nevertheless display strong signs of Euroscepticism. Nor is it simply confined to the right. Left-wing Euroscepticism was once the norm. If Britain were to sever links with "social Europe", then this could prompt a resurgence of a British left-wing critique of the EU as a neo-liberal, free-trade capitalist enterprise.

Given its current strength, it is likely that a large proportion of Eurosceptic cam-

paigners would refuse to accept a result supporting UK membership. The current debate is still dogged by allegations that the 1975 referendum was unfair because of differences in campaign spending and a biased media. As so often with referenda, any number of developments could be cited by Eurosceptics to cast doubts on the result. A slim majority or low turnout, both entirely plausible, would leave them in no mood to concede. Similarly there will likely be allegations of unfair spending, media bias, that there was vague or misleading campaign information, that a surge of support was manufactured and so it fails to reflect the underlying mood, or that the vote was on another issue, or that it was swung thanks to personalities rather than facts.

A print media, beset by declining sales, will continue to play to populist agendas, especially ones that question the motives of the French and Germans. Immigration of EU nationals to the UK will remain a sensitive issue. Acceptance then of any referendum result would likely be short-lived as events obscured it, Eurosceptics re-grouped and the debate about the EU moved on.

#### A Better Informed Public?

The impact of any re-grouped Eurosceptics and a hostile print media might be blunted by the referendum, leaving the British people better informed. In this regard, supporters of a referendum point to the experiences of Denmark and Ireland, where regular referendums have resulted in higher levels of support for the EU. This may be so, but if their experiences are to be replicated, the UK would need to hold more than just one referendum.

Looking back to the 1975 referendum, it is claimed there was a rise in understanding about the EU, but by 1980, opinion polling showed any such understanding had not stopped a majority of the public switching their support to withdrawal. Given the pressure of other domestic issues and the often low voter appetite for hearing about Europe, the political class are likely to fall

back into the long-practiced habit of avoiding the topic. Sir John Major himself backed Cameron's plan for a referendum so that attention could be turned from the issue of Europe to more pressing domestic matters.

We should also not forget that for all the improved understanding and regular campaigns in Ireland and Denmark, those two states have active Eurosceptic movements, and their publics have either rejected or come very close to rejecting several EU treaties. If this happened with the UK, then it could easily be taken as a sign that the European question was far from settled.

### A Fixed End Point in UK-EU Relations?

With the EU set to continue changing, there may be ample opportunities for more referendums. Euroscepticism in the UK has been fuelled by uncertainty about the direction of both the EU and the UK's relations with it. Memories of joining and voting for a "Common Market" – as opposed to some form of political union – abound in UK political debates. As Sir John Major put it: "We need an end point, and we need to know what it is. And we need to be confident that it will not be breached." Cameron's renegotiation would aim to provide some form of new settled relationship, providing an "end point" approved through a referendum.

Whether or not this can succeed depends on how the EU evolves and whether it can do so without breaching any UK "end point". Arguably, the UK's relationship with the EU cannot be fixed until there is some form of fixed end-point in wider European integration, something which in itself seems unlikely, given the ambiguous nature of "ever closer union". Presuming the EU successfully implements proposals to deal with the Euro-zone's problems, there may then be further pressure to take steps to enhance political union. If such steps encroached on the UK's "end point", then defence of this would become the benchmark against which a Prime Minister's success at EU summits is judged. This would

SWP Comments 14 May 2013 be similar to the long-running pressures successive prime ministers have been under to defend the UK's budgetary rebate. It would become a negotiating red-line no Prime Minister could cross without provoking calls for another referendum.

British governments will continue to struggle to balance domestic pressures and the practical necessities of working with – and adapting to – a changing EU. The potential for a British government to proactively push new EU initiatives to compensate may be limited by the renegotiated relationship and unwillingness by the rest of the EU to follow the lead of a member that has adopted a peripheral status. Unease in the UK at being sidelined or drawn further into European integration would soon provoke Eurosceptics and calls for another referendum.

### A 'Critical Juncture'?

But surely, despite this, is it right the British people have their say? Indeed it is, and in-fitting with the growth of direct democracy in the UK. However, is the European question in UK politics just about public opinion? One only needs to browse through the many attempts to explain why Britain has struggled in its relations with the EU to see that, at some point, all touch on structural factors that have inhibited the relationship and, especially, the difficulty faced in adapting British identity. For example, a referendum cannot change the UK's majoritarian political system and use of common law, as opposed to the more consensual systems and Roman law found throughout the rest of the EU. Nor can it change that Britain's late membership has meant adapting to a system set up to reflect this more consensual and Roman law system.

