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# Farewell Britannia? 'Issue Capture' and the Politics of David Cameron's 2013 EU Referendum Pledge\*

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## Introduction

On 23 January 2013, the terms of Britain's long-running debate on the nature of its relationship with the European Union underwent a dramatic transformation. For the first time in nearly 40 years, a British Prime Minister announced his intention to hold a plebiscite on membership of the EU with the promise to include the possibility of a British exit as a response on the ballot paper. David Cameron's speech had been trailed for several months in order both to soften up the audience and to wait for an appropriate juncture at which to make such a momentous announcement. Nonetheless, its impact was dramatic in setting out a scenario under which the UK could leave the EU in perhaps little more than five years after the date on which the speech was given. Cameron's language was conciliatory – in places even rather Europhile in the grand Tory statesman tradition, name-checking Sir Winston Churchill and the 'twin marauders of war and tyranny' that the EU had banished. Cameron also spoke of Britain's role as a 'haven for those fleeing tyranny and persecution' and the 'hundreds of thousands of British servicemen who have given their lives for Europe's freedom' (Cameron, 2013). He was also adamant that his speech was a 'positive vision for the future of the European Union. A future in which Britain wants, and should want, to play a committed and active part.' He set out a number of familiar principles on which a reformed EU should be built: flexibility, competitiveness, democratic accountability, the return of powers to the Member States and fairness (Cameron, 2013). Such calls for EU reform along the lines set out by Cameron could have been made by any British Prime Minister, or leader of the opposition, of the past quarter of a century.

It was not, however, the statesman-like part of the speech that provided the dramatic transformation. Rather it was the second part of his discourse, the segment containing a more narrowly political, even party-political element that captured the headlines. Cameron's speech also included a commitment that 'the next Conservative Manifesto in 2015 will ask for a mandate from the British people for a Conservative Government to negotiate a new settlement with our European partners in the next Parliament'. In other words, he would be seeking a re-negotiation of the terms of British membership. Cameron promised that 'we will give the British people a referendum with a very simple in or out choice': to stay in the EU on these new terms; or come out altogether. These final words marked the most radical change in Conservative policy towards the EU since the referendum of 1975

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when 67 per cent voted to remain inside the European Community. Even if Cameron's junior coalition partners, the Liberal Democrats, did not sign up to this agenda, his announcement changed the terms of the British debate on the EU decisively.

Given that all three major political parties in the UK, including Cameron's Conservatives, are officially in favour of EU membership, the questions of why a re-negotiation was deemed necessary and why a referendum on its outcome should be held are highly pertinent. Indeed, at the heart of the call lies a fundamental paradox. Britain is threatening exit at a point where the EU is wider, more liberal and much more Anglophone (if not always more Anglophile) than at almost any point since the UK joined the EEC in 1973. Forty years of determined, even bloody-minded negotiations have won the British what amount to the most privileged terms of membership of any Member State in the EU. Britain gets a substantial rebate on its contribution to the EU budget and is under no commitment to join the euro. With its impressive array of 'opt-ins' and 'opt-outs', the British are seemingly able to have their cake *and* eat it. Given such favourable terms, why ask for more?

In the wake of this seminal policy change, this contribution attempts to analyse and explain the announcement of a possible referendum in Cameron's speech. The first section provides an analysis of the background to the speech, charting the course of Britain's relationship with the EU over the longer-term, looking at the way in which British relations with the EU have become subject to what we term 'issue capture'. It also looks at public opinion in the UK on the EU with a view to understanding the extent to which Cameron's policy shift was likely to resonate with the electorate. Having established that public opinion is far more nuanced than is sometimes assumed, the second section of the article focuses on domestic politics. It explains why the referendum pledge was made with a focus on the politics of party management within the Conservative Party, in the context of a rise in support for anti-European political parties. Subsequently, it maps how elite attitudes towards the EU have been shaped over the long term with a view to understanding why – given that the UK is far from being the only Eurosceptic Member State – an in-or-out referendum pledge was made in the UK and not elsewhere. It concludes with a look at what new research avenues in the study of European integration have been opened up by the announcement.

## I. The Context to Cameron's Speech: The Politics of 'Issue Capture'

As a result of the announcement of a possible 'in-or-out' referendum, the coming few years will be an extraordinarily turbulent period in the UK's relationship with the EU. Two elements<sup>1</sup> were driving this process of radical change. In addition to the Conservative referendum pledge, as Cameron himself was keen to stress in his speech, at the EU level a number of institutional, policy and political shifts were taking place in the nature of the economic and political union that have been prompted by the eurozone crisis. Indeed, formalization of the eurozone could have far-reaching efforts on Britain's capacity for influence within the Union (and that of other permanent non-members of the eurozone).

The UK has had a difficult relationship with the European integration project since Robert Schuman's declaration proposed the first common European institutions in 1950.

<sup>&</sup>lt;sup>1</sup> A third element is the September 2014 Scottish independence referendum, which is excluded here for reasons of space.

As Geddes (2013, p. 1) observed, the 'debate about Britain and the European Union is about the past, present and future of British politics, about Britain's place in the world and about national self-understandings'. Trenchant as this particular observation is, it is also equally applicable to all 28 Member States, in addition to candidate countries, potential candidate countries and other European states that have not yet joined the EU. Why should the UK be different?

