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# **Why the EU Referendum Will Not be the End of the Story**

**Dr Tim Oliver**

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## Summary

The forthcoming referendum on the United Kingdom's continued membership of the European Union will do little to change the UK's uncertain and unhappy relationship with the Union. It will not settle what David Cameron called 'the European Question in British politics.' The issue of Europe in British politics is too multifaceted and shaped by factors that a referendum alone can do little or nothing fundamentally to change. As this pamphlet argues, the referendum is seen too much as an end in itself, rather than one of the means to the end of better managing the issue of Europe in British politics. There is no right question that the issue can be reduced to that can be answered in a way that will resolve it. Therefore whether the result is to remain or leave the EU, the European question will continue to cause tensions for the UK's party politics, constitutional debates, changing identities, political economy and place within a changing Europe and wider world. It will therefore fail to secure adequate public consent for any new UK-EU relationship, will not end Euroscepticism, or stop the pull of the EU and the tensions this provokes in the UK. Whether in 2016 the British people vote to remain or leave the EU, further referendums on UK-European relations are inevitable.

## Introduction

In his much anticipated speech of January 2013 in which he committed a future Conservative government to seeking a renegotiated UK-EU relationship that would then be put to the British public as an in/out referendum, David Cameron told an audience gathered in the basement of Bloomberg's London headquarters that 'it is time to settle this European question in British politics'.<sup>1</sup> 'This European question', as Cameron defined it, was one that had arisen because of a number of factors ranging from Britain's global past through to the EU – and especially the Eurozone's – current challenges. Most of all, a repeated failure to consult the British people about Britain's membership made it urgent that the question be put to them as soon as possible, albeit after he had won a majority and attempted a renegotiated UK-EU relationship. His announcement brought both praise and derision from all sides of the debate.<sup>2</sup> With the Conservative Party's victory at the May 2015 general election, the UK and the EU will soon face the first referendum by a member state on continued membership of the Union since Britain held such a vote shortly after joining in 1975.

The referendum will not settle the European question in British politics. The question cannot be narrowed down to 'Should the United Kingdom remain a member of the European Union or leave the European Union?' As many involved in British politics and the study of it will admit, it is unlikely the campaign and vote will change the UK's uncertain and unhappy relationship with the Union. In some cases it could make it worse. This is not because referendums or other forms of direct democracy are bad ideas. Nor is it because the British people are incapable of grappling with a complex and nuanced issue. It is because many aspects of the question defy the easy and quick resolution a referendum appears to promise. Instead they are issues that can never be settled, only managed. 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 a referendum can be one of the ways in which the question is dealt with, but on its own it will fail. If the referendum is to be an antidote to the poison that Europe has become in British politics then it is going to turn out to be a placebo rather than some cathartic wonder drug.<sup>3</sup>

This pamphlet shows why the referendum will fail by opening up the European question in UK politics to show how wide and multifaceted it is. The question plays

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<sup>1</sup> David Cameron, 'The future of the EU and the UK's relationship with it' London, January 23, 2013.

<sup>2</sup> For a pro-European reaction see Timothy Garton Ash, "A referendum on Europe? Bring it on, for all our sakes," *The Guardian*, December 20, 2012. For a Eurosceptic reaction see, Esther Addley, "Nigel Farage ridicules David Cameron's EU referendum speech" *The Guardian*, January 23, 2013. <http://www.guardian.co.uk/commentisfree/2012/dec/20/referendum-europe-bring-it-on>

<sup>3</sup> See Tim Oliver, 'To be or not to be in Europe: is that the Question?' *International Affairs*, Vol. 91, No. 1, January 2015.

into party politics, especially ideological divisions within the parties and electoral competition between them. It is a question of age-old constitutional matters such as those surrounding sovereignty, the state of democracy in the UK, the power and structure of the Westminster Parliament, the dominance of London, and the place of Scotland and the ongoing tensions of devolution. Such constitutional questions tie into questions about changing identities in the UK, particularly the place of England within the UK. The European question encompasses questions of the UK's political economy, particularly its competitiveness, the power of the City of London and the support given to areas outside the metropolis. Debates about the UK's political economy soon touch on debates about the UK's openness to the world, not least on immigration. That the referendum could become a vote on the contentious issue of immigration demonstrates the easiest way in which the referendum could become a vote on a single, narrow issue where bitterness could be deepened with negative consequences for after the vote. Finally, the European question itself is shaped by factors largely beyond the control of the British Government or British people, mainly by how the rest of the EU itself changes, and Europe's place in a changing world. Whatever the outcome of the vote, the UK will remain attached in some way to a political project whose continued evolution will impinge on the UK, triggering arguments and tensions with Britain over the nature of that relationship. As is discussed at the end, further referendums on European matters are inevitable whether the UK votes to remain or leave the EU.

## Questioning Referendums

Referendums have long had a difficult and uncertain place in UK politics. The first UK-wide referendum was the 1975 vote on continued membership of the then European Economic Community, a reminder of the connection between matters European and direct democracy in the UK. Referendums have since grown to play a greater role in the UK, not least over constitutional matters surrounding devolution of power to regions, local government and schools. Their growth has been part of a growing and welcome debate about the nature of the UK state and the nature of its democracy.<sup>4</sup> It is worth recalling, however, the extensive debate about what referendums can and cannot do, especially in a UK context of one of the most centralised states in the developed world that lacks a codified constitution.<sup>5</sup>

Supporters of referendums point to their ability to confront an issue head-on, bringing about a focused and, potentially, intense period of debate on a topic compared

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<sup>4</sup> See House of Lords, See House of Lords, *Referendums in the United Kingdom*, 12th Report of session 2009-10, HL Paper 9. <http://www.publications.parliament.uk/pa/ld200910/ldselect/ldconst/99/99.pdf>

<sup>5</sup> See also Matt Qvortrup, *A Comparative Study of Referendums: Government by the People* (Manchester: Manchester University Press, 2005); Stephen Tierney, *Constitutional Referendums: The Theory and Practice of Republican Deliberation* (Oxford: OUP, 2014); and House of Lords, 'Referendums in the United Kingdom'.



to the shallower and wider debates found in most elections. In doing so they allow the public a chance to prevent the political elite from exploiting public ignorance of both the issue and opaque decision-making procedures that can allow them to take potentially unpopular decisions. By doing so they can allow sidelined arguments, groups and campaigns voices that are separate to the usual political voices. And by promoting direct involvement in decision-making a referendum can enhance the democracy of a state, ensuring a decision carries a type of support from the public that cannot be easily overturned. As a result decision-makers are forced to accept the issue as settled, allowing them and wider political debate to move on.

Referendums also have many weaknesses. It is important not to forget that a referendum is a political tool, especially when the decision to call them rests with political decision-makers and especially the executive. Their use as a tactical political tool by governing parties, leaders and well-funded interests means they can be abused. Not all groups will be heard, with some sidelined or exposed if the referendum highlights their vulnerabilities. As with any political debate, nuanced points and arguments can be cast aside with the two sides simply juxtaposing opposing statements and meta-narratives. Simplifying issues to yes/no, leave/remain, or other X/Y options can create false dichotomies. Even then the answer given by the public can be about some other issue entirely, not least whether they like the incumbent government or its approach to another issue that catches the headlines in the run-up to the vote. Nor are voters guaranteed to turn out in large numbers. They might support the idea of being offered a vote, but won't necessarily bother when the matter is a technical or remote one, or bad weather puts them off going to the polling station. Finally, taking decision-making powers away from parliaments or governments does not always lead to an enhanced political process. It will still fall to traditional decision-making bodies and individuals to implement the result. This will be difficult given divisions amongst decision-makers will still exist, possibly made worse by their having publicly campaigned on opposing sides. Instead of paving the way to more effective and legitimate government, a referendum can pave the way to yet more division.