A referendum can provoke debate about identity, but here it faces perhaps its biggest challenge. Britain's national psyche is strongly shaped by memories of empire and global power, victory in the Second World War, a sense that separation and independence – mixed with a commitment to the

Atlantic alliance - have served the UK, where joining the EU was seen as an abdication of a wider role. The Euro crisis has only served to increase a sense that separation serves Britain well, even though the UK has itself struggled to make progress economically. In any national narrative, especially in the media, Europe has long been the "other", against which British - and notably English - identity is cast. This identity is so strong that the British often overlook how European they are in terms of economics, society and culture. In his speech Cameron did make clear that "ours is not just an island story - it is also a continental story." Whether this is an opinion shared sufficiently in the wider political class, media or public is another matter. Having long avoided invasion, occupation, catastrophic defeat or revolution, Britain has not faced any critical juncture in its history that forced a reevaluation of its identity, especially in relation to Europe. Any re-evaluation has been slow and often incremental. A referendum can boost this, but given that such a debate has been present for most of the post-war era, we should not expect it to suddenly prompt the British political elite and public to deconstruct and reconstruct the givens of Britain's national identity.

#### Maintaining the Status quo

Instead of changing Britain's attitude, a renegotiation and referendum could further entrench accepted views and approaches. Membership of the EU has long been, as Cameron himself admitted, a means to an end, not an end in itself. For Cameron, a renegotiated relationship would allow Britain to remain involved in the EU and maintain practical gains in terms of economics and influence over formal decision making. This would allow the UK to retain an ability to influence the EU to British ends, in turn providing balance to the relationships sought with the United States and emerging powers.

Indeed, any victorious pro-European referendum campaign is likely to win on the back of an agenda stressing practical, pragmatic, utilitarian involvement in the EU that benefits Britain's economy, security and power. If so, the British people will have voted for a relationship that would remain a means to an end, not an end in itself.

Some pro-European campaigners have argued that the British will, over time, become more aware of the importance of the EU. This hope has been present since the start of Britain's membership and in itself makes Europe something the British resign themselves to, rather than embrace. Similarly, there have been long-standing hopes that the decline of the Commonwealth and an increasingly one-sided relationship with the US would bring the UK to a breaking point, thereby forcing a re-evaluation. That the Iraq War caused some changes, but as yet no complete re-evaluation, should leave us in little doubt that a referendum will struggle to do this on its own.

Nor should we overlook the appeal of the world beyond the North Atlantic. In 1973 when Britain joined the then European Economic Community, it was seen as the economic future. Today, the EU is viewed as riven by crises, such as those afflicting the Euro, and in relative decline. The emergence of a multipolar world has caused a resurgence in debates about the merits of relations with other powers and groupings. In perhaps the most telling comment of all, Douglas Carswell, a Eurosceptic Conservative MP, declared that in joining the EU "we shackled ourselves to a corpse." A refusal to see Britain as part of the body Europe – as something Britain attaches itself to and as something that holds Britain back - might be checked by a referendum campaign. Nevertheless, the growing appeal of emerging powers and markets, which is something also drawing the attention of other EU members such as Germany, will raise increased questions in Britain about the EU's utility for achieving British ends.

## Voting to Leave Will not Settle the Question

Opponents of the UK's membership argue that withdrawal is the only course of action which can completely settle the European question. With a referendum providing the necessary democratic mandate, sovereignty would be restored, borders secured and a stop put to foreign interference in UK matters. Britain would then be in a position to build a lasting relationship of its own choosing with the EU. There are at least eight problems with this argument which show how a position outside the EU could be an equally awkward relationship driven by a continuing acrimonious domestic debate.

First, arrangements for relations with the EU would remain contested. It is not clear what an "out" relationship would mean or cost. In his speech Cameron was unspecific about what "out" would mean. If a relationship was sought akin to that of Norway or Switzerland, then the well-documented problems inherent in those relationships would soon provoke arguments in the UK. The option of abandoning altogether any relationship such as membership of the European Economic Area is something even some Eurosceptic organisations concede would be hugely damaging economically. Pro-Europeans would be given a boost by the economic cost of withdrawal, but by then the damage will have been done.

Second, whatever "out" means, the UK's relationship with the EU would remain collectively the largest and most important of all Britain's external relations. While the UK would remain an important European power and one of the EU's most important relationships, the imbalance between the two would be more wide-ranging than that between the UK and the US. The UK would face significant limitations and frustrations in choosing the type of relationship or influence it wanted. Just as anti-Americanism has beset the UK's relationship with the US, so too would anti-Europeanism continue to complicate the UK-EU relationship.

