★ UNITED KINGDOM

Still the Odd Man Out?

Louise Borjes Anand Menon

Highlights

- ★ For Britain, the perceptions of its membership of the EU is seen in transactional terms. Joining and remaining in the EU was always sold as an economic decision taken for economic reasons. Therefore, concepts like "political union" mean very little in the UK. Even the idea of the EU being a "project" has little echo.
- ★ Unlike most other Member States, the optimal development of the EU would be no development at all, or developments that unpick existing areas of EU activity. The UK indeed favours the status quo in integration with the single market as the core of its membership.
- ★ Issues, such as a European public sphere or policies to further legitimise the EU, have very little appeal in the UK. The British press stands among the greatest obstacles to fostering a greater sense of belonging to a European public sphere and debates focus more on the illegitimacy of the EU as a political system than on how to correct it.

Building Bridges project

This paper is part of the Building Bridges Paper Series. The series looks at how the Member States perceive the EU and what they expect from it. It is composed of 28 contributions, one from each Member State. The publications aim to be both analytical and educational in order to be available to a wider public. All the contributions and the full volume *The European Union in The Fog* are available <u>here</u>.



About the author

Louise Borjes currently works at the Institute for Government in London. She was previously a research assistant at the UK in a Changing Europe Initiative. She holds an MA in European Public Policy and a BA in English Language and Communication, both from King's College London.

Anand Menon is Professor of European Politics and Foreign Affairs at Kings College London and Director of the UK in a Changing Europe Initiative. He has written widely on many aspects of EU politics and policy and on UK-EU relations. He is a frequent contributor to the media on matters relating to British relations with the EU.

About Building Bridges

Called "Building Bridges Between National Perspectives on the European Union", the project aims to stimulate the public debate around national experts on the relationship between their member state and the EU and on the future of the Union. This project confronts their visions with others' from different member states, but also those of people from different horizons via workshops in Warsaw, Madrid, Paris and Brussels, which took place in 2015 gathering experts and local citizens.

The project is coordinated by the French Institute of International Relations (Ifri) with three major partners: the Polish Institute of International Affairs (PISM), Real Instituto Elcano and EUROPEUM—European Institute for European Policy. The project has also benefited from the support of institutes in each Member State.

You can find all the information and publications about the project at this address: <u>http://www.ifri.org/en/recherche/zones-geographiques/europe/projet-building-bridges</u>.



This project is supported by the Europe for Citizens programme of the European Union.

The European Commission support for the production of this publication does not constitute an endorsement of the contents which reflects the views only of the authors, and the Commission cannot be held responsible for any use which may be made of the information contained therein.

What does your country hope to gain from its membership of the European Union?

Perhaps the single fundamental difference between British perceptions of its membership of the EU and those of most of its partners is that, for most in Britain, the relationship is seen in transactional terms. Whilst primarily an economic instrument, European integration in all other Member States serves a fundamental political purpose. In the original six, that purpose was to preserve peace; in the southern European states, the EU is associated with the establishment and preservation of democracy; in Central and Eastern Europe with the escape from communism and "return to Europe".

For the British people, on the other hand, membership of the European Union was always sold as an economic decision taken for economic reasons. There are many possible explanations for this. One is that Britain emerged from the Second World War victorious and hence had no need for the profound soul searching about its system of government or place as a nation that others endured. Another is that the United Kingdom (UK) entered the EU at a time of almost unprecedented economic dislocation and membership was seen simply as a means of addressing this. Whatever the reason, the transactional nature of British views on the EU profoundly shapes expectations about European integration. For one thing, British attitudes towards integration are marked by a "cost-benefit" striking element. The government tends to support initiatives that it practical expects to bring benefits. Revealingly, the decision on whether or not to enter the euro under Tony Blair was taken after precisely such an exercise: the five economic tests subjected the issue of euro membership to rigorous empirical analysis in 2003.1

Similarly, the prime case for British membership of the EU has long been, and remains under David Cameron, the single market. It was, after all, the British duo of Margaret Thatcher and Lord Cockfield, then Commissioner for Internal Market, who had pushed hard for the creation of this single market in the first place.² The UK has played a leading role in the development of the single market and associated market liberalisation.³ Therefore concepts like 'political union' mean little on this island. Because the EU is seen in economic terms, a failure on its part to deliver economic success becomes a reason to question membership.

Moreover, bargaining for a more open market comes at a price. In exchange for market liberalisation the UK has found itself having to accept legal arrangements regarding, for example, the free movement of people that the UK alone would not have implemented.⁴ The development of more explicitly "political" aspects of what was seen as a market building exercise has strongly affected the cost-benefit calculation carried out by many in this country.