No other Member State has had quite so difficult a relationship with the EU as the UK. Some other Member States negotiated opt-outs, but no other Member State has negotiated quite so many as the British. Apart from Ireland, there is no other longstanding Member State that does not participate in the Schengen area of free movement – and this in part is a reflection of Britain's choice to remain outside, since Ireland's only land border is with the UK. No other Member State has ever held a referendum on leaving the EU, having joined it. The British have been difficult, or at least separate from the rest of the herd, about European integration for a very long time; their reticence has been apparent since the first negotiations on a coal and steel community in the very early 1950s and has never quite gone away. After failing to join the European Economic Community in the 1950s, the UK changed its mind and tried, unsuccessfully, to join in 1963 and 1967. After joining in 1973, the UK held its first in-or-out referendum on the terms of an allegedly renegotiated and improved membership settlement in 1975 (George, 1990; Crowson, 2010). In the 1980s, dogged negotiation on the part of Mrs Thatcher won the UK its cherished rebate on its contribution to the Community budget. In the 1990s, the Major government secured the UK a permanent opt-in/out from the single currency, and the Blair administration saw no reason to change its policy on the euro.

Britain's relationship with the EU has been described as 'semi-detached' and between 1973 and 2010 – despite the protestations of Jacques Delors that the British were 'allergic' to Europe – it might also have been characterized as 'stable yet sceptical' since membership of the EU was regarded as a fixed feature of the British and European political landscapes. Since the general election of 2010 and the formation of a Conservative-Liberal Democrat coalition, that situation has changed quite radically. As a precursor of what was to come, in July 2012, the British Foreign and Commonwealth Office (FCO) announced its intention to launch what it dubbed in the EU-speak that is a mix of West European languages a 'balance of competences' review - in standard English, it might more lucidly be termed a 'balance of powers' review. The purpose of the review was to look across the entirety of those areas of government policy where the EU acts in addition to, or instead of, the British state (understood to include devolved and local government) to determine whether matters might be better arranged in another way. More precisely, the review was to consider if it would make more sense in each policy area for the UK government to act instead of the EU, whether there was need for more European integration, or whether things were working just fine as they were. One popular interpretation of the balance of competences review was that the government was drawing up a 'shopping list' of powers to be 'repatriated' from the EU. Another, Liberal Democrat, view was that the exercise was designed to scotch plans for a re-negotiation by showing that the present delineation of powers was working to the UK's best advantage.

<sup>&</sup>lt;sup>2</sup> Although it is worth noting that Greenland did vote in 1982 to leave following the entry into force of Home Rule from Denmark after 1979, thereby becoming an overseas territory of the EU.

Six months later, in January 2013, during an exceptionally long-trailed speech, which was put back on at least two occasions, David Cameron announced that he would be seeking a re-negotiation (details not specified) of the current terms of the UK's membership of the EU. Following a re-negotiation, and not later than 2017 (the reasons for this date were also not specified), a future Conservative government would put the results of the renegotiation to a referendum, which would include the option of staying in or leaving the EU. Two points were of exceptional importance here. First, and most clearly, in the event of a Conservative victory in the general election of 2015, Cameron had committed the UK to a referendum that could lead to an exit. By doing so, he made himself hostage to the outcome of both an unknown international renegotiation and an unknown domestic referendum result. Second, in political terms, Cameron's announcement made clear that the terms of the debate on Britain's membership of the EU were to be set by what remained in party political terms a Eurosceptic minority. Why did a British Prime Minister in command of a safe majority in the House of Commons undermine his own position so drastically in order to appease a minority? The next section addresses this question, yet before moving any further, it is necessary to evidence some of the claim we make that Eurosceptics are a minority in the UK.

Beginning with public opinion, long-term data are available from Eurobarometer on British attitudes to the EU that chart positive or negative sentiments towards membership since 1973 (Eurobarometer, 1973–2014). Over the very long term (that is, 1973–2009), those who thought British membership of the EU to be a bad thing ranged from 12 to 48 per cent; those who thought it a good thing ranged from 25 to 58 per cent; those who were neutral ranged from 18 to 37 per cent; and the 'don't knows' amounted to between 6 and 24 per cent. A first observation is that while attitudes were neither overwhelmingly Europhile nor overwhelmingly Eurosceptic, they were very volatile, indicating that public opinion was not settled one way or another. It is also worth stressing that the salience of Europe as an issue has also varied over time. Europe is usually not that uppermost in the minds of voters, but occasionally – such as on the question of whether Britain should join the euro in the early days of the Blair administration – it was much more salient. A second observation is that the peak of Eurosceptic sentiment (48 per cent in the late 1970s) was ten percentage points lower than the peak of Europhile sentiment (at 58 per cent in the early 1990s). A third observation is that the nadir of support for the EU in the UK was 25 per cent, whereas the low point of Eurosceptic support was just 12 per cent. This would seem to indicate that diehard supporters of the EU in all circumstances are twice as numerous as diehard Eurosceptics. These observations are counterintuitive. A fourth and final observation is that if the 'don't knows' and neutrals are added together they amount to between 24 and 61 per cent of voters. In simple terms, therefore, the great majority of British voters change their view of Europe over time, waxing and waning in their support for the EU, but the Europhiles seem to outnumber the Eurosceptics.