Referendums have been used throughout Europe to deal with the question of how a state should relate to matters connected to the EU (with varying results), although the UK is the only member so far to use them as a means of deciding whether to stay.<sup>6</sup> Compared to the UK, most of the referendums held elsewhere in the EU have been called because the relevant state is constitutionally required to do so, for example as a result of a new EU treaty. Most of the other twenty-eight referendums called at the discretion of a government, as opposed to a constitutional requirement or constitutional court, have occurred since the Maastricht Treaty of 1992. Most have been

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<sup>6</sup>Matt Qvortrup, *Referendums on Membership and European Integration 1972–2015*. *The Political Quarterly*, January 2016.

called as a tactic for dealing with domestic tensions surrounding the government of a state. This has been especially so for states with active Eurosceptic movements, the government in question aiming to use a referendum as the means to the end of depoliticising the European issue.<sup>7</sup>

Whether to call a referendum in the UK rests largely with the government of the day. The UK's uncodified constitution makes no specific provisions for when a referendum should be held. Even the Coalition Government's 2011 EU Referendum Act – which requires a referendum to be called when new powers are transferred to the EU – can be repealed by parliament, and its operation depends on the interpretation of Ministers of the Crown.<sup>8</sup> While independent bodies such as the Electoral Commission will advise, it is the incumbent government, and especially the prime minister, who largely controls the context, content and timing of a vote or a promise of one. The Maastricht Treaty is also the point since when UK governments, and especially prime ministers, have been making commitments to holding discretionary referendums. John Major promised one in 1992 on membership of the Euro, something Tony Blair repeated in 1999. Blair then followed this in 2005 with a commitment to a vote on the proposed EU Constitution.<sup>9</sup> The 2010-2015 Coalition Government's EU Referendum Act was the result of referendum promises by the Conservatives and Liberal Democrats while in opposition. Each call has been at the discretion of the government, and – as Cameron himself argued – each has failed to materialize, arguably leaving the British people with a sense that such promises are never delivered on. Crucially, however, each of these calls was not simply the result of some principled unease by the government or prime minister of the day at failing to consult the British people, more a reflection of tensions within the governing party or parties.

## The European Question in Party Politics

The forthcoming referendum has inevitably drawn comparisons with Britain's 1975 referendum on whether to remain a member of the then European Economic Community.<sup>10</sup> It looks likely that history will repeat itself, with the forthcoming referendum, like that of 1975, failing to deliver the hoped for settlement to Britain's European question. Harold Wilson's 1975 referendum was called following a renegotiation of the UK's membership and, most importantly, as a way of managing deep divisions over Europe within the Labour party. With ministers freed of collective cabinet responsibility, the referendum did allow Wilson's government to continue. But in

<sup>7</sup> Kai Oppermann, 'The politics of discretionary government commitments to European integration referendums', *Journal of European Public Policy* 20: 5, 2013, pp. 684-701.

<sup>8</sup> House of Commons Library, *European Union Bill Research Paper 10/79*, December 2010, pp. 20-21

<sup>9</sup> For a history of the many calls for referendums in the UK see BBC News, 'Timeline: Campaigns for a European Union Referendum' October 25, 2011. <http://www.bbc.co.uk/news/uk-politics-15390884>

<sup>10</sup> Andrew Glencross, A. 'Looking Back to look Forward: 40 Years of Referendum Debate in Britain'. *Political Insight*, 6, 2015, pp 25-27.

doing so it exposed divisions and merely delayed a split. By the early 1980s Labour had split, was campaigning to withdraw from the EU, and Eurosceptic feelings amongst the public were reaching new heights.<sup>11</sup> The failure by Wilson to secure a substantial renegotiation of UK terms of membership, not least over budgetary matters, meant a renegotiation was only achieved in the 1980s (some would say in an abrasive way) by Mrs. Thatcher.

Cameron risks repeating the mistakes of Harold Wilson, not least in managing the Conservative Party. His 2013 commitment was widely interpreted as being about internal party management and dealing with the rise of UKIP and not simply about some principled desire to either give the British people a say or push through reform of the wider EU.<sup>12</sup> His commitment was intended to deal with anger within an increasingly Eurosceptic Conservative Party at his failure to provide a referendum on the Lisbon Treaty, his being in coalition with the pro-European Liberal Democrats, and a growth in support for UKIP. It was quickly apparent that Cameron's plan had failed to work. Not only did Eurosceptic backbench Conservatives continue to push him on the issue of an in/out referendum. It also failed to deal with the rise of UKIP who, while only electing a single MP, secured 12.7 per cent of the national vote in the 2015 UK general election.<sup>13</sup> Even if against all the odds and political speculation, Cameron won the election and was able to form a majority government, it has not stopped his Eurosceptic critics. This is because Conservative tensions over Europe long pre-date Cameron, the Lisbon Treaty and UKIP. The tensions will also be alive long after the referendum and after Cameron has left 10 Downing Street.

Europe has been a divisive issue within the Conservative Party for as long as Europe has been a topic of political debate in UK politics. The Conservatives might have been the party that took the UK into the then EEC in 1972, with some in the party hoping Europe's common market could help rebuild a British economy that was fast becoming the sick man of Europe. But even then dissent was to be found. While elsewhere in Europe in the 1980s the Single Market played a significant part in deregulation and liberalisation, in the UK the political right never connected these changes with Europe because they were seen rather to be part of an Anglo-American project encapsulated in the relationship of Margaret Thatcher and US President Ronald Reagan. Dissent and scepticism came to the fore following the downfall of Mrs. Thatcher, the Maastricht Treaty, and the UK's 1992 exit from the European Exchange Rate Mechanism. Successive Conservative leaders have tried to manage the issue, with William Hague once describing it as a 'ticking time bomb' within the party.<sup>14</sup>

<sup>11</sup> See Mori European Union membership trends: <https://www.ipsos-mori.com/researchpublications/researcharchive/2435/European-Union-membership-trends.aspx>

<sup>12</sup> Chris Bickerton, 'Britain's non-debate on Europe' *Wall Street Journal*, 14 September 2015.

<sup>13</sup> House of Commons Library, *General Election 2015*, Briefing Paper CBP7186, July 2015.

<sup>14</sup> Tim Montgomerie, 'The bomb in the living room,' *The Spectator*, December 10, 2011.

The referendum will not defuse the bomb. Euroscepticism has become a deeply embedded part of Conservative activism and thinking. Cameron's decision to abandon collective cabinet responsibility makes it likely there will be a repeat of 1975 when Labour ministers campaigned against each other, only afterwards to have to accept the result and try to govern as a united party.<sup>15</sup> That they did not in the 1970s, despite the government comfortably winning the vote, does not bode well. Even if the UK were to vote to withdraw the party would remain divided. Cameron's successor as prime minister and Conservative leader would more than likely come from the victorious Eurosceptic side of the party. They, and the party, would then run into the problems outlined below of the continuing pull of the EU. Conservative Eurosceptics will be unforgiving of any attempts to build a new relationship with the EU that in their opinion sacrificed their hard fight to reclaim British sovereignty. The EU will continue to be used as an 'other' against which some in the Conservative Party will define themselves, especially so when EU decisions and influence are seen to impinge on ideas of British sovereignty.

It is not just the Conservative Party that struggles with the issue of Europe and for whom the referendum is unlikely to bring much solace. Labour has long had a degree of unease about Britain's part in the European project. Such has been the unease that the party remains the only large UK party to have split over the issue, with the breakaway Social Democratic Party breaking away in part because of differing opinions over the UK-EU relationship. Labour also fought a general election campaign (1983) on a commitment to withdraw from the then EEC, something none of the other large mainstream parties has ever done.

Labour's move towards a pro-European position was the product of the EU's own move into social matters to balance the free-market side of the Single Market, a modernising of the party by MPs from the right of the party, and the political opportunities that opened up thanks to Conservative divisions over Europe. However, unease remained with Blair's own pro-Europeanism checked by Gordon Brown's lesser enthusiasm. Blair's willingness to exploit Conservative divisions, while playing down his own attitude to the EU, led Brendan Donnelly to describe him as the 'anti-anti-European'.<sup>16</sup> His decision to back the USA over the Iraq War left him at odds with the European-leaning attitude of some of his colleagues, not least his former foreign secretary Robin Cook who served as president of the Party of European Socialists. New Labour's political move into the centre ground of UK politics, its leadership style and the lifestyles of its elite also moved it away from areas of traditional Labour voters, voters who were now vulnerable to other parties, including UKIP. Things were no easier for Brown when he became prime minister, or for his successor Ed Miliband. Both struggled with the issue of Europe, both recognising that failing to commit to a referendum – on the EU Constitution or continued mem-

<sup>15</sup> Alun WYburn-Powell, 'Cameron faces similar internal divisions as Harold Wilson over Europe' *LSE British Politics and Policy blog*, 19 June 2015.