Do you think that the European Union appears to be a clear project in your country? If not, what are the main reasons?

Continuing from the above, there is clarity about what European integration should involve in Britain, but that stands in contradiction to any idea of it being a "project". Insofar as European integration is seen as a "project" at all in the United Kingdom, this tends to be a line propounded by eurosceptics anxious to warn of the development of a "European superstate". One manifestation of this has been the demand by David Cameron, as part of his strategy to "renegotiate" British membership, that the UK cannot accept the commitment to "ever closer union" contained in the treaty.⁵

Moreover, different areas of British society support European integration for different and on occasion contradictory reasons. Thus, much of the business and financial services communities are broadly in favour of British membership, but fully support David Cameron's attempt to make the EU more competitive, and to cut what they see as burdensome red tape and regulation. However, according to some surveys, only a handful of businesses would openly advocate for staying in the EU, largely because of fears of alienating eurosceptic consumers.⁶ Other groups, such as Business for Britain, have been created to campaign in favour of changes in the terms and conditions of Britain's EU membership, failing which they would militate for a British exit.7

In contrast, British Trade Unions have largely been in favour of integration since Jacques Delors, then President of the European Commission, attended the TUC conference in 1988 and sold them the vision of a "social Europe" involving the kinds of social and employment regulation that the Thatcher governments were committed to scrapping. The Unions remain committed to regulations that David Cameron aspires to get rid of, such as the Working Time Directive.⁸ The nature of the Prime Minister's "renegotiation" strategy has led some trade unions to became more sceptical about EU membership - the Transport Workers' Union RMT has already stated its intention to campaign against membership of the "pro-austerity, antiworker" EU.9 Any intention to include the scrapping of the Working Time Directive the Prime Minister's approach to renegotiation would have alienated trade unions, which could have even considered campaigning in favour of exit.10

What degree of integration seems adequate to the position and ambitions of your country both politically and economically?

One of the reasons why the UK differs from its partners may, on the surface, appear paradoxical. Ever since the 1990s, Britain has been largely satisfied with the EU status quo. A Union with minimal foreign policy powers that centred largely (for non-euro members) on the single market was an EU that the UK was relatively comfortable with. This was, after all the Europe so eloquently outlined in Margaret Thatcher's now infamous speech to the College of Europe in September 1988.¹¹

Thus, unlike most other Member States, the optimal development of the European Union would be no development at all, or developments that unpick existing areas of EU activity or competence in which the UK has no interest. Prime Minister Cameron has, during the course of the debates that have occurred since his 2013 Bloomberg speech (in which he first promised a referendum on membership), made this abundantly clear. The various ideas floated in these debates that would need to form part of the promised "renegotiation" have included: limits to the principle of labour mobility (epitomised in talk of limiting the right of migrant workers to in-work benefits); the amount of "red reducing tape", "regulation" produced by the European Union; the introduction of a "red card" procedure to allow national parliaments to block proposed legislation, EU strengthening national parliaments in the EU; and the repatriation of some EU competences to national level.¹²

There are also concerns about further integration extending to areas in which the UK does not formally participate. Thus, another key demand of David Cameron has been the need to avoid further integration in the Eurozone adversely affecting non-euro Member States.¹³ The dangers here were spelled out by former Chancellor of the Exchequor Nigel Lawson:

"Not only do our interests increasingly differ from those of the Eurozone members but, while never 'at the heart of Europe' ... we are now becoming increasingly marginalised as we are doomed to being consistently outvoted by the Eurozone bloc."¹⁴

The two camps of the EU referendum debate focus on the ability, or inability, of Britain to wield influence in Brussels. Those in favour of a Brexit argue that Britain has little or no influence and argue that Britain will flourish outside the EU.¹⁵ On the other side of the debate, promembership supporters have argued the opposite – claiming that Britain has long been an influential member of the EU.¹⁶ This was also the overall verdict in the Balance of Competences Review of EU membership carried out by the UK Coalition government in 2014.¹⁷

Even in those areas where Britain has, in the past, exercised a leadership role, this is no longer the case. In the area of defence and foreign policy, the UK, together with France, took a lead in creating the Common Security and Defence Policy (CSDP). Since then Britain has been central to the development of the Battlegroup concept.¹⁸ The 1998 UK Strategic Defence Review stated that the country is "a major European state and a leading member of the European Union".¹⁹ Subsequently, however, British interest in European Union foreign and security policies has waned significantly, with London frequently playing the role of lone opponent of further integration, notably in its opposition to the development of EU operational an headquarters.