It is instructive to compare these results with those conducted by the Pew Centre, several years into the EU's worst crisis in its entire history. Pew polling in May 2013 found that those with a 'favourable' view of the EU had fallen across the then EU-27, but that the British were by no means the most sceptical in their attitude towards the EU. Some 43 per cent of the British had a favourable view of the EU, in comparison to just 41 per cent of the French. The figures for Spain, Germany and Italy were higher, with 46 per cent of Spaniards, 58 per cent of Germans and 60 per cent of Italians favourable to the EU.

What seems more striking is the lack of exceptionalism in the British figures, which were almost identical to an EU-wide 45 per cent expressing a favourable view of the EU. Turning, however, to the question of whether to stay in the EU or leave it, some 46 per cent of Britons were inclined to stay in and an identical 46 per cent wanted to leave. This question was not asked of other Member States since they had not announced a referendum. In public opinion terms, therefore, the data suggest that British public opinion is sceptical towards the EU but not more sceptical than in other Member States. They also suggest that in the UK support for EU membership is higher during periods of economic expansion, i.e. during the Barber, Lawson and Brown booms, than during economic downturns where a dip in support for the EU was observed in the early-1980s recession and since 2008. An exception is the Lamont recession of the early 1990s, which of course included Britain's ignominious exit from the Exchange Rate Mechanism (ERM) when Cameron was working as a special adviser for the then Chancellor of the Exchequer Norman Lamont.

Moving away from the mass of public opinion towards political decision-makers a first direct observation is that all three major British political parties – the Conservative, Labour and Liberal Democrat parties – were all in favour of EU membership. Of the three, the Liberal Democrats were traditionally the most pro-European. While the Labour Party did not have a reputation or profile as an especially pro-European party – and indeed was only converted to pro-Europeanism during the long years of opposition between 1979 and 1997 – it went along with most EU developments from enlargement to the Lisbon Treaty and has not advocated withdrawal from the EU since its disastrous election manifesto of 1983.

The Conservative Party was far more complicated, having moved from its position as the 'party of Europe' that took the UK into the then EEC in 1973 towards Euroscepticism from the 1990s onwards was more obviously split on European policy than Labour or the Liberal Democrats. Conservative policy on Europe since the 1990s has been heavily influenced by the intertwined themes of the ERM debacle of 1992 and Margaret Thatcher's legacy. Sterling's unplanned exit from the ERM and the devaluation that went with it shattered the Conservatives' long-established reputation for economic competence. The link to Margaret Thatcher lies in the fact that she had opposed the plans of two of her Chancellors – Nigel Lawson and John Major (as well as the majority of her Cabinet) – to join the ERM. Between her departure from office in 1990 and the pound crashing out of the ERM in 1992, Margaret Thatcher's increasingly strident Euroscepticism had made her seem out of touch with voters, the mainstream Conservative Party and perhaps even something of an embarrassment. In the wake of the ERM crisis, to many on the Conservative right it seemed that she had been spot-on in her judgement. In the 20 years that followed the ERM crisis, the right-wing came increasingly to dominate the Conservative Party and no new ideologues emerged to challenge, or even rethink the Thatcher legacy. The attitude of the increasingly Eurosceptic parliamentary party was best illustrated by the letter, signed by 95 Conservative MPs (out of a total of 303), to David Cameron demanding a bill to give the Westminster Parliament a veto on European legislation. All signatories to the letter must have known that this was incompatible with remaining in the EU under the terms of the British 1972 European Communities Act. The aim of carrying out such a doomed-to-failure grandstanding exercise was therefore simply to highlight a status quo that they viewed as intolerable. It is not unreasonable to suggest therefore that perhaps around a third of the Conservative parliamentary party would like to leave the EU.

Given the absence of United Kingdom Independence Party (UKIP) MPs in the Westminster Parliament, it is safe to conclude therefore that something in the region of 100 MPs out of a total of 646 would like to leave the EU. Here again, that seems to be a small minority, albeit crucially one larger than the government's working majority. Finally, turning to the legislature in which the most avowed Eurosceptic, perhaps Europhobic, politicians sit, the European Parliament, only 13 UKIP MEPs (amounting to 18 per cent of British MEPs) were returned in the 2009 election (several of whom left the party between 2009 and the 2014 European Parliament election).

In sum, this review of British public opinion and British parliamentarians reveals that while Eurosceptic views are reasonably common, they remain very much a minority faith among MPs and MEPs and subject to a very high degree of volatility in terms of public attitudes over time. Moreover, the evidence suggests that diehard Europhiles outnumber diehard Eurosceptics. Herein lies our research puzzle. If Eurosceptic views are minority views, why do they apparently set the terms of the UK national debate about the EU? This contribution argues that what has taken place in terms of the British debate on Europe amounts to what we term 'issue capture'. This concept draws some inspiration from Petrocik's (1996) classic work on 'issue ownership' – the basic idea of which is that voters associate certain issues with certain parties. Issue capture moves beyond this and refers to the way in which a given political debate can be 'occupied' and 'dominated' by a minority group with deeply-held strong views on a given political issue. British debate on Europe is certainly not 'owned' by a particular party or even set of parties, but the terms of the debate are determined by the vocal, Eurosceptic minority in the UK. What matters is that from the point that issue capture occurs, the terms of the political debate become set by the vocal minority until such time as the issue in question can be 'recaptured' by the political mainstream.