Third, British governments, faced with the need to build relations with the EU,

SWP Comments 14 May 2013 would be faced by a Eurosceptic press and Eurosceptic groups in the ascendency, unforgiving of attempts to rebuild any relationship which, in their opinion, sacrificed the hard fight to reclaim British sovereignty. Hard Euroscepticism - backing withdrawal rather than reform through membership - would have become the dominant view in UK politics, reinforcing a sense of detachment from the rest of Europe. But much to the disappointment of Eurosceptics, the EU will not vanish from UK politics. Britain cannot simply return to the status quo of 1973, the EU's influence will continue to be felt widely and Britain will find itself shut out of any formal influence over this. This will lead to ongoing questions about sovereignty and allegations of interference. The EU would become a neighbour viewed with deeper suspicion than ever before.

Fourth, Europe will remain a powerful "other" in British politics and society. Not only will this continue to apply to identity but also, as it so often does now, as a scapegoat for Britain's failings. Britain will struggle with its inability to detach itself from Carswell's "European corpse" or help bring it back to life. Problems in the EU – along with Europe and Britain's relative decline – will remain an important subject of debate with the EU, which will still likely to be blamed for Britain's problems.

Fifth, Britain's international strategy would remain unclear. Its relationship with the US will have some value, albeit reduced. Its ability to influence the EU will limit its appeal to the US and to emerging powers. Its relative decline in the international order will be shared with Europe and the wider Western world. The UK will continue to face similar risks as the EU. In facing such challenges, it will remain a power able to affect change to a certain degree, but compared to the EU and those within it, more than ever before it would be at the mercy of decisions by other powers.

Sixth, if some areas of the UK voted to stay in, then the EU would become a powerful point of contention in the UK's intergovernmental politics and debates about Britain's future. While Scotland is an obvious concern here, opinion polling shows London to be the other area equally likely to vote to stay in. Scottish separatism could be reinvigorated. Complaints from London – the heart of the British economy – of the rest of the UK undermining its wealth generation would grow stronger, as would calls to limit this.

Seventh, as mentioned earlier, referendums can turn into a vote on a different topic, with a tendency especially towards punishing a Prime Minister or government for economic problems or unpopular decisions. If this were to have happened, then any UK referendum might not necessarily have accurately reflected public opinion about the EU. Calls for further referendums may emerge if a majority backing withdrawal was slim. There may also be calls for a second referendum to approve the withdrawal agreement, which would outline the new relationship the UK was to adopt with the EU, for example through the EEA.

Eighth, while globalisation has caused political anxiety elsewhere in the EU, in Britain it has been Europeanisation. Yet, in some respects, they are two sides to the same coin. Leaving the EU would not stop British businesses having to deal with regulations agreed on at European and international levels. The pressure to remain open to the global economy means immigration is likely to remain a contentious issue as the UK tries to appeal to skilled workers from elsewhere in Europe and further afield such as India and Africa. European and international investment in Britain would mean increased dependence and control from other markets. Leaving the EU would not end the interdependence binding Britain and the rest of Europe together. The idea of sovereignty would remain unclear and contested, the debate having long been a confused one. This is not a debate that can be narrowed to just the relationship with the EU or settled by leaving it.

#### Conclusion

Any analysis of referenda as political instruments quickly highlights their limitations. Any study of the UK's European question shows it is about more than a single in-out question. The UK's relationship is shaped by well-entrenched Euroscepticism and a longstanding failure to challenge this; underlying questions of identity and history; a struggle to adapt to a changing EU; and an uncertainty about Britain's place in the world. Just as with Britain's underlying attitude to the EU, an in-out referendum can be a means to an end, but not an end in itself. The campaign and debate which it can trigger will be welcome and could start to cleanse UK politics of the poison which so often surrounds the issue of Europe. But this must continue once the votes have been counted and whether the result is for Britain to stay in or leave the EU. Failure to do so would allow the poison to return, meaning the referendum would have been nothing more than a placebo.

So can Britain one day be completely reconciled in its relationship with the EU, or are the underlying tensions in history and approach the type of structural obstacles that cannot be changed? These obstacles are considerable but they can be managed, just as they are managed in other EU member states. We should not overlook how the UK is not the only European state to have difficulties in its relations with the EU. Indeed, it can be perfectly in keeping with the politics of the EU that a member state pursues its national interests in a pragmatic way. The key to success here lies in ensuring that the relationship remains more congenial and stable over the longer term. The EU has its part to play in this by maintaining its appeal through solving the Euro crisis, encouraging economic growth and adapting to a changing world. For its part, British politics would need to make more of an effort to counter anti-European rhetoric that so often passes unchecked. It would also be wrong to assume that opting for life outside the EU will make for an easier relationship. It could be just as acrimonious as now, presenting difficulties for both the UK and the EU at a time when international pressures make working together more important than ever before.

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