<sup>16</sup> Brendan Donnelly, 'The Euro and British Politics', *European Policy Brief*, Issue 15, September 2005, p2.

bership of the EU – risked playing into the hands of the Conservatives and UKIP. At the same time Labour has felt growing internal unease, long present, at the UK's involvement in an EU where the austerity of the Eurozone has been seen to bring misery and economic pain to countries such as Greece.<sup>17</sup> Jeremy Corbyn's election as Labour leader brought with it a leader whose ambivalence over the matter of EU membership reflects to some extent this degree of unease within the wider party.<sup>18</sup> At the same time, it should be recalled that Corbyn's own unease does not necessarily completely align with unease felt amongst many traditional Labour voters, for whom immigration has become the major issue of the European debate. The referendum will not settle this tension. The political economy of the Eurozone, along with the enforcement of EU rules banning the idea of 'British jobs for British workers', spells ongoing unease within some parts of Labour at Britain's participation in the European project. Nor, as discussed further below, will it settle the issue of immigration, an issue on which Labour has struggled to align its leadership's views with those of some of its traditional voters.

Nor will other parties find the referendum settles their own internal tensions over Europe. Despite a commitment to European integration that stretches back to the 1950s, the Liberal Democrats have held seats in largely Eurosceptic areas such as the Celtic fringe, and faced divisions and resignations over whether to hold referendums on EU matters. This reached a head over the Lisbon Treaty, when Nick Clegg lost several frontbench spokesmen who disagreed with his backing the Labour government's decision not to offer a referendum on the treaty. The party's decision to instead commit itself to an in/out referendum over any future transfer of power meant it became the first of the then three main parties to make such a commitment.<sup>19</sup>

Nationalist parties have also struggled with the issue of Europe, with the Scottish Nationalists changing their initial opposition to the EU to one that today embraces the idea of EU membership being an integral part of Scottish independence. This has not, however, stopped them, like other parties such as Welsh Nationalists, being uneasy at the idea of joining the Euro or Schengen, or abandoning the UK's rebate and JHA opt-outs.<sup>20</sup> While the SNP lacks the Euroscepticism that pushes for withdrawal, and their leadership does not shy away from making pro-European statements, they nevertheless face limits and tensions over the future of UK-EU or Scottish-EU relations.<sup>21</sup>

A party that could gain considerably from a referendum is UKIP, although even it faces difficulties that the vote will highlight. The party calls for some form of free

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<sup>17</sup> Owen Jones, 'The left must put Britain's EU withdrawal on the agenda' *The Guardian*, 14 July 2015.

<sup>18</sup> 'Labour Eurosceptics accuse Corbyn of reversing his position on EU referendum' *The Guardian*, 20 January 2016.

<sup>19</sup> George Eaton, 'When Clegg supported an EU referendum,' *New Statesman*, October 22, 2011.

<sup>20</sup> Daniel Kenealy, 'Scottish Government's Proposals for an Independent Scotland: Membership of the EU. Briefing Paper from the Adviser', 23 January 2014. [http://www.scottish.parliament.uk/S4\\_EuropeanandExternalRelationsCommittee/Inquiries/Briefing\\_from\\_the\\_Adviser\\_Final\\_Edit\\_DK\\_formatted.pdf](http://www.scottish.parliament.uk/S4_EuropeanandExternalRelationsCommittee/Inquiries/Briefing_from_the_Adviser_Final_Edit_DK_formatted.pdf)

<sup>21</sup> Kirsty Hughes, 'Out-Out? Don't assume Scotland would want to stay in the EU if the UK votes to leave' *LSE Brexit Vote Blog*, 15 December 2015.

trade deal with the EU to follow an exit vote, but this is not a policy set out in great detail. Nor is the party united on whether the key issue is democracy, sovereignty, immigration or economics or what balance to show for each. As this pamphlet makes clear, British Euroscepticism and the difficulties posed by the European question are the product of a range of factors. UKIP has been one of the main beneficiaries of these difficulties.<sup>22</sup> A vote to stay in the EU is therefore not guaranteed to kill off UKIP, or Euroscepticism more broadly. To what extent it can rely on the difficulties in the European question to maintain itself as a coherent party remains open to question. With leadership that can often be dysfunctional and overly dependent on Nigel Farage, the party has not advanced merely as a result of its own abilities but as a result of the failure of other parties to appeal to the British people on a range of issues and not just that of EU membership.

## Europe in the UK's Constitutional Debates

The referendum has already highlighted several strains in Britain's constitutional setup and promises to expose further such strains such as over the nature of UK democracy, the operation of Parliament, the place of the courts, and the role of devolved governments. However, these are unlikely to receive adequate attention because the constitutional debate in UK-EU relations is almost always reduced to questions surrounding 'sovereignty'.

Britain's relations with the EU have been difficult in no small part because of the contrast of the majoritarian Westminster model with the more consensus style systems that exist across much of Europe and which have defined much of the EU since its creation. The UK's centralised system, especially for England, with all power at Westminster is underpinned by the idea of 'Parliamentary Sovereignty': that Parliament is sovereign and obeys no other power. Not only has this been in question since the UK joined the EU in 1973, and so accepted that EU law takes precedence over UK law.<sup>23</sup> It has also been thrown into question within the UK thanks to the creation of devolved legislatures and executives in Scotland, Wales, Northern Ireland and to a lesser extent in Greater London (with the promise of further such devolution settlements to places such as Manchester and Cornwall). In theory Westminster can abolish all of these bodies. Political reality tells us otherwise.

Despite this, the focus of much discussion in Westminster has been on whether the UK can, or should, reclaim powers from Brussels and so 'reclaim sovereignty'. This is an easier debate than that of how to manage tensions within the UK where devolution lacks any strategy. The 2010-2015 Coalition Government's 'Review

<sup>22</sup> See Matthew Goodwin and Caitlin Milazzo, *UKIP: Inside the campaign to redraw the map of British politics*. Oxford: Oxford University Press, 2015.

<sup>23</sup> House of Commons Library, *Parliamentary Sovereignty and EU Renegotiation*, House of Commons Library Debate Pack, CDP-0033, February 2016.

of the Balance of Competences' took a look at the balance of competences – or powers – between the UK and EU with a view to advising on whether powers were located in a way that best served UK interests.<sup>24</sup> It was the most detailed ever such study undertaken by any member state of the EU. There seems little prospect of any such review or Constitutional Convention to examine whether the UK has an optimal distribution of powers between Westminster, devolved regions, cities and local government.<sup>25</sup> Whether the UK stays or leaves the EU, devolved centres of power will push for involvement in the working relationships the UK has with Brussels. There is already a growing push for devolved governments to be granted a larger role in UK representation in EU forums where decisions are made that affect them.<sup>26</sup> Growing demands can be expected for any new UK-EU relationship whether in or outside the Union, with the potential that governments in places such as Edinburgh or London's City Hall will undertake their own paradiplomacy to secure their regional interests. A potential constitutional crisis awaits any referendum result where the Scots or other areas of the UK such as London vote to stay in the EU while the rest of the UK, especially England, vote to leave.<sup>27</sup> A potentially more serious and bloody constitutional crisis could awake in Northern Ireland. The Irish Government has repeatedly warned that a Brexit could badly damage Anglo-Irish relations and, should a sealed border be required for immigration purposes, break the Northern Ireland peace process.<sup>28</sup>

Added to this is a creaking electoral system for the House of Commons, one that miserably fails to translate votes into representation.<sup>29</sup> It has meant that Eurosceptic voices from outside the mainstream parties are rarely heard in Westminster. As we discuss below, a failure to hear these voices and address grievances about the unfair distribution of powers within the UK has fed into support for Euroscepticism and is unlikely to disappear thanks to a referendum. Even when the UK has resorted to more proportional electoral systems the system can leave much to be desired. The closed list system used to elect MEPs provides the parties with a degree of power that has weakened the connection between MEPs and their constituents.

To those who study Parliament and the idea of parliamentary sovereignty, the idea of reasserting parliament's sovereignty via a referendum also raises an awkward aspect of the UK's European question. In theory, parliamentary sovereignty means Westminster is not bound by the outcome of a referendum. Control of a majority in the House of Commons delivers a degree of political and legislative power found

<sup>24</sup> For the full list of reports from the HM Government's Review of the Balance of Competences visit: <https://www.gov.uk/guidance/review-of-the-balance-of-competences>. Also see Michael Emerson (Ed.) *Britain's Future in Europe*, CEPS, 2015.

