The United Kingdom in the Wake of the Elections: EU Membership at Stake

Baroness Smith of Newnham¹ Lecture to be delivered at the Humboldt, 10th June 2015

It is a great pleasure and honour to be invited to speak here this evening. Not only because the Humboldt is such an august institution but also because it was the place where Joschka Fischer gave his seminal lecture outlining his federal vision for Europe back in May 2000. Fischer's thoughts, controversial as they seemed at the time, provided the catalyst for much discussion about the constitutional future of Europe, not least a response from then Prime Minister, Tony Blair, speaking rather more circumspectly in Warsaw later that year. Perhaps surprisingly, I shall argue today that some of Fischer's aspirations seem more apposite than ever, even for the UK at a time when my country's membership of the EU is at greater risk than at any time since 1975.

Forty years ago this month, British citizens voted two to one to remain in the European Economic Community. The unprecedented national referendum was intended to put paid to the question marks that had hung over the UK's membership of the Community since it joined on 1st January 1973. As then Prime Minister Harold Wilson said on hearing the result:

"The verdict has been given by a vote with a bigger majority than has been received by any government in any general election. Nobody in Britain or the wider world should have any doubt about its meaning....It means that 14 years of national argument are over. It means that all those who have had reservations about Britain's commitment should now join wholeheartedly, without stint, in the task of overcoming economic problems that assail us as

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a nation, and work wholeheartedly with our partners in Europe and our friends everywhere to meet the challenges confronting the whole nation."²

Yet the intervening four decades proved such optimism to be misplaced. Even before all the votes had been counted, anti-Marketeers were looking for the next opportunity to press for withdrawal. On 6th June 1975 former senior Conservative and vehement anti-Market MP Enoch Powell claimed this was 'an ongoing debate'.³ Meanwhile, pro-Europeans in the UK, as elsewhere in the Community/Union somewhat complacently assumed that with membership assured their job had been done; no further work to persuade citizens of the benefits of Europe was needed, or so British politicians seemed to believe. As the Community of 12 has transformed into a Union of 28 since the end of the Cold War citizens in several Member States and all candidate states have been afforded referenda. British citizens have been given the promise of a popular vote on European matters several times over the last twenty years, yet still no vote has occurred, leaving would-be voters with a degree of frustration and a lingering sense that the political elite simply do not trust them. Such frustrations have been conducive to, though not sole reason for, the rise of the United Kingdom Independence Party (UKIP), which favours an immediate in/out referendum and subsequent withdrawal. And the rise of UKIP in turn has contributed to ever more fractious debate in the Conservative Party about Britain's place in the EU. It was in this context that the 2015 General Election took place.

The Electoral Dimension and Political Context

The general election of May 2015 was one of the dullest that I and other commentators can recall. Party leaders scarcely put a foot wrong – except literally when Ed Miliband fell off the podium at the

² Harold Wilson, *The Times*, 7th June 1975, reprinted on 6th June 2015.

³ Enoch Powell interviewed on the BBC election results programme on 6th June 1975; repeated on BBC Parliament, 7th June 2015.

end of a live TV debate. But nor did any of them, apart from Nicola Sturgeon, the newly elected leader of the Scottish National Party, offer much by way of new ideas, visions or values. The outcome also seemed predictable – rather than the majority government that had typified the UK until 2010, it seemed inevitable that the 2015 general election too would lead either to coalition or minority government. The dramatic success of David Cameron and his Conservative Party thus came as a surprise to many – arguably to Cameron himself. Freed from the constraints of coalition with the pro-European Liberal Democrats, a single party Conservative government was now free to enact its own policies, notably a pledge to hold a referendum on whether the UK should remain in the EU. The question was no longer whether there would be an In/Out referendum, but when – the stipulation of 'before the end of 2017' offering a limited amount of flexibility to the Prime Minister.