The next section moves onto the *domestic* politics of Cameron's speech viewed through the prism of issue capture, with a special focus on both UKIP and the Conservative Party, before looking at the very pertinent question of the interplay between UK domestic politics and relations with the rest of the EU. We conclude the article by raising some important and pressing questions worthy of further research.

## II. The Domestic Politics of Cameron's Speech

The problem with vocal minorities is that they are vocal. Put simply, for many diehard Eurosceptics the issue of Britain and the EU assumes a salience beyond its objective significance. If such vocal minorities are appeased or accommodated or simply not challenged, they can move from the periphery to dominate the debate, eventually achieving a position of complete 'issue capture', where alternative views are almost automatically discarded. This is what we argue has happened in the UK. The consequence is that it has been almost impossible for political leaders to make an unreserved defence of the EU and Britain's role in it. Although Labour leader Ed Miliband<sup>3</sup> and Liberal Democrat leader Nick Clegg (2013) gave speeches warning that Britain was sleepwalking out of Europe and of the 'economic suicide' of exit, respectively, these fell on deaf ears. Clegg's strong advocacy of continued membership during the televised debates with UKIP leader

<sup>&</sup>lt;sup>3</sup> BBC News, 19 November 2012.

Nigel Farage in spring 2014 confirmed this rule as Clegg struggled to move the debate away from Eurosceptic ground. Moreover, despite the array of pressure groups such as the European Movement and the oddly-named 'British Influence', there has been no real concerted effort to make the case for Britain in Europe – indeed, the only campaigning group to hold this particular name went out of business in 2005.

These failures, however, stretch back long before Cameron took up residence in Downing Street. Few British Prime Ministers, and not one recent Prime Minister, have set out strongly pro-European stalls and been listened to with approval – the last such was probably Mrs Thatcher in launching the single market in the mid-1980s. Tony Blair made high-profile speeches in Birmingham, Oxford and Strasbourg full of pro-European rhetoric, but these seemed aimed at domestic Europhiles and the foreign audience. His purpose was not to change hearts and minds at home. Not only Blair, but other pro-Europeans failed to transform the view of successive British governments that the EC/EU was in essence a foreign policy issue which did not need domestic consensus behind it (Allen, 2005). This was a serious strategic error that in great part explains the UK's current predicament. If successive governments continue to stress to voters that the EU is harmful to their interests, eventually the public will start to believe them.

In contrast to the muted voices and silence on the Europhile side, UKIP and the Eurosceptic tendency in the Conservative Party have become more vocal. Within the Conservative Party their domination is so complete that it is hard to imagine a pro-European candidate winning a selection to stand as a parliamentary candidate on the Tory ticket.<sup>4</sup> The explanation for the shift in the terms of debate owes much to deep-seated continuities in Britain's relations with Europe and shifts in both the Conservative Party and the EU. The areas of particular focus include party politics, media cues, identity politics and the performance of the UK economy relative to the EU average. These issues are worth dealing with in turn.

Two continuities are worth immediate mention: cues and party divisions. In terms of the former, the British electorate tends to take its cues from the media and politicians on European integration. The EU is perceived as boring and distant in the minds of most voters who rely not on 'police-patrol oversight' to obtain information on the EU, but rather 'fire-alarm oversight' by third parties - that is, the media and opposition parties (Oppermann, 2008, p. 158). The shift in the media portrayal of European integration has been stark. In the words of Oliver Daddow (2012), the UK print media have moved from permissive consensus' to 'destructive dissent'. Although the impact of newspapers can be over-emphasized in the era of social media and when most news is consumed from television and radio which remain relatively impartial, it is nonetheless striking that the daily diet of Brussels bashing served up by the Daily Mail (the British newspaper with the second-highest circulation at 1.9 million)<sup>5</sup> and others is a far cry from the 1975 referendum when only the Communist Morning Star backed the 'no' campaign. The fire alarms began going off almost every day thanks to the rise of UKIP, in more recent times prompted by the linkage between the EU and immigration. In terms of party divisions, it is worth remembering that the two main parties have from time to time been subject to

<sup>&</sup>lt;sup>4</sup> Some pro-Europeans such as Neil Carmichael (Stroud) were elected in 2010, but it is noticeable he had been the Conservative candidate in the constituency for both the 2001 and 2005 elections.

<sup>&</sup>lt;sup>5</sup> ABC newspaper circulation figures reported in *The Guardian*, 8 February 2013, available at: «http://www.theguardian.com/media/table/2013/feb/08/abcs-national-newspapers».

internal spats about European integration, albeit to different degrees, since the 1950s (see, for example, Crowson, 2007; George, 1990).

