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Mr Cameron's European dilemma

David Cameron will either have to persuade the Conservatives to accept at best cosmetic changes to the UK's position within the EU or recognise that his "renegotiation" has failed and be forced to recommend Britain pulls out.

That is the acute dilemma facing the Prime Minister set out in a new pamphlet, *Over the Edge*, published today by the Federal Trust – assuming Mr Cameron wins the 2015 general election and holds the promised referendum in 2017.

The report identifies "an increasing sentiment on the part of Britain's partners that it is unreasonable for the United Kingdom to expect that it can dictate new terms for its membership,(membership) freely entered into by the United Kingdom itself."

The report also warns that the UK has now chosen of its own accord to become a spectator rather than participant in the EU's most important decisions.

This is directly contrary to the spirit in which Britain signed the Treaty of Rome in 1972. Then, Britain wished to assure for itself participation in European decisions vitally affecting the UK's future. Present British government policy is, in a sharp reversal, devoted to diminishing such participation.

The report highlights the contrast between a "Eurozone moving under the pressure of events towards greater integration and a British government moving through political choice towards a loosening of integrative ties within the Union."

It accepts that the excellence and effectiveness of British diplomacy managed for many years to reduce the impact on Britain's position within the European Union of its non-participation in the single currency and Schengen and of its ever-lengthening list of opt-outs.

It argues, however, that Britain's partners have observed with "growing unease and irritation" the negative and confrontational development in recent years of the British government's European policy. This development has reduced British prestige and influence within the EU, marking a "definite caesura" in the history of British membership of the Union.

The Trust has also published today a Briefing on regulation in the Single Market, in which it argues that much British criticism of such regulation is misplaced. It stresses the beneficial effects of unified regulation in making possible the Single Market and observes that much current European regulation would need to be retained if Britain left the EU, either in order to ensure British access to the Single Market or because the government would anyway wish to retain most existing European regulation as a matter of national political choice.

If the British or other governments wish to amend individual pieces of regulation scope already exists for such moves by seeking to build coalitions within the EU. The Briefing thus contradicts the widespread argument in British debate that the "regulatory burden" imposed on the UK by "Brussels" is a powerful reason for Britain to leave the EU.

Both these documents are available on the Federal Trust website www.fedtrust.co.uk . For further information, please contact the Director of the Federal Trust **Brendan Donnelly: 07956 379 129.**

Notes for editors:

The Federal Trust is an independent research institute founded in 1945 which studies non-national levels of government and governance.

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