Yet, while it is true that Cameron enjoyed resounding success, that victory was based on success in England (and to a lesser extent Wales). The situation in Scotland was completely different: the SNP secured a landslide victory, winning 56 out of 59 seats. This consolidated English-Scottish divisions that had been increasing since the Thatcher government of the 1980s and arose in part because of the dynamics of the Scottish referendum held in September last year. This has profound ramifications for British politics in general and for the EU referendum in particular. The UK Independence Party performed strongly in terms of votes, coming third nationally with 3.9 million votes, but securing only one seat in the House of Commons. The composition of the second chamber, the unelected House of Lords, which also has to agree to the legislation on a referendum, is quite different from that in the Commons: the Conservatives are far from having a majority, there are no SNP members and only three UKIP peers, while the Lib Democrats remain a significant force. Under the Salisbury-Addison Convention it is expected that the Lords should not block proposals that were enshrined in the governing party's manifesto. It is unlikely, then, that proposals for a

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referendum will be blocked in the Lords but there may well be amendments over the next few months.

Reform, Renegotiation and Referendum – Conservative pledges on the UK's relations with the EU

Less than three weeks after the election, the Government's proposals for the coming session of Parliament were outlined in the Queen's Speech. Included prominently was a commitment that:

"My Government will renegotiate the United Kingdom's relationship with the European Union and pursue reform of the European Union for the benefit of all Member States. Alongside this, early legislation will be introduced to provide for an in-out referendum on membership of the European Union before the end of 2017."

This was swiftly followed by the European Union Referendum Bill, preparing the way for the referendum, on the question, "Should the United Kingdom remain a member of the European Union?"⁴ The Bill was debated for the first time in the House of Commons yesterday, securing a massive majority of 544 to 53 as Labour, previously opposed to the suggestion of a referendum outside of the strictures of the 2011 EU Act to hold a referendum at time of treaty change leading to significant powers shifting to the EU, joined forces with the Conservatives to support the safe passage of the bill. The SNP, however remained opposed to the referendum arguing that no such referendum is needed, although they say they will support a 'Yes' vote to keep the UK within the EU when the time comes.

⁴ NOTE: the question and the extent of the franchise are both subject to amendment in both Houses of Parliament, so they may be some small changes to the wording of the question as finally put to the vote.

The EU Referendum Bill makes good not just the Conservatives' 2014 European Parliament and 2015 general election manifesto commitments but also the promise made by David Cameron in his Bloomberg speech of January 23rd 2013. In that speech, which temporarily at least appeared to reunite the fractious Conservative Party on European matters, Cameron claimed to speak as 'British Prime Minister with 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." Yet, he cautioned that the EU faced challenges that, if unresolved, could see the UK drifting towards the exit.⁵ Indeed, some in his own party, as well as UKIP, favour precisely such a break-up of the EU, with Britain finding a new, semi-detached relationship with her erstwhile partners. However, the formal position of the Conservative Party was, and remains, that it is in the UK's national interest to be in a reformed EU (given typical British insularity, we rarely consider whether it is in the EU's interest for Britain to be a member or what the UK can do for Europe).

All four main parties in the UK officially seek to remain in the EU, all speak of reform, though precisely what reforms they seek, and whether those reforms should be seen as critical to the issue of whether or not to support a 'yes' vote differ. Yet, all reflect the fact that the benefits of European integration are far less widely accepted in the UK than elsewhere. In her historic speech to the two house of the British Parliament in May last year, Angela Merkel highlighted the benefits of European integration as being 'Frieden, Freiheit und Wohlstand'. In the UK it is only the last of these that might resonate, and even then it would be tempered with quibbles about excessive red tape from Brussels.

Similarly, for many in the UK, Fischer's analysis of European integration simply does not ring true. "The core of the concept [of European integration] of Europe after 1945 was and still is a rejection of the European balance-of-power principle and the hegemonic ambitions of individual states that had

⁵ The challenges were: "First, the problems in the Eurozone are driving fundamental change in Europe

emerged following the Peace of Westphalia in 1648, a rejection which took the form of closer meshing of vital interests and the transfer of nation-state sovereign rights to supranational European institutions.'

This may indeed have characterised the process at the outset – and for many it is still crucially at the heart of what the EU is, and should be, about. For most British people, however, including those who firmly believe that it is in the UK's interest to remain in the EU such ambitious thinking is alien; the loss of sovereignty is a cause for concern, even if few can articulate what they really mean by losing sovereignty. Indeed, it such a disparity of vision and aspiration that can make the UK's membership of the Union so difficult for both sides to manage at times.