There is, however, a more fundamental building block of Eurosceptic opinion in the UK: identity. In contrast to Germans who have tended to see 'Europe' as an integral part of national identity and the French who see European integration as a chance to further national identity (Schmidt, 2006), Britons – or perhaps more accurately the English – tend to see Europe as a threat to national identity. They have difficulty reconciling themselves to the idea of being both British and European.<sup>6</sup> In common discourse 'Europe' refers to something different and distinct. 'Europe' is 'the Continent' over the Channel – a place to which Britons go rather than belong.<sup>7</sup> This distinction is reinforced by the meanings attached to the historical narratives of Shakespeare's 'Sceptred Isle', the Empire, victory in many wars, Whiggish self-perceptions of historical progress, keeping a 'balance of power' between European states, and so on. It is also an epiphenomenon of the principle of British parliamentary sovereignty, and is strongly reinforced by the nature of the British polity (Schmidt, 2010). The English electorate – unlike the Scots, Welsh or the Irish of Ulster let alone the Germans, Italians or Spaniards – live in a highly centralized state and find multiple locations of power beyond Westminster hard to comprehend and undesirable (and have tended to vote against devolution of powers to regional assemblies or elected city mayors).8 Local government in England (regional government does not exist) is merely charged with the implementation of nationally designed policy and is overwhelmingly reliant on central government for revenues over which it has almost no discretion in spending. In this regard, it surely is not mere coincidence that Euroscepticism is more of a minority creed in Wales, Scotland and Northern Ireland, which all enjoy devolved government, even if attitudes are not so far removed from those of the English as the Scottish National Party has suggested (Curtice, 2014).

Moving beyond questions of culture or the institutional structure of the polity, central to Britain's relationship with the process of European integration is economics. It was symbolic that Cameron's speech was delivered at the financial news agency Bloomberg and Miliband's riposte in March 2014 was given at the London Business School. At the core of the United Kingdom's waxing and waning enthusiasm for the EU has not been love, passion or duty, but an economic calculation based on 'cost–benefit analysis' (Matthijs, 2013, p.12). As David Cameron remarked in 2011 'we will remain in the European Union so long as it is in our interest to do so'. It is hard to imagine so ruthlessly pragmatic an utterance from the mouth of Angela Merkel or François Hollande. The discourse of British politicians has tended to extol the benefits of the market without much reference to the themes prevalent in the discourses present in other EU states, such as peace, values or the central Europeans' 'Return to Europe'.

The economics of EU membership is the longest running of all the themes that relate to British membership. In the 1950s, when the European Communities were being set up, not only was the great bulk of British trade with the Commonwealth, but the UK was comfortably the largest west European economy. By 1973, when the UK joined the EEC this position had reversed entirely, as Table 1 shows. At the nadir of Britain's relative decline in 1983 it had fallen to fourth place. Joining the Community was, therefore, almost

<sup>&</sup>lt;sup>6</sup> See the Eurobarometer (1973–2014) surveys.

<sup>&</sup>lt;sup>7</sup> We are grateful to Charlotte Galpin for help in clarifying our thinking on this point.

<sup>&</sup>lt;sup>8</sup> BBC News, 4 May 2012. See also Shaw (2007).

	United Kingdom	(West) Germany	France	Italy
1950	347 (1 <sup>st</sup> )	265	220	164
1963	490 (2 <sup>nd</sup> )	623	408	371
1973	676 (3 <sup>rd</sup> )	945	683	582
1983	755 (4 <sup>th</sup> )	1,119	852	758
1993	955 (3 <sup>rd</sup> )	1,350	1,049	937
2004	$1,331 (2^{rd})$	1,573	1,329	1,107

Table 1: GDP of Four Largest Western European Economies (Billions of 1990 International Dollars), 1950–2004

Source: Maddison World Economics, historical GDP. Available at: «http://www.worldeconomics.com/Data/MadisonHistoricalGDP/Madison%20Historical%20GDP%20Data.efp».

a marker of economic and political defeat for a United Kingdom that had fallen on hard times. As the leading postwar British diplomat Nicholas Henderson put it in a valedictory telegram:

Our decline in relation to our European powers has been so marked that we are not only no longer a world power but not in the first rank even as a European one. Income in Britain is now, for the first time for over 300 years, below that in France. We are scarcely in the same league as the Germans or French. (FCO, 1979)

Between the mid-1960s and the late-1990s the narrative in favour of European integration centred on the role of the common – and later single – market as a driver of economic modernization for a UK that had fallen so far behind its continental competitors. This also explains why the pro-business Conservative Party was the party of Europe during this 30-year period. It is no coincidence that it has been precisely in the period since the mid-1990s, when *mutatis mutandis*, the British economy has outperformed its west European competitors that the attractions of European integration have diminished in the eyes of the British elite<sup>9</sup> – a sentiment reinforced in recent times by the eurozone crisis. This interest-based calculation has not only tended to give opponents of integration the more appealing tunes to play to the electorate ('Love Britain', 'a Thousand Years of History', etc.), but most importantly it sets up Europe as a 'choice' (Daddow, 2013, p. 214). Choices can be made and unmade. As long as 'Europe' remains a choice rather than a fixed part of the political landscape, it remains open to ongoing contestation.

The root of Cameron's call for a referendum lies with the deal struck in Maastricht in December 1991. Although Margaret Thatcher had already articulated some fears of the emergent European super-state in Bruges in 1988, it was the Treaty on European Union agreed in Maastricht three years later that signalled that European integration was about more than just markets. This shift in the nature of European integration is key to explaining the Eurosceptic drift of the Conservative Party as the 'benefits' of the market get increasingly diluted by the 'costs' of integration in a whole host of other areas. In short, it is the changes and developments in European integration that matter as much as changes in the Conservative Party.