<sup>25</sup> Tim Oliver, 'It's time for a balance of competences review of the UK' *British Politics and Policy blog*, 2 October 2014; Timothy Garton-Ash, 'Let's not fear the F-word or the C-word: we should move to a federal Britain in a confederal Europe', *The Guardian*, 21 September 2014.

<sup>26</sup> David Williamson, 'Devolved governments must be at the heart of David Cameron's EU negotiations, peers demands as they warn of "recipe for confusion"' *WalesOnline*, 29 July 2015.

<sup>27</sup> Severin Carrell, 'EU Referendum: English votes to leave could be offset by rest of UK' *The Guardian*, 2 December 2015.

<sup>28</sup> *Britain and Europe: The Endgame – a Postscript*, The Institute of International and Economic Affairs, 2016.

<sup>29</sup> Tim Oliver, 'The First Past the Post Electoral System is Breaking Up the UK' *Democratic Audit*, 6 May 2015; Jess Garland and Chris Terry, *The 2015 General Election: A voting system in crisis*. The Electoral Reform Society, 2015.

in few other places in the democratic world. The referendum will do little to change the executive's largely unchecked powers, especially in foreign affairs. Successive British governments have been able to cede powers to the EU, and engage in diplomatic discussions in Brussels, largely thanks to a lack of adequate parliamentary oversight. Reforms of such powers as the royal prerogatives, which give the executive a range of often-unchecked powers in foreign affairs, has long been discussed, but have never amounted to much. This is not to argue that Parliament has not been an active participant in European and foreign affairs. Its committees – especially those in the House of Lords – have undertaken detailed assessments of the UK-EU relationship. Votes such as that in 2013 over military action in Syria, and the fight that various prime ministers have had to get EU treaties through Parliament show it is not a passive body. However, as an obstacle and check it can too often be swept aside. A vote to reassert parliamentary sovereignty would do little to change the ability of governments to behave arbitrarily unless accompanied by wider reforms to bind the powers of both the executive and parliament, for example through a written constitution and greater role for the Supreme Court.

Courts themselves have not been immune to arguments about the place of Europe in UK politics. Euroscepticism has been boosted by unease at the increasing role of the courts in UK politics, something often attributed to the incorporation of the European Convention of Human Rights into British Law through the Human Rights Act 1999. Stories of UK and European judges interfering in the political process have led to calls for the UK to withdraw from the ECHR.<sup>30</sup> This is despite the document being in large part the product of British efforts in the 1950s.<sup>31</sup> Calls for withdrawal often ignore that UK membership of the two organisations is separate, although there are some links. Withdrawing from the EU would not terminate the ECHR's applicability in the UK. Replacing it with a 'British Bill of Rights' is unlikely to end the alleged political role of judges that has developed, or of a growing tendency towards litigation and a culture in which British citizens have increasingly resorted to the courts to assert their rights.

## A Question of Identities

When in 2013 he announced the Conservative Party's commitment to an in/out referendum on UK membership, David Cameron made clear that, 'ours is not just an island story – it is also a continental story.' It is debatable whether this is something the British public, media and political elite entirely would agree with him on. Despite the strong links in demography, royalty, language, economics, culture, security, political identity and far more, the British can overlook how European they are. The English Channel has been both a physical and mental barrier. As pro-European

<sup>30</sup> Nicholas Watt, 'Cameron refuses to rule out leaving European convention on human rights,' *The Guardian*, 3 June 2015.

<sup>31</sup> Jesse Norman and Peter Osborne, *Churchill's Legacy: the Conservative case for the Human Rights Act*. Liberty, 2009.



Timothy Garton-Ash once asked, 'Is Britain European?' His own conclusion was an uncertain one.<sup>32</sup> Part of the problem is that Europe is too often seen as something Britain hitches itself to or can separate itself from. As Jeremy Paxman described it: 'England remains the only European country in which apparently intellectual people can use expressions like "joining Europe was a mistake" or "we should leave Europe" as if the place can be hitched to the back of a car like a holiday caravan.'<sup>33</sup> Europe has been central to British – and not just English – identity, and the referendum will do little to settle this strained historical view of the relationship. If anything the referendum could worsen the sense of separation by exacerbating some of the UK's own internal identity problems.

Britain's identity has been shaped by a history of empire, global power and a narrative that separation from the rest of Europe has served Britain well whether when facing Nazi Germany or the Spanish Armada. Mrs. Thatcher went so far as to argue in 1999 that, 'In my lifetime all our problems have come from mainland Europe and all the solutions have come from the English-speaking nations across the world.'<sup>34</sup> The age of empire, when Britain had the choice to adopt a position of splendid isolation from the continent, lurks in the background as a lingering desire to turn away from Europe in some way. This has been reinforced by recent developments such as the Eurozone and immigration crises. Turning towards and then joining the then EEC was experienced by many as an abdication of a wider global role as a result of post-war decline, something Britain had to resign itself to rather than embrace. Present throughout the UK's 40 years of involvement in European integration has therefore been a hope the UK would eventually come to terms with this change. But having long avoided invasion, occupation, catastrophic defeat or revolution – especially in Europe's bloody twentieth century – Britain has not faced any critical juncture in its history that forced a re-evaluation of its identity, especially in relation to Europe. Any re-evaluation has been slow and incremental. A referendum could play a part in this, but given that such a debate has been present for most of the post-war era we should not expect it suddenly to prompt the British political elite and public to deconstruct and reconstruct the givens of Britain's national identity.

This is not to argue all of the UK has the same identity or uniform Eurosceptic views of the EU. The UK contains a wealth of identities whether they are Scottish, English, Londoner or Cestrian. With the idea of the UK as a unitary state now in question, it might be better thought of as a union of states.<sup>35</sup> The European question is not asked in the same way in those states, or their various parts. Polling has shown that Euroscepticism is not as prevalent in Scotland as it is in some other areas of the UK, with the SNP seeing membership of the EU as a core part of its hopes for Scottish independence and UKIP having traditionally performed poorly in Scotland.

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<sup>32</sup> Tim Garton-Ash, 'Is Britain European?' *International Affairs*, Vol. 77, No. 1, January 2001.

<sup>33</sup> Jeremy Paxman, *The English: A portrait of a people*. Penguin, 1998.

<sup>34</sup> 'Thatcher pleads Pinochet's case' *BBC News*, 6 October 1999. [http://news.bbc.co.uk/1/hi/uk\\_politics/467114.stm](http://news.bbc.co.uk/1/hi/uk_politics/467114.stm)

<sup>35</sup> James Mitchell, *From unitary state to union state: Labour's changing view of the United Kingdom and its implications*. *Regional Studies*, Vol. 30, No. 6, 1996.

Londoners too tend to be less negative in their views of the EU, with the metropolis's mix of English, British, European and international identities being a core part of both how it views itself in the UK and sells itself as a global city.<sup>36</sup> This is not to argue Euroscepticism is not found in these areas. Arguments that Euroscepticism is and always has been about England run into problems when we look back to the 1975 referendum to find that it was the English that were most enthusiastic for membership (68.7% supporting membership), while the Welsh (64.8%), Scottish (58.4%), and Northern Irish (52.1%) were less supportive.<sup>37</sup> As noted above, even the SNP's commitments to the EU have limits. Nevertheless, the EU has played a powerful background role in facilitating regional identity and agendas pushing for devolution and separation.