As Cameron further noted in his Bloomberg speech: "We have the character of an island nation – independent, forthright, passionate in defence of our sovereignty." For passionate pro-Europeans, Cameron's analysis of the UK's attitude towards the EU may sound horribly utilitarian: "For us, the European Union is a means to an end – prosperity, stability, the anchor of freedom and democracy both within Europe and beyond her shores – not an end in itself."⁶ Yet, it is important to recognise that these words reflect the dominant strand of even pro-European thinking in the UK. While some British people share the passion, vision and, dare I say it, idealism of the European project dating back to the 1950s, for many it is at best something that provides economic benefits. It is incumbent on those who believe that European integration is about more than free trade – important though that is – to get beyond the dry economic facts. But it is equally important that our friends in Germany and elsewhere in Europe understand the hostility with which many view the UK's membership of the EU and the difficulty those of us who want Britain to stay in the EU face in

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⁶ Bloomberg Speech, 23rd January 2013.

winning the referendum. At present the opinion polls are positive – but we've learned to distrust all polls except the one on election day. And much can still happen between now and the referendum.

Indeed, Cameron is determined that much **will** happen between now and the referendum. He has pledged to seeking reform in the EU and renegotiation the UK's relationship with the Union. His own commitment to campaigning to remain in the EU is (in part) contingent on getting results in the renegotiation.

The Challenge for Cameron – and for the UK remaining in the EU

Cameron is playing effectively a two-level game: a domestic one and a European one. He needs to pursue both in parallel and getting either wrong could be catastrophic. And his problems are compounded by deep divisions within his own party on the European question. At present there are a range of anti-EU/Eurosceptic Conservative groups, each seeking a somewhat different balance in the renegotiations and referendum, alongside the pro-EU Conservative Mainstream. Better Off Out, as the name suggests favours withdrawal from the EU, and can be seen as similar to UKIP in its stance. The Fresh Start group appears to be genuinely willing to look at the results of any renegotiation and take a view on the basis of the results. Meanwhile, the newly created Conservatives for Britain, boasting at least 50 Conservative MPs among its ranks, are demanding rather more significant reforms than seem deliverable, particularly within the tight timetable that Cameron has set himself. Essentially, they are calling for a trade and cooperation relationship with the EU, and a return of national sovereignty. This seems fundamentally incompatible with ongoing membership as the Foreign Secretary has made clear, and it seems likely that members will support the 'No' campaign regardless of the outcome of renegotiations.

The Domestic Level

At home, the 'Yes' campaign will needs to win over Eurosceptics of various hues if the vote to remain in the EU is to be successful. There is a distinct danger that Cameron will overpromise and under deliver, when quite the reverse is needed: he would be better placed under promising and over delivering if he really wants to show he been successful. While the polls suggest a majority of voters would currently vote to stay in, many people are as yet undecided and some will be persuaded if they feel that Cameron is offering a new deal for the UK in Europe. This applies within his own parliamentary party and even government ministers as much as to ordinary citizens. Convinced pro-Europeans who would vote to stay in the Union come what may are less well-placed than 'soft Eurosceptics' to convince waverers whose support for membership is contingent rather than deeply held that his renegotiation is meaningful. Yet it is also important not to water down the UK's commitments to the EU to such an extent that pro-Europeans feel our relationship is no longer worth having.

A legacy of the 1974/5 Wilson 'so-called' renegotiation and referendum is that there is widespread disbelief that any attempts to change the UK's relations with the EU will be meaningful. Already both pro-Europeans and Eurosceptics are saying as much. For the sceptics such as former Chancellor of the Exchequer Nigel Lawson there is every reason to argue as loudly and frequently as possible that meaningful change will not happen. After all, he wants a 'no' vote. Rather more worrying is the fact that some avowed pro-Europeans are equally keen to claim that any renegotiations will be meaningless. Thus, for example, former SNP leader and now Westminster MP, Alex Salmond already speaks of a 'sham renegotiation'.⁷ While this is clearly good party politics for a politician seeking to maximise his differences from the Conservatives, it does little to assist those seeking to win over waverers.

⁷ Alex Salmond, *Newsnight*, 20th May 2015.