<sup>&</sup>lt;sup>9</sup> With the exception of the early years of Blair's New Labour government when support for the single currency was high among business groups during economic good times (see Oppermann, 2008).

Although cues, cost-benefit analysis and party divisions have been continuities in Britain's position on the EU, three changes are crucial to explaining why Britain is now threatening exit: the Conservatives' return to government in 2010; the rise in support for UKIP; and the EU's response to the eurozone crisis. Since the fall of the Thatcher government and the ERM fiasco, the Conservatives have been perennially beset by divisions over Europe and it has featured as a central issue in a succession of leadership elections from the 1990s onwards (Bale, 2010). Cameron's promise to leave the centre-right grouping in the European Parliament, the European People's Party-European Democrats, for instance, was a key plank in his pitch for leadership. Although Cameron urged his party to stop 'banging on about' Europe when he became leader in 2006, there is a 'large element of the Conservative party which cannot imagine anything more important than banging on about Europe' (Gamble, 2012, p. 468). Nonetheless, the divisions abated while the party was in opposition, only to return when it ended its years in the opposition wilderness. In the first two years of the Cameron government, 93 Conservative MPs (30 per cent of the parliamentary party) rebelled on at least one of 29 votes on European integration issues (Lynch and Whitaker, 2013, p. 325), with a fifth of those rebelling at least ten times.

Rebellious behaviour was prompted by MPs responding to the compromises and deals governments of all political hues in the EU have to broker, and indeed to the novelty of a coalition government to which some Conservatives feel less loyalty, but also it owed something to the rise of UKIP. The anti-EU party has benefited from the inclusion of the usual repository of protest votes (and traditionally the most pro-European party), the Liberal Democrats, in the governing coalition. Europe is a lightning rod for Conservative protest about the nature of the coalition government, both in terms of natural Tory voters and the parliamentary party itself. It was here that its differences with its junior partner, the Liberal Democrats, were most obvious and to an extent the European issue also became the repository of complaints about the sacrifice of true blue Conservative principles on the altar of compromise. Again we return to the legacy of Margaret Thatcher. In office, as a skilful Prime Minister, Thatcher was amenable to compromise on many issues. But the folk memory of Thatcher in the Conservative Party centres more on episodes of resistance and long struggle – against the Argentinians in 1982, the miners in 1984, the Tory 'wets' and so on – followed by hard-won victories. In the context of an ongoing contest within the Conservative Party about who best represents the spirit of Margaret Thatcher, the European issue is a touchstone for all contenders.

Despite the ascent of the Eurosceptics in the Conservative Party, *Schadenfreude* at the eurozone's woes, the effective campaigning style of UKIP leader Nigel Farage and a steady beating of the anti-immigration drum have all contributed to UKIP's rise in the polls from around 4–10 per cent support in 2012 to 11–18 per cent in 2013 (UK Polling Report, 2014). And this increase in support for UKIP has changed the issue salience of the EU. Aware of internal divisions in their own ranks, both Conservatives and Labour have been keen to sweep the issue under the carpet, hoping that out of sight means out of mind. This consensus of silence was shattered by the rise of UKIP, who made the EU an issue of salience; it is, after all, the party's *raison d'être*. UKIP's success in the 2004 and 2009 EP elections (and expected success in May 2014) gave them a platform and a degree of respect. Once derided as a motley collection of 'fruitcakes, loons and closet racists' by

<sup>10</sup> Daily Telegraph, 5 April 2006.

Cameron himself, UKIP had become by the time of the Prime Minister's speech a potentially major force in British politics which could no longer be ignored, aided in no small part by the return to the party leadership of Nigel Farage.

It is helpful to distinguish two different dynamics at work here. First, UKIP moved beyond its 'niche' anti-EU appeal (Lynch *et al.*, 2012). Although UKIP voters and potential voters harbour visceral dislike of the EU, their dislike is directed much more at the practical implications of European integration, especially the migration consequences of open labour markets. By opposing gay marriage, UKIP also tapped into a socially conservative strand missing from Cameron's metropolitan 'Notting Hill' conservatism. These factors fuelled support for the party and worried Conservative politicians. Nonetheless, much of the hard Eurosceptic core in the Conservative parliamentary party – which has been emboldened by the rise in support for UKIP – has been driven by a much more ideologically rooted critique of European integration, seeing the EU as a threat to the type of free market capitalism they wish to see in Britain. This threat is more imaginary than real. The *bête noire* of many Conservatives, the European Commission, is in fact a staunchly pro-market and liberalizing institution.