One area where the EU has and will continue to play a powerful background role has been in the emergence of English identity. How England, which constitutes 85% of the UK's population, fits within the UK both constitutionally and in terms of identity has been a growing problem for the UK's political elite.<sup>38</sup> Debates about an English Parliament, devolution to English regions or 'England only' votes in the House of Commons have failed to resolve the matter. If anything, these debates have been lacklustre because they are conducted by an elite that retains a strong link to being British and which feels very uncertain over facing the issue of English nationalism. This is not sustainable in the face of a growing debate within large areas of England over its identity and constitutional place. This is especially so in the face of the growing assertion of identities such as Scottish, Welsh, and the international identity of London which because of its size and status as a global city is the UK's undiscovered country.<sup>39</sup> London has become a universal other of British politics against which many in the UK define themselves in some way. Europe enters into this because there is a strong link between somebody who identifies themselves as English and their likelihood to hold Eurosceptic opinions.<sup>40</sup> Growing unease amongst the English at England's place in the UK and place in the EU go hand in hand. The referendum could accentuate a sense of difference, especially if areas such as Scotland or London vote to remain while large areas of England vote to leave.<sup>41</sup>

It is in some areas of England that we find one of the most fraught aspects of the European question: immigration. While the place of immigration in the UK's Europe debate can be overplayed, it has helped drive support for UKIP and could drive an exit vote should the referendum become about the ongoing immigration crisis across the EU. But this is not something that has emerged recently. The large numbers of

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<sup>36</sup> Tim Oliver, 'Londoners are not Little Englanders' *British Politics and Policy blog*, 17 March 2014. <http://blogs.lse.ac.uk/politicsandpolicy/londoners-are-not-little-englanders/>

<sup>37</sup> See Mark Baimbridge, *The 1975 referendum on Europe: Vol. 1*, Imprint-academic, 2007, appendix 4.

<sup>38</sup> Richard Wyn Jones et al. *England and its two unions: The anatomy of a nation and its discontents*. IPPR, 2013.

<sup>39</sup> Tim Oliver, 'The UK needs a devolved government for London' *Democratic Audit*, 22 January 2016. <http://www.democraticaudit.com/?p=19057>

<sup>40</sup> Ben Wellings, *English nationalism and Euroscepticism*, Peter Lang, 2012.

<sup>41</sup> Severin Carrell, 'EU Referendum: English votes to leave could be offset by rest of UK' *The Guardian*, 2 December 2015.

Eastern Europeans who moved to the UK after EU enlargement in 2004 represented one of the largest episodes of immigration in a short timeframe ever recorded in the UK. Some areas of England experienced higher levels of new arrivals than they had witnessed in living memory. Immigrants have been an easy target in an England with one of the highest population densities in the developed world and public services such as housing and transport that have long suffered inadequate investment.<sup>42</sup> London might have been the preferred destination for many new arrivals from elsewhere in the EU. But as a metropolis long accustomed to immigration – and one where a traditional white working class has been in decline – the issue does not register as much as it does elsewhere, even if the impact of immigration on London has not gone wholly unnoticed.<sup>43</sup> Indeed, London's recent success and growth has been fuelled by immigration from Europe and around the world. Despite his own professed Euroscepticism, London's Mayor Boris Johnson has been regularly attacked by some Eurosceptics for his support for the UK's, and especially London's, remaining open to immigration.<sup>44</sup>

The referendum will do nothing to settle the matter of immigration in UK politics. A vote to remain in the EU will soon see Eurosceptic support refuelled by concerns over the pressures from a growing population that, should current projections hold, will make the UK the most populous EU member state by mid-century (with England's population on some projections likely to match that of a much reduced Germany). As we discuss further below, the UK has based a large part of its economic model on being an economy that is open to not just Europe but also the world. That has included being open to people, whether as students or workers. Efforts by the Conservative Party since 2010 to limit immigration have repeatedly failed to bring it down to levels promised. This is not only because of immigration from within the EU. Immigration from outside the EU has continued to grow, in no small part because the UK has been growing economically.<sup>45</sup> This is to say nothing of the large number of Britons who travel abroad, the UK being one of the world's largest people exporters and the British diaspora being one of the world's largest.<sup>46</sup> The UK's responsibilities towards these people would become a political issue should other countries tighten their restrictions on immigration from the UK. None of this is entirely new. The current immigration debate fits a long-running debate in the UK about how to manage immigration, with debates in the 1950s and 60s focusing on immigration from the non-white parts of the empire and fuelling debates that reached a head with Enoch Powell's 'Rivers of Blood' speech. Whatever the outcome of the referendum vote, the debate will remain a fraught one.

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<sup>42</sup> According to the UK's Office for National Statistics, England's population density in 2014 was 413 per square km (see <http://www.ons.gov.uk/ons/guide-method/compendiums/compendium-of-uk-statistics/population-and-migration/index.html>). According to data from Eurostat (<http://ec.europa.eu/eurostat/tgm/table.do?tab=table&init=1&language=en&code=t-ps0003&plugin=1>) a figure of 413 per square km would place England third in the EU after the Netherlands and Malta.

<sup>43</sup> Ben Judah, *This is London: Life and Death in the World City*. Picador, 2016.

<sup>44</sup> Gerri Peev and Jack Doyle, 'Let long-term illegals stay in UK, says Boris: London mayor believes immigrants who have been here more than 12 years should be granted amnesty,' *Daily Mail*, 8 October 2015.

<sup>45</sup> Alexandra Topping, 'Government "aware from the start" that immigration target unattainable', *The Guardian*, 27 November 2014.

<sup>46</sup> Catherine Drew and Danny Sriskandarajah, *Brits Abroad: mapping the scale and nature of British emigration*. IPPR, 2006

## Projected populations 2010 and 2060<sup>47</sup>

2010	2060
Germany – 81.7 million	UK – 78.9 million
France – 64.7 million	France – 73.7 million
UK – 62 million	Germany – 66.4 million
Italy – 60.3 million	Italy – 64.9 million
Spain – 45.9 million	Spain – 52.2 million
EU – 501 million	EU – 516.9 million

## Political Economy Questions

Too often the British debate about Europe has focussed on the trading benefits of membership and the opportunities and frustrations of the EU's Single Market. The referendum debate promises heated exchanges about these issues, especially given that David Cameron has worked to ensure that the UK's renegotiation includes a commitment by the EU to working to increase its competitiveness. This promises at best a rather facile debate about the complex political economy of UK-EU relations. The European question is deeply intertwined with debates about the merits of European versus Anglo-Saxon economic models, about continued access to a changing Single Market, the power of the Eurozone and the power in the UK of the financial sector and the City of London, about shifting trading patterns both inside and outside the EU, about national, European and international regulatory systems, and the role of social and welfare provision to balance the free market.

The referendum will see long-running arguments that the EU is a protectionist, interventionist model contrasted with a supposed Anglo-Saxon – connected closely to the USA – pole of liberal, free-market deregulation. The changes brought about by Thatcherism were rarely if ever seen in the UK, and especially within the Conservative Party, as part of wider changes happening across Europe. This debate can be a false dichotomy, not least because no single model prevails within the EU. The UK itself has indeed been accused by some continental critics of successfully pursuing a 'Britishisation' of the EU, this being one of the reasons given for the 2005 French rejection of the Lisbon Treaty.<sup>48</sup> Germany's recent pursuit of austerity within the Eurozone and emphasis on the EU being open to trade, not least for German goods, casts doubts on the idea of the EU as some inherently protectionist, inward looking bloc. Nevertheless, the UK has persistently pursued a policy of seeking an open European market, with the Single Market trumpeted as a British idea and success.

<sup>47</sup> Eurostat, *Population projections 2010-2060* (8 June 2011), available: [http://europa.eu/rapid/pressrelease\\_STAF11-80\\_en.htm](http://europa.eu/rapid/pressrelease_STAF11-80_en.htm)

<sup>48</sup> "A Less 'Anglo-Saxon' EU: Sarkozy Scraps Competition Clause from New Treaty", *Spiegel Online*, 22 June 2007

Access to the Single Market remains a concern even for some Eurosceptics, albeit one where the free movement of goods, capital and services is more often sought than the free movement of people. The power of the Single Market, its allure (even if as a customs union its benefits are exaggerated, as some Eurosceptics argue) and place in the UK's debate will remain unsettled by the outcome of the referendum. As we discuss in more detail below, an uncertain relationship with the Single Market is guaranteed whichever way the vote goes because the UK's relationship with the Single Market and its evolution will depend largely on how the rest of the EU reacts and develops. Into this we must factor long-running attempts by the UK to push for the completion of the Single Market, especially in the areas of free movement of services and capital. Expansion of both offer many opportunities for a UK economy heavily dependent on services and finance, but neither will be easy to secure.<sup>49</sup> The problem for the UK is that securing them will be difficult enough inside the EU, let alone trying to do so from the outside.