According to you, how could we strengthen the idea of belonging to a common European public sphere among your national citizens?

Frankly, this is hard to envisage in the United Kingdom. The majority of supporters of European integration in this country reject the notion of a common European public sphere outright. European integration is seen in cost benefit terms as a purely transactional means of improving economic performance and explicitly *not* as the creation of a new level of public or political authority. Not only are British political leaders reluctant to foster the sense of a common public sphere, but there is little evidence to suggest that the public would be receptive to such ideas even if they were. For example, a poll from June 2013 shows that a clear majority of those voting in favour of membership would consider voting for a Brexit if a higher degree of integration was forced upon the UK - especially any integration relating to the Eurozone.²⁰

One reason for this is the attitude of the British press, which provides highly limited coverage of the European Union. Perhaps more importantly, large sections of the British popular press are resolutely hostile in tone towards the EU. This does not necessarily imply that popular newspapers are in favour of Brexit. It remains to be seen which of the tabloid press (apart from the Daily Express which, alone, supported UKIP in the recent General Election)²¹ will campaign for a British exit. Yet, whatever editorial decisions are taken, the fact remains that the tone adopted by the press when discussing the EU is one reason helping to explain why the British people simply do not think in terms of the development of a common European public sphere.

This will become abundantly clear as the campaign ahead of the referendum gathers steam. Perhaps more revealingly, promembership campaigners will almost certainly base their arguments on the dangers of exit rather than on the advantages of being engaged in the European "project". The lack of a positive narrative in favour of membership will become obvious in the run-up to the referendum in June. At the other end of the spectrum, the pro-Brexit side will emphasise the economic costs of EU membership while arguing that that intra-EU migration has negatively affected welfare provision in the UK. One of the major political successes of the UK Independence Party (UKIP) in recent years has been its ability to link the issues of Europe and immigration in the minds of voters.²²

It should be stressed that, even if Britain decides to stay in the EU, discussion of the costs and benefits of integration will continue. The precedent of the Scottish independence referendum in 2014 illustrates all too clearly that a popular vote does not necessarily put an end to discussion of an issue. And the success of the Scottish National Party in the succeeding election in 2015 served to underline the potential implications of winning a campaign via purely negative campaigning. Therefore, even if Britain were to stay in the EU after the referendum it is difficult to see a common European identity being shaped amongst UK citizens.

Which policies would you deem essential to conduct at the EU level in order to better legitimise the European project?

It is difficult to pin down specific policies that could better legitimise the European project in the UK for reasons explained earlier, not least the reluctance in this country to see European integration as a project at all. Rather, the British political debate often focuses on the *illegitimacy* of the European Union as a *political system*. A concern particularly amongst eurosceptics is the perceived illegitimacy of an EU legal system that directly contradicts the principle of parliamentary supremacy. Some argue that more than two thirds of UK law is made by the EU.²³

Generally speaking this is not perceived to be something that is amenable to resolution at the EU level. Insofar as there are thought to be solutions, these are seen as lying at the national level. One idea that is gaining particular traction is that of empowering national parliaments in the EU policy making process. Another solution mooted by some is the repeal or amendment of the European Communities Act of 1972, by which the ability of the EU to overrule national law is ensured.²⁴

It is common, in the context of the British debate, to refer to the academic concepts of "input" and "output" legitimacy. The former implies democratic self-determination, which requires that choices made by the given political system are driven by the authentic preferences of citizens, suggesting a chain of accountability linking those governing to those governed. But "democracy" is only part of the story of political legitimacy, which also demands that those exercising political power are able to achieve a high degree of effectiveness in meeting the expectations of the governed citizens - output legitimacy. It has long been commonplace in the academic literature to emphasise the role of the latter in terms of the legitimacy of the EU.

And it is very much output legitimacy that has shaped British debates on European integration. In other words, it is the performance of the EU in terms of its policies that shapes British attitudes. The output legitimacy of the EU is crucial when deciding which policies are essential to legitimise the EU in the UK. As the EU is continuously framed in cost-benefit terms, the UK will firmly stand by policies that only benefit the UK economically. Thus, the economic performance of the EU is the crucial determinant of its legitimacy for Britain. Eurosceptics were quick to pounce on the impact of the Eurozone crisis, arguing that the UK found itself "shackled to a corpse". Clearly, the economic performance of the EU relative to that of the UK will have an impact on the outcome of the referendum.