Calling a referendum for halfway through the next parliament has been a classic strategy of party management. From Harold Wilson's 1975 referendum, to the promises made by Blair on the euro and the constitutional treaty to Cameron's speech, British party leaders have used referendums as a means to manage dissent. It is, though, a high-risk strategy. Cameron's approach is built on the questionable premise that he will be able to persuade the other 27 heads of government around the European Council table to make enough concessions for him to sell the new renegotiated package as a success and the basis for Britain's continued membership of the club. This is a huge gamble. Cameron's own deputy Prime Minister, Nick Clegg, lambasted the idea of a 'grand, unilateral re-negotiation of Britain's relationship with the EU' as 'seductive' and likely to 'collapse under the weight of its own internal contradictions' (Clegg, 2013). Nevertheless, it would be wrong to suggest Cameron's tactics are purely defensive. He may have been boxed into a corner, but the pledge of a referendum offered him some breathing space, a chance to put clear blue water between the Conservatives and their coalition partners, and as elsewhere in Europe, to throw some offensive punches designed to 'reinforce their public prestige and to weaken the opposition' (Oppermann, 2013, p. 690). His promise helped provoke debate inside the Labour Party and contributed to Ed Miliband's speech on 12 March 2014 ruling out a referendum unless there were a further transfer of powers.

There is little enthusiasm at the EU level for extensive treaty reform, but necessity may be the mother of invention. The eurozone crisis has already led to an agreement on a fiscal compact and advanced discussions on banking union (Hodson, 2013; Howarth and Quaglia, 2013). Ironically, Cameron and his finance minister George Osborne have become advocates of closer integration for the eurozone. They see the benefits of full fiscal union, banking union and the European Central Bank being lender of last resort because, as Andrew Gamble (2012, p. 471) noted, 'they fear that if the Eurozone disintegrates there will be catastrophic consequences for British banks and the British economy'. The echoes of Churchill's call for a United States of Europe are clear here. Churchill of course did not include Britain in his idea of a United States of Europe.

<sup>&</sup>lt;sup>11</sup> See also Hodson's and Howarth and Quaglia's contributions to this volume.

Eurosceptic sentiments exist across the Union (indeed the UK was very far from being the most Eurosceptic country in the EU in 2013 – see Pew, 2013), so why have there not been similar in-or-out referendum pledges from others across Europe? Prominent politicians of similar ideological hues to Cameron such as Viktor Orbán or Václav Klaus in central Europe have lambasted the Union, as have a range of parties playing on very different themes including the *Front National* in France and *Alternative für Deutschland* in Germany in recent times, but in the political mainstream only Cameron has promised an in-or-out referendum. In addition to the adversarial nature of British politics, four factors here are key, all of which affect the discourse and actions of British Conservatives (and politicians in general): choice, vulnerability, leadership and hubris.

We mentioned 'choice' above with regard to cost-benefit analysis. Fuelled in part by nostalgia for the era of the Empire on which the sun never set, but linked to the knowledge that – even after 150 years of relative economic decline – the UK is the seventh largest economy in the world, a sizeable section of the Conservative opinion sees no need for Britain to be tied to Europe. Furthermore, it sees the EU as a hindrance rather than a help to economic development. This group of Conservative politicians envision a bright future for an economically liberal UK outside of the EU, often citing (bizarrely) the success of tiny city-states such as Singapore or Hong Kong as models for emulation. Shorn of the encumbrances of EU membership, Britons would be free to make their way in the world, living on their talents, wits and free-trading spirit. The British attachment to free trade is all the more striking given the country's decidedly lacklustre export performance. As with so much else, Britain's longstanding attachment to free trade itself is a historical legacy from its days of economic and political hegemony, rather than an objective assessment of what the optimal commercial policy of a medium-sized economy with a sizeable trade deficit and a weak manufacturing sector should be.

The gap between Britain's (or the British elite's) view of its place in the world, economically, politically and strategically, and the humdrum reality feeds through into the theme of vulnerabilities. The decision of states to pool sovereignty in the process of European integration is driven to a large extent by deep-seated concerns about their own capacity for action (and the perception of such vulnerabilities) (Copsey and Haughton, 2009; Haughton, 2010; Malová *et al.*, 2010). In part, this is a product of their size, geographical location and trading patterns, but it is also linked to cultural questions of identity and labelling. Some Britons, however, see an alternative to EU membership, albeit one rooted more in a grandiose, rose-tinted picture of the UK's self-importance, rather than one based on an objective assessment of its position.

Size and status feed through into questions of leadership. Although smaller states can provide direction on modest initiatives, as Finland did with its Northern Dimension, if more strategic leadership is to be offered by a specific Member State it needs to be one of the big three: Germany, France or the UK. Britain, however, has not only struggled to find a place in the Franco-German leadership tandem of the Union for 40 years, it has not made a positive contribution to European integration since Mrs Thatcher's single market drive in the 1980s with the possible exception of the European security and defence policy. In order to lead, one must be at the heart of Europe. But the UK is not in the eurozone; nor does it take part in the Schengen area of free movement. More recently, Britain refused to take part in both the fiscal compact and banking union. It has played the role of an awkward partner within the EU (George, 1990) for over 40 years. Just as would-be

reformers of a socialist party need to wrap themselves in the red flag as they speak in favour of arms-length relations with trade unions and the benefits of the free market, it is only those who bear the most impeccable European credentials who are capable of making such an appeal for reform of the EU and radical change. The UK is emphatically not well-placed to lead the charge for reform in Europe (Copsey, forthcoming).