The most important economic changes to the EU will take place within the Eurozone. While most debate about Cameron's renegotiation has focused on the issue of immigration, it is the UK's attempt to have a larger say over the place of the Eurozone in the EU that is the defining issue for the long-run structure of UK-EU relations. The UK finds itself in something of a quandary. On the one hand the current government has been clear that it supports integration within the Eurozone in order to strengthen the currency union.<sup>50</sup> This, however, will require more political union, with the Eurozone as the core of the EU. A fear of Eurozone caucusing, especially against the City of London, overshadows any such moves.<sup>51</sup> Outside the EU, however, the UK may find it faces not only a Eurozone caucus but also the whole EU caucusing against the UK. While London's success as a global financial centre is not based wholly on access to the EU, it is a major factor behind its success. That link, if broken, would not only hurt London but have a negative impact across the UK economy.<sup>52</sup> Protecting and nurturing London will remain a priority for UK government, much to the frustration of other areas of the UK.

Britain could look elsewhere, such as to emerging markets, traditional and long-standing links such as with the USA, and to international regulatory and economic bodies. Developing such relations would take time and require skills the UK has largely lost. They would also depend largely on what new relationship the UK seeks with the EU, and how in turn this shapes trading arrangements such as those being sought through Transatlantic Trade and Investment Partnership (TTIP). That Eurosceptics struggle to agree over which new UK-EU relationship to seek outside

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<sup>49</sup> *The Economic Consequences for the UK and the EU of Completing the Single Market*, BIS Economic Paper No. 11, Department for Business, Innovation and Skills, February 2011.

<sup>50</sup> Rebecca Seales, 'Osborne urges closer Eurozone integration' *The Sunday Times*, 13 November 2011.

<sup>51</sup> John Springford, 'Will the Eurozone gang up on Britain?' *CER Insight*, 14 July 2014. <http://www.cer.org.uk/insights/will-eurozone-gang-britain>

<sup>52</sup> John Springford and Philip Whyte, *The consequences of Brexit for the City of London*. CER, May 2014.

the EU, let alone whether any such proposal is plausible, highlights how uncertain the outcome of any deal is. To be fair, as we explore further below, the campaign to remain in the EU also lacks clarity about the future of UK-EU relations inside the EU because of a changing Union. A factor that will accentuate these debates will be the changing patterns of the UK's trade. The shift to a largely European trading relationship in the post-war era still carries emotional scars thanks to the links with countries such as New Zealand that were then reshaped. Now, however, a slowly declining trading relationship with the rest of the EU – something others in the EU are also experiencing – raises questions about not only the UK's place in the EU, but the EU's wider unity in the world and internally.<sup>53</sup>

The allure of emerging markets in the UK's debate is boosted by a debate that focuses on the supposed limits and obstacles the EU places on the UK. Arguments that small and medium sized enterprises (SMEs) are constrained and face a heavy burden of regulations by the EU mix with concerns from trade unions and the left that a Brexit will expose the UK to a libertarian style deregulatory, open-market approach. At the same time the UK is already amongst the most deregulated and open economies in the world, and some on the left believe a Brexit can free the UK of an EU that they have long viewed as a capitalist, free-market enterprise that has helped bring about such a political setup.<sup>54</sup> Heightened expectations that a Brexit will liberate the UK economy or protect it from the free-market are both destined to be disappointed.

## A European and Globalised Question

Britain's European question is not only shaped by myriad domestic factors but also by how Europe and the wider international system are changing. Britain's relationship with the EU has long formed one of the foundations on which it has sought to shape the wider world and uphold its claim to being a global or major power. Europe more broadly formed one of Churchill's three overlapping circles – the other two being the Empire/Commonwealth and relations with the English-speaking world (i.e. the USA) – at the centre of which sat the UK. The referendum will not change Britain's long-standing uncertainty about whether to prioritise relations with the USA or Europe (the Commonwealth, while still part of the debate, is no longer on a par with these two relationships). The choice is often presented in a shallow way that creates a false dichotomy, with lazy assumptions that the UK has moved between them when both remain important to the UK with any movement being largely in small areas that do not change the underlying links. The relationship with

<sup>53</sup> Hans Kundnani, *How economic dependence could undermine Europe's foreign policy coherence*. GMF Policy Brief, January 2016.

<sup>54</sup> For an analysis of how regulated the UK economy is see Philip Whyte, *Do the UK's European ties damage its prosperity?* CER, April 2015. For a Eurosceptic view from the Labour party see Kelvin Hopkins MP, *The European Union: A View from the Left*, Labour Euro-Safeguards campaign, January 2015.

the USA can often appear to depend on the close personal links between prime ministers and presidents. This perception ignores the important fact that the core of any US-UK 'special relationship' is to be found in continuing cooperation on nuclear weapons, intelligence gathering, and special forces. Beyond this links in trade, culture and society remain strong and continue to grow. The relationship has withstood the breaking points of Suez, Vietnam, the failures of the Iraq War and, more recently, the 2013 vote of the British Parliament not to commit to military action in Syria.<sup>55</sup> As the UK's 2008 national security strategy spelt out, 'The partnership with the United States is our most important bilateral relationship'.<sup>56</sup> But note the word 'bilateral'. The UK does not have a bilateral relationship with the EU as it is a member of it, instead having a multilateral relationship, which in economics, laws, politics and non-traditional security areas is collectively larger than that which it has with the USA. The collective size of these two economic relationships for the UK means that whether the UK is in or outside the EU, the relative merits to be accorded to each relationship will remain a source of never-ending debate.

The future of the transatlantic relationship (especially of NATO), along with debates about foreign and security cooperation with European allies will also remain unresolved by any referendum result. Britain's commitment to the USA, for example over the Iraq War, can be misunderstood elsewhere in the EU (and the UK itself) as being purely about a desire to shape US policy and so make-up for Britain's declined status and power. But the "special relationship" also reflects a British willingness to show loyalty to Washington D.C. so as to maintain the USA's post-1945 security commitment to Europe.<sup>57</sup> This has never been without difficulties and the future looks set to test this even further. The UK's strained defence commitments mean that it will continue to struggle to display the level of military capabilities it feels it needs to show loyalty to the USA. Pressure for those defence commitments to be focused in and around Europe, an act that would help relieve the USA of overstretched global defence commitments, means the UK will be faced with continued debates and divisions over how best to cooperate with its European allies in the areas of defence and security.<sup>58</sup> Britain's position of leadership in European defence and security, a position it shares with France, has been used to advance European cooperation in these areas. This, however, has never been easy, with fear of the British public's reaction limiting the extent to which successive British governments have been willing to push cooperation. Britain has therefore been central to both facilitating and limiting EU cooperation on defence and security.<sup>59</sup> To be fair, it has not only been

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<sup>55</sup> Steve Marsh and John Baylis, 'The Anglo-American "Special Relationship": The Lazarus of International Relations', *Diplomacy and Statecraft*, Vol. 17, No. 1, 2006

<sup>56</sup> Cabinet Office, *National Security Strategy of the UK: Security in an interdependent world*. March 2008.

<sup>57</sup> Tim Oliver, 'Why has Britain been in Afghanistan?' in: Oppermann, Kai, (ed.) *British Foreign and Security Policy: Historical Legacies and Current Challenges*. Wißner-Verlag, Berlin, Germany, 2012.

<sup>58</sup> Luis Simon, 'Britain, the European Union and the Future of Europe: A Geostrategic Perspective', *The RUSI Journal*, 2015, Vol. 160, No. 5, pp. 16-23.

<sup>59</sup> Ronja Kempin and Jocelyn Mawdsley, 'The UK, the EU and European Security: a German Perspective', *RUSI Journal*, Vol. 158, No. 4, August/September 2013, pp. 32-36.

the UK that blocked progress in this area. Germany's own unwillingness has been a major challenge. The result is that today it is the USA that is more in favour of European cooperation (whether through the EU or some other arrangement) on defence than many European states. A similar problem is to be found in wider foreign policy cooperation. The EU's own capacity to facilitate such cooperation can and has famously led to a capabilities-expectations gap.<sup>60</sup> Common security problems ranging from Iran's nuclear weapons programme, Russian behaviour towards Eastern European states or global environmental concerns will continue to push Britain to cooperate with its European allies. Eurosceptics argue that Britain can do this bilaterally or multilaterally without having to be in the EU. This overlooks the reality that the EU offers the means (by no means a perfect one) by which Europe's economic superpower status can be best harnessed.