The European Level

While it is not yet clear what Cameron will seek by way of reform, and indeed the Conservatives for Britain are pressing him to demand more significant reforms than he was planning, some of the proposals have been floated in the Bloomberg Speech and in the Conservative Party manifesto. In the Bloomberg Speech, he made clear that he understands the need for the Eurozone states to integrate further – a position acknowledged across the political spectrum in the UK. The key point for Cameron is that changes involving the Eurozone should not harm the UK's position in the internal market. This chimes closely with the arguments put by Joschka Fischer a decade and a half ago.

Fischer's ambitions for the EU went much further than most in Britain could tolerate as he stated: "we must put into place the last brick in the building of European integration, namely political integration."⁸ However, his comments on the Euro were prescient— "A tension has emerged between the communitarization of economy and currency on the one hand and the lack of political and democratic structures on the other, a tension which might lead to crises within the EU if we do not take productive steps to make good the shortfall in political integration and democracy, thus completing the process."⁹ If this vision was greeted with scepticism and hostility in 2000, there has been a palpable change in British attitudes. Contrary to Fischer's assumptions in 2000, many Eurosceptics are willing to accept that fiscal and even political union are necessary for the Eurozone and have little desire to stop the Eurozone 19 from taking the decisions they need to reinforce the currency. There is a recognition that a stable Eurozone is in the interests of the UK, albeit alongside a desire to ensure that such deepening does not undermine the internal market. This, then, is one of the key areas where Cameron will require reassurances in his negotiations over the summer. Yet, it is something Fischer foresaw in his proposals for reform: 'it would be critically important to ensure

⁸ Fischer Humboldt lecture.

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that the EU acquis in not jeopardised, that the union is not divided and the bonds holding it together are not damaged, either in political or legal terms.' This aspect of the UK's concerns might be acceptable to others, leading as it can to a win-win situation for the Eurozone members and nonmembers alike.

Another UK demand - more powers to the national parliaments - could necessitate treaty reform. Equally inter-institutional agreements to ensure that the Commission and Council took the current yellow and red cards seriously would give the UK much of one it wants without going down the road of treaty reform. And one might suggest that rather than calling for more powers, national parliaments could make better use of those powers they already have under Lisbon – the EP has claimed powers through clever use of its Rules of Procedure: national parliaments could do worse than seek to emulate them.

That the UK does not support 'ever-closer union' is a surely a surprise to no-one. Assuming that it is not an article of faith to any/all of the other 27 Member States, an acknowledgement of the UK's position could be dealt with via a Protocol to the treaties.

Where there is less scope for reform is on free movement of people and benefits for migrants; something which, perhaps, should be dealt with domestically – as the Chairman of the Bundestag Foreign Affairs Committee has noted in London last week.

A message to European leaders

Whatever Cameron does put on the table – and at the very least he seems to have learned the hard lesson of the Fiscal Compact Treaty and started talking to colleagues on a bilateral basis already, rather than suddenly raising issues in the middle of an all-night summit meeting – he will have to deliver something at home and other European leaders must understand this. The renegotiation and referendum are not merely some British petulance or a sign of Cameron's inability to hold his own party together, though there is an element of that. Rather they reflect a growing frustration with the European project, fostered by a hostile press and the rise of UKIP.

Europe's leaders need to understand that there is a very real danger of the UK leaving the EU if Cameron cannot return with something from the negotiations. Yet, of course, it is essential for the future of the Union that the 27 do not give way on core European principles – that should go without saying. The renegotiation must be credible. Cameron must 'win' something. Ideally it would be a win-win situation such as further integration for the Eurozone and non-discrimination for Euro-outs.

Concluding remarks

It would, as Joschka Fischer argued in 2000, 'be historically absurd and utterly stupid if Europe, at the very time when it is at long last reunited, were to be divided once again'.¹⁰ This is currently a real and present danger. Reform, renegotiation and referendum are a fantastic trio for an election slogan. Post-election, however, they represent a high stakes game that neither the Prime Minister nor his European counterparts should assume he will win. The UK's membership of the EU is indeed at stake. It will take much collective effort on both sides of the Channel to ensure that Britain stays in and does so in a way that ensures the Union as a whole benefits.

¹⁰ Fischer, Humboldt Lecture.