The final component is hubris. Cameron's referendum pledge was built on the hubristic notion that the British Prime Minister has the ability to persuade the other 27 Member States of the merits of a renegotiated package. Cameron's supporters can point to his success in the 2014–20 budget negotiations in which he secured an agreement favourable to the net contributors. Forging agreement on the budget, however, is a considerably simpler task than opening the Pandora's Box of a re-negotiated settlement which would probably have to amount to a new treaty. He also pledged to undertake this renegotiation in the run-up to a presidential election in France and a federal election in Germany. Reflecting again on Britain's overblown sense of self-importance, many Conservatives believe that the other Member States will acquiesce to Britain's wishes out of fear that the British could leave the Union. While it is true that there are many countries in the EU which would be keen for the British to stay, they would not support this at any price. Indeed, some Member States would be pleased to see the difficult British leave.

Central to any deal which would be acceptable to Cameron and would satisfy enough of his party is likely to be Angela Merkel. Although Germany may be the leading player in European politics, prompting some to label it the 'reluctant hegemon' (Paterson, 2011), and Merkel – the most powerful politician in the EU – has made it clear she would regret a British withdrawal, German power can be overemphasized and the willingness of Merkel to support actively Cameron's agenda and rally the troops remains to be seen. As Paterson (2014) has argued, the eurozone remains at the centre of Germany's EU priorities; that matters most for its domestic audience. Cameron's best hope may, therefore, rest on strong economic recovery in the eurozone which would accord – in the scheduled German federal election year of 2017 – Merkel more room for manoeuvre. But even that hope glazes over the fact that Germany's EU policy has become much less generous and idealistic and driven more by hard-headed calculations of the national interest (Bulmer and Paterson, 2013; Galpin, 2014).

## **Conclusions**

This contribution has sought to explain why David Cameron took the radical step in January 2013 of committing the UK to an uncertain renegotiation of its terms of membership of the EU, to be followed by an in-or-out referendum on the deal that he hoped to conclude. In doing so, it termed the British domestic debate on the EU, and European integration more broadly, the politics of 'issue capture', which refers to a situation where a minority group takes near-total control of the terms of domestic political debate, to the near-exclusion of other voices. Subsequently, the contribution analysed UK public opinion on the EU in comparative context and concluded that the British public is perhaps rather less Eurosceptic in nature than Cameron's policy suggests. Nonetheless, we maintained there are deep-seated continuities in Britain's relationship with the EU that have underpinned the UK's scepticism, but a potent cocktail of the eurozone crisis, the rise in support for UKIP and the Conservatives' return to government in a coalition with the

Europhile Liberal Democrats all nudged Cameron in a more Eurosceptic direction. Despite the more pro-European noises in the first half, his speech illustrated the way in which debate in the UK has become subject to issue capture by the hardline Eurosceptics. Moreover, it also highlighted the British Prime Minister's belief in his own leadership and negotiating ability not just to extract a favourable settlement from the other 27 interlocutors around the European Council table, but also to sell any deal to the British electorate.

Cameron's announcement had significance not only for the practice of politics, but also for the study of it. Indeed, his speech prompts a series of questions requiring further research. First among these is the issue of the extent to which European integration is reversible (Webber, 2013). Cameron made clear that he wants – in line with the EU's commitment to subsidiarity – powers and responsibilities to flow back to Member States from Brussels. In other words, European integration should not be a one-way street. An assumption that underlies much of the scholarship on the EU, however, is that European integration is about deepening and widening. What if this were no longer true? What would it mean if the EU were to relinquish its powers in a given policy area? What would it mean for the study of the EU if some Member States were simply to leave?

The process of re-negotiating the terms of the UK's membership of the EU therefore poses a host of new research questions. What if other Member States seek a similar recalibration? Does Cameron's announcement presage a wider process of stocktaking about the pros and cons of EU membership in other European countries, as the Netherlands appeared to be doing? An issue of vital importance to those interested in the role of Member States in the policy-making processes that constitute the 'Brussels game' is the extent to which Cameron's policy of 'strategic disengagement' will affect the UK's capacity (positively or negatively) to achieve the outcomes that it wants in complex negotiations across a whole host of policy areas. We know that Brussels policy-making proceeds in package details and with a certain degree of horse-trading. Will the British be able to do this as effectively if the other Member States believe there is a good chance that they will not be members in a few years' time (and therefore unable to return favours)? As Herman Van Rompuy, President of the European Council put it: 'How do you convince a room full of people, when you keep your hand on the door handle? How to encourage a friend to change, if your eyes are searching for your coat?' (Van Rompuy, 2013).

More broadly, Cameron's speech reminds us of the need to understand the motors and breaks of domestic politics in the constituent Member States of the EU. Whatever supranational forces push along the process of European integration, ultimately it is Member State bargaining which forges the landmark deals and determines the course of integration. Yet the study of individual Member States and how domestic political dynamics interacts with EU-level politics remains surprisingly under-researched, with too much attention directed toward assessing top-down *Europeanization* (with some exceptions – notably Bulmer and Lequesne, 2013). The eurozone crisis has ensured the course and direction of the EU are far less clear than they were in previous decades. Many seeming certainties of European integration no longer hold. The keys to explaining the future development of the EU lie in the Member States and how domestic politicians respond to the consequences of crisis and the deep-seated vulnerabilities that pushed their states towards pooling sovereignty in the first place.

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