Despite the potential for using the EU's economic power to shape the world, the UK looks set to continue debating whether the EU is the best means by which the UK can shape the global economy. Debates about the merits of trading links with parts of the world such as the Commonwealth have long caused tensions in UK politics. In the 1970s the then EEC looked like the economic future, a claim that would not be easily made today. Douglas Carswell, UKIP MP, once argued that in joining the EU 'we shackled ourselves to a corpse.'<sup>61</sup> That might reflect an underlying unwillingness by some in the UK to recognise that Britain is a part of the body Europe. It also overlooks that the UK is not the only EU country to seek economic links with emerging markets. Some of those countries, especially Germany, outcompete the UK. Despite this, the EU continues to be portrayed as a barrier to UK success in a globalised economy. As even Boris Johnson once admitted, the EU can too easily be used as an excuse for Britain's own failings.<sup>62</sup>

TTIP is a good indicator of the complexity of Britain's European question in the face of a changing European and global economy. As a trade deal it goes beyond the usual confines of free trade deals, being described as the first 21<sup>st</sup> century trade deal because of the breadth of issues and areas it covers and the attempts made to make the agreement more open to public scrutiny. Britain's economic relationship with the USA means it could be one of the biggest beneficiaries of the deal and so the UK government has been one of its strongest advocates.<sup>63</sup> The deal, however, is deeply controversial throughout the EU, Britain included. Should the deal fail because of objections elsewhere in the EU then it will undermine one of the EU's selling points in the UK: that it can collectively secure large trading deals. Should it succeed then most EU states are expected to see a shift from EU trading links towards the transatlantic marketplace, a move which in the case of the UK

<sup>60</sup> Chris Hill, 'The Capability-Expectations Gap, or Conceptualizing Europe's International Role,' *Journal of Common Market Studies*, Vol. 31, No. 3, 1993.

<sup>61</sup> Douglas Carswell, *Hansard*, 26 Oct 2012: Column 1257.

<sup>62</sup> Robert Winnett, 'Quitting the EU won't solve our problems, says Boris Johnson,' *Daily Telegraph*, 12 May 2013.

<sup>63</sup> *Estimating the Economic Impact on the UK of a Transatlantic Trade and Investment Partnership (TTIP) Agreement between the European Union and the United States*, Centre for Economic Policy Research, London, 2013.



would lead to calls for the UK to focus more on the US market than the EU one.<sup>64</sup> Eurosceptics have long argued the UK could have already secured by acting on its own a free trade deal with the USA. Yet some Eurosceptics, UKIP included, have been suspicious of TTIP, seeing in it a secretive deal pushed by large businesses and international elites in ways that are detrimental to the average worker and British economy.<sup>65</sup> This does not solve the problem that some form of deal with the USA would inevitably be sought by the government in London should the UK leave the EU, one done without the collective weight of the EU behind it. Nor would any such deal resemble the geopolitical strategic tool some in the USA and EU hope TTIP can become which both triggers wider international trade negotiations and upholds European and US standards in a world of emerging economies.<sup>66</sup> Outside the EU, the UK would admittedly have direct access to the bodies and networks that increasingly shape international regulatory standards and which for some Eurosceptics make the EU an increasingly irrelevant middleman for the UK.<sup>67</sup> This overlooks the counterargument that while from inside the EU the UK will continue to struggle to manage its place in the international economy, outside it will also find itself squeezed between the efforts of the US and EU to shape the emerging global economic architecture.

It will not just be changes to the wider international setup that shape the UK's European question. Europe's changing economic and political landscape will also play a part, arguably more so given that Britain's links with the rest of the EU are the most extensive links it has with any single area of the world. As discussed earlier, one reason David Cameron gave for seeking a renegotiated UK-EU relationship was the changing place of the Eurozone within the EU. This relationship will continue to evolve post-referendum, no doubt sparking accusations in Britain (and possibly in other non-Eurozone EU states) that the Eurozone now decides the direction of the EU. Any UK-EU renegotiated relationship would be under constant strain. The likelihood of a new EU treaty, even if it were confined to the Eurozone, would highlight that the UK cannot have a fixed relationship with the EU until the EU itself has reached a fixed end, something that is unlikely given the ambiguous nature of 'ever closer union'.

Frustrations in this area would develop whether the UK is in or outside the EU. A withdrawal deal with the EU could easily provoke resentment in the UK given the rest of the EU will offer something that reflects their interests more than those of the UK.<sup>68</sup> That deal could then come under pressure due to changes in the EU brought about by any number of factors. A Brexit could shift the EU's balance of power in

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<sup>64</sup> Tim Oliver, 'The British Problem Facing a Transatlantic Trade Deal' *Huffington Post*, 21 January 2014.

<sup>65</sup> Jon Stone, 'TTIP is a corporatist scam and not a real free trade deal, says Ukip's Douglas Carswell' *Independent*, 23 June 2015.

<sup>66</sup> Dan Hamilton (ed.) *The Geopolitics of TTIP: Repositioning the Transatlantic Relationship for a Changing World*. CTR, Washington D.C. 2014.

<sup>67</sup> Peter North, 'Whose Rules are they Anyway?' *Pete North Politics Blog*, 26 September 2015. <http://peterjnorth.blogspot.co.uk/2015/09/whose-rules-are-they-anyway.html>

<sup>68</sup> Almut Möller and Tim Oliver (eds.), *The United Kingdom and the European Union: What Would a Brexit Mean for the EU and Other States around the World?* Berlin: DGAP, 2014.

any number of ways, strengthening or weakening the wider Union.<sup>69</sup> Some could take advantage of the UK's departure to push their own agendas. In time these shifts could compromise any UK-EU exit deal. Changes could be proposed or made necessary to EFTA, the EEA or trade deals such as TTIP that the UK is able to negotiate a part of through the initial exit deal. This opens up the possibility that further referendums on UK-EU relations could be called even in a UK that is outside the EU.

## Conclusion: The Question of Future Referendums

The multifaceted nature of Britain's European question means that whatever the result in the forthcoming referendum it will fail to answer Britain's European question. It means that pressure to hold another referendum could soon build. As noted earlier, calling a referendum rests largely with the executive and especially the prime minister. They are, however, not immune to political and parliamentary pressures. Nor are they oblivious to the possibility of using a referendum as a tactic for dealing with a difficult political, government, economic, or diplomatic problem. By mapping out how a future referendum (or referendums) might be triggered we can see how future British governments will face an ongoing struggle with Britain's European question. Granted, the likelihood of some of the following predicted contingencies varies widely, but until May 2015 may felt a UK in/out referendum was only a distant possibility.

First, a referendum result where there is a small majority to remain an EU member, or one based on a small turnout (or won thanks to strong remain votes in areas such as Scotland or London) would leave Eurosceptics in no mood to concede defeat. If anything they would see such a result as a tactical defeat, not a strategic one. There are still frequent accusations that the 1975 referendum was unfair because of differences in campaign spending, biased media and political messages that some deem to have been deceitful. Similar accusations will almost certainly circulate following the 2016 vote. Anger and frustrations at the EU and the other factors noted throughout this pamphlet could soon refuel support for withdrawal. This could happen if the EU were too slow to deliver on the promised renegotiation or the changes promised take longer to emerge leaving British voters feeling cheated. Support for UKIP could remain high thanks to Conservative and Labour divisions over Europe and other political matters. Having watched its leader campaign to stay in the EU, the Conservative Party's membership may counter by electing a Eurosceptic leader to follow David Cameron. Calls for another in/out referendum could soon build.

Second, a new EU Treaty or transfer of powers to the EU would trigger the referendum requirement of the European Union Act 2011. While this depends on the interpretation of a minister that a major transfer of power is proposed, this does

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<sup>69</sup> Tim Oliver, *Europe without Britain: assessing the impact on the EU of a British withdrawal*, SWP Research Paper 2013/RP 07, Sept. 2013.

not prevent the Commons rebelling and voting for a referendum. David Cameron argued that the new relationship, one sanctioned by the British people in an in/out vote, would bring stability to the UK-EU relationship. But this overlooks that the UK is attached to a European Union in flux. Prime ministers already feel compelled to return from European Councils with a clear statement that they defended British “red lines”. The renegotiated relationship would become the biggest red line of all. Any actual vote on changes to the relationship might be on the technicalities of transferring certain powers, but the debate and especially a rejection would open up the entire issue of the UK’s continued membership. The prospect of a new treaty to approve the restructuring of the Eurozone would certainly reopen the debate, possibly leading to calls for the UK to seek another renegotiated relationship. The UK may also imitate some other EU states by holding votes on aspects of EU policy, such as is soon to happen in the non-binding referendum the Netherlands will hold on EU-Ukrainian relations.<sup>70</sup> Some Eurosceptics argue a vote to remain means a vote on the UK’s membership of the Euro becomes inevitable.<sup>71</sup> While such a vote might seem unlikely today, it serves to remind us of the range of issues that could be used on which to build the case for another vote of some kind on UK-EU relations.