The flip side of this is that the British remain relatively unconcerned by debates on the input legitimacy of the European Union. For example, the "Spitzenkandidat" process to nominate the President of the European Commission went relatively unnoticed in Britain. Ideas about, for instance, strengthening the power of the European Parliament enjoy little traction in the UK. The cost-benefit minimalistic approach that Britain entered the EU with in the 1970s still remains firmly in place. There is a strong reluctance to see integration in areas from which Britain will not benefit economically. Attempts at integration beyond the single market are generally seen in terms of the EU changing into something that Britain did not sign up for.

With the referendum on EU membership taking place within the next two years, Britain is facing an uncertain European future. The referendum will dominate the British political debate. However, even if the British population decides to stay in the EU, they are no more wedded to the notion of a European "project" than before. A purely transactionalist, costbenefit approach to the EU will continue to characterise British relations regardless of the outcome of the referendum.

Endnotes

1. Iain Begg, "Could it be 'Brexpulsion' rather than 'Brexit'?", *European Policy Analysis*, Issue 2015:18epa, July 2015, p. 2, <u>http://www.sieps.se/</u>.

2. Charles Grant, "Thatcher's legacy to Europe", Centre for European Reform, website blog, 12 April 2013, http://www.cer.org.uk/.

3. HM Government, *Review of the Balance of Competences between the United Kingdom and the European Union: The Single Market*, 2013, <u>https://www.gov.uk/government/</u>.

4. Ibid, Section 3.35, p. 47.

5. Nicholas Watt, "David Cameron calls for UK exemption from EU's 'ever-closer' union", *The Guardian*, 23 January 2013, <u>http://www.theguardian.com/</u>.

6. FT-ICSA Boardroom Bellwether, *Insights into what boards are thinking from the survey of FTSE 350 company secretaries*, London, Institute of Chartered Secretaries and Administrators, 2015, p. 7.

7. Business for Britain, "About", http://businessforbritain.org/about/.

8. Matthew Holehouse, "David Cameron to demand opt-out on EU work law in referendum negotiations", *The Daily Telegraph*, 10 July 2015, <u>http://www.telegraph.co.uk/</u>.

9. RMT, "Transport union to campaign for exit from 'pro-austerity, anti-worker' EU", Press Release, 25 June 2015, <u>https://www.rmt.org.uk/</u>.

10. Matthew Holehouse, "Brexit campaigners to recruit trade unions as David Cameron takes axe to EU job laws", *The Daily Telegraph*, 13 July 2015, <u>http://www.telegraph.co.uk/</u>.

Margaret Thatcher, Speech to the College of Europe, 20 September 1988, <u>http://www.margaretthatcher.org/</u>.
"David Cameron's speech on the EU: full text", *New Statesman*, 23 January 2013,

http://www.newstatesman.com/.

13. Ian Traynor and Frances Perraudin, "David Cameron takes hit as France and Germany agree closer EU ties", *The Guardian*, 26 May 2015, <u>http://www.theguardian.com/</u>.

14. Nigel Lawson, "I'll be Voting to Quit the EU", *The Times*, 7 May 2013, <u>http://www.thetimes.co.uk/</u>.

15. Business for Britain, "Britain's lack of influence in the EU revealed", *Business for Britain*, 25 March 2014, <u>http://businessforbritain.org/</u>.

16. British Influence, *The British Influence Scorecard* 2015: What influence does Britain have in the EU?, January 2015, https://view.publitas.com/british-influence/.

17. Kylie MacLellan, "UK's relations with EU broadly effective, says government study", *Reuters*, 13 February 2014, <u>http://uk.reuters.com/</u>.

18. David Lidington, "EU Common Security and Defence Policy: The UK Perspective", Speech, 27 June 2012, https://www.gov.uk/government/.

19. Ministry of Defence, *Strategic Defence Review*, London, Ministry of Defence, 1998, p. 7, <u>http://archives.livreblancdefenseetsecurite.gouv.fr/2008/</u>.

20. Survation, Europe: Awareness and Attitudes, June 2013, http://survation.com/.

21. Macer Hall and Helen Barnett, "EXCLUSIVE: Express Newspapers Chairman Richard Desmond: Why I'm giving £1.3m to Ukip", 17 April 2015, *Daily Express*, <u>http://www.express.co.uk/</u>. The *Daily Mail* has also hinted that it supports a vote to leave the EU.

22. See, for example, Asa Bennett, "Nigel Farage Brands Britain 'The EU's Cheap Labour Economy'", *Huffington Post*, 5 November 2014, <u>http://www.huffingtonpost.co.uk/</u>.

23. Steven Swinford, "Two thirds of Britains law 'made or influenced by EU'", *The Daily Telegraph*, 2 March 2015, <u>http://www.telegraph.co.uk/</u>.

24. European Communities Act 1972, http://www.legislation.gov.uk/.