Third, should the UK vote to leave then further referendums can also not be ruled out. A small majority to leave, as with a small majority to remain, could lead to calls for a re-run of the vote, especially if some form of economic shock accompanied the result and saw opinion polls quickly register a switch to support for remaining in the EU. The vote, it is important to remember, does not bind Parliament and the UK would not withdraw from the EU until agreement was reached with the rest of the EU under the process set out under Article 50 TEU. Some Eurosceptics have argued for a vote to leave the EU as a means to apply more pressure to the EU so it then agrees to a more substantial renegotiation as a way of keeping the UK as a member.<sup>72</sup> This tactic has been dismissed by David Cameron and critiqued by others.<sup>73</sup> It cannot, however, be entirely ruled out as a possible development following a vote to leave. Equally, there may be some pressure for the British people to approve whatever UK-EU exit deal is put to them such as membership of EFTA or the EEA, especially by those who do not agree with the obligations or costs for the UK that these would bring. While it is unlikely, the British Government might repeat the approach of the Greek government of calling a referendum in order to show the opposition of the British people to any offer put to it by the EU.<sup>74</sup>

Fourth, once outside the EU the new UK-EU relationship could come under pressure from changes by the EU. Should the deal be compromised by changes in the EU

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<sup>70</sup> Dutch to hold referendum on EU Ukraine deal’, BBC News, 14 October 2015. <http://www.bbc.co.uk/news/world-europe-34529698>

<sup>71</sup> James Nickerson, ‘Nigel Farage: If the yes vote wins it is a step towards joining the euro’ *City A.M.*, 30 July 2015.

<sup>72</sup> Tim Shipman, ‘Boris calls for “no” to Europe – then “yes”’ *The Sunday Times*, 28 June 2015.

<sup>73</sup> Alan Renwick, ‘What happens if we vote for Brexit?’ *UCL Constitution Unit Blog*, 19 January 2016. <https://constitutionunit.com/2016/01/19/what-happens-if-we-vote-for-brexit/>

<sup>74</sup> Paul Mason, ‘What was the point of Tsipras referendum?’ *Channel 4 blog*, 10 July 2015. <http://blogs.channel4.com/paul-mason-blog/4131/4131>

or the UK then the British Government could call a referendum as Switzerland did over changes relating to the free movement of people.<sup>75</sup> This could be due to wider changes to the EU-EFTA/EEA relationships. Some Eurosceptics also see EFTA or the EEA as a stepping-stone away from the EU, with a future referendum potentially called in an attempt to cut links with EFTA or the EEA.<sup>76</sup> Given the political arguments about the UK's membership of the ECHR a referendum could be called on that issue as well. Should the UK fail to reach an exit agreement with the EU or opt for some form of traditional trade deal, then it is possible that at a later date it will consider moving back towards the EU through membership of EFTA or the EEA (or reformed versions of them). Any such move, along with any attempt to rejoin the EU, could trigger a referendum.

Finally, the European question could trigger other referendums within the UK over EU matters. A frequently foreseen outcome of a vote to leave the EU is one where Scotland votes to stay but the rest of the UK – and especially areas of England – vote to leave. Scottish nationalists would then use this as the basis on which to call a second Scottish independence referendum. Some commentators have also pointed to the constitutional crisis that could follow a vote to remain that won thanks to strong 'remain' votes in areas such as Scotland or London.<sup>77</sup> This could cause resentment in the areas of England that voted to leave, adding to existing unease at the place of England within the UK. The possibility of a majority of the rest of the UK voting to leave the EU if Scotland left the UK could see pressure build for a second Scottish independence referendum. If Scotland then voted to leave the UK then this would be followed by a vote in the remaining UK (rUK) over continued membership of the EU.

In each of these referendums the UK's public and political elite would wrestle with the problem of reducing the complexities of the UK-EU relationship to a single question. This is not to say that any of these votes and their campaigns, including the forthcoming one, will not provide the British people with a welcome opportunity to debate the European question. Referendums do provide opportunities for a big issue to be debated by a citizenry. The problem with the forthcoming referendum is not only that a multifaceted issue is being reduced to a single question but also that it is intended as a quick fix for the long-running failure to manage the issue. As Cameron claimed in 2013: 'It is time to settle this European question once and for all.' Given that this is unlikely, the prospect of further referendums (whether in or outside the EU) at least offers the chance to test the idea that the more the British people debate the issue of Europe the better they will understand it, in turn allowing the issue to be better managed. The experiences of Denmark and Ireland are given as examples of two EU states where regular referendums have led to a

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<sup>75</sup> John Springford, 'When you join the EU you make a deal –Switzerland needs to remember that' *The Guardian*, 19 January 2015.

<sup>76</sup> Richard North, *Flexcit: the market solution to leaving the EU*, February 2015. <http://www.eureferendum.com/documents/flexcit.pdf>

<sup>77</sup> Severin Carrell, 'EU Referendum: English votes to leave could be offset by rest of UK' *The Guardian*, 2 December 2015.

more settled and better-managed relationships with the EU.<sup>78</sup> This may be so, but it begs the question of how many referendums a state needs to have to reach such a stage. Both Denmark and Ireland have also rejected or come close to rejecting several votes on EU matters, and Denmark has a sizeable Eurosceptic movement. Britain therefore faces the possibility of descending into ‘neverendums’ in trying to deal with the complexities of the European question. It also faces the likelihood of frustration and bitterness from expectations that a referendum can settle a question that finds its potency in the very nature of the UK’s constitution, democracy, political economy, security, identity, unity, and place in the world.

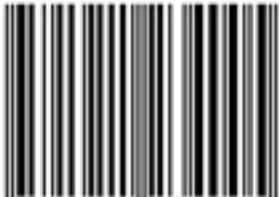
### Possible future referendums on UK-EU/European matters

2016 Vote = Remain	2016 Vote = Leave	Other Referendums
Slim majority leads to pressure for a second remain/leave vote.	Slim majority leads to pressure for a second remain/leave vote.	Scotland on leaving UK to rejoin EU.
EU treaty change.	Second vote to secure a real renegotiated relationship with EU.	An England/UK vote on EU membership (or on various other policies in columns 1 and 2) after a vote for independence by Scotland.
Transfer of powers to EU.	Vote on exit deal offer from EU.	Northern Ireland over future Anglo-Irish relations.
Vote on other EU matter such as accession of new member.	Vote on changes to UK-EU deal, e.g. from changes to EU-EFTA/EEA or UK withdrawing from them.	Free trade deals: TTIP?
Vote to take part in more EU integration such as membership of the Euro.	Vote on UK membership of ECHR.	
Another remain/leave vote at a later date as a result of refuelled Euroscepticism.	Vote to rejoin the EU, or move from FTA/WTO to EEA/EFTA relationship.	

<sup>78</sup> See evidence from *Unlock Democracy to House of Lords Referendums in the United Kingdom 12th Report of session 2009-10*, HL Paper 9, p18. <http://www.publications.parliament.uk/pa/ld200910/ldselect/ldconst/99/99.pdf>

In this pamphlet the prominent commentator on European affairs, Dr. Tim Oliver, argues that the forthcoming referendum on British membership of the European Union is unlikely to settle the issue in the way anticipated by many commentators. For Dr. Oliver, British membership of the Union is a complex phenomenon that cannot easily be encapsulated in the answer to a single referendum question. The European debate in the United Kingdom has moreover become intertwined with a range of domestic controversies, constitutional, diplomatic and economic. These controversies will continue to be challenging for the United Kingdom, whatever the result of the forthcoming referendum. These continuing controversies could well lead in the medium term to other referendums that may cast doubt on the outcome of the European referendum expected this year.

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