

# It's a binary choice and 'reformers' are part of the EU 'in' group

*Anthony Scholefield analyses the failure of euroscepticism and speculates what it would take to turn reformers into full-blooded supporters of withdrawal*

In a speech to the Bruges Group in summer 2008, *eurofacts* editor Gerald Frost addressed the question of why it is that euroscepticism had failed in its central objective of achieving Britain's withdrawal from the European Union. He suggested that its failure to date in this regard was not due to a lack of funds, nor to a failure of the eurosceptics to co-operate and certainly not to a lack of public support. He identified the prime cause of failure as being the lack of success in winning over a sufficient number of the political class and the intellectual, media and business elite.

Why is winning over the elite so important? Here we should contrast the situation in the UK with that in Switzerland. The Swiss elite is just as much in favour of the EU as the British elite, or the elite in any other European country for that matter. However, it cannot get around the Swiss Constitution which requires that a series of referendums must take place before Switzerland can be politically integrated with its neighbours. Attempts to win public approval for EU entry by this means have regularly failed. Britain does not possess this constitutional requirement. The British political class can act without a referendum and even in contradiction of its previous promises to hold a referendum, as the history of the Lisbon Treaty has amply demonstrated.

Given that the electorate has been effectively disenfranchised on the central question of British politics it follows, by a process of deduction, that there must be a substantial conversion among the British elite if euroscepticism is finally to triumph. Having established this important point, it is necessary to pose the following question: Why has it been so difficult to effect such a conversion?

Gerald Frost pointed out that this failure was in contrast to the achievements of the free market

reformers especially, but not exclusively, in the Conservative Party who succeeded in remoulding the climate of opinion in the late 1970s. The free market reformers were in a substantial minority in 1979. In fact, Sir John Hoskyns said of Mrs. Thatcher's first cabinet that she only had one supporter inside it - Sir Keith Joseph. There was some support for the free market revolution in the lower ministerial ranks, the back benchers and some business opinion. There was outside intellectual support from the IEA and the CPS as well as from individual journalists such as Peter Jay and Samuel Brittan. Nevertheless, support for Margaret Thatcher in 1979 was still more substantial than support for withdrawal from the EU in the political class today.

## Public Space

Today there are a lot of people occupying the public debating space, including prominent Tories, who describe themselves as eurosceptics but whose euroscepticism is of a strictly limited nature. When analysed it consists of two components. The first consists of a desire for reform. They criticise some elements of the EU, for example, the Common Agricultural Policy or the Working Time Directive, but do so from a reformist point of view (this is rather like trying to improve the Dock Labour Scheme or the working practices of the Meriden motorcycle company in the 1970s). They have no intention of withdrawing from the EU and they frequently say so. David Cameron, William Hague, as well as Bill Cash, are part of that tendency which also includes a number of commentators and business spokesmen who are wheeled out as media eurosceptics. When their criticisms of the EU are ignored by the europhiles, they lapse into silence.

Euroscepticism of this kind also defines itself in terms of further

integration. Accordingly its adherents oppose the Lisbon Treaty and attempts to get Britain into the eurozone. It has manifested itself through the campaign to save the pound, the conversion of all three parties to hold a referendum on the EU constitution and the promise of the Tories to hold a referendum on the Lisbon Treaty, provided it does not come into effect before a Tory victory at the general election.

A further characteristic of this strand of euroscepticism is the refusal to develop a strong intellectual basis for policy. There have been no significant papers produced by the political class on fundamental EU matters, such as a cost benefit analysis of membership, or a clear statement of where the process of integration should be limited: its stance has been frivolous, reactive and tactical.

The key contrast between the free market revolution of the 1970s and euroscepticism today is that it was possible to buy into part of the Thatcher bundle of ideas but not all of them. In the 1980s gradually more and more of the political class could see the sense of the Thatcher ideas and were drawn into grudging support. This support never had to be total and there was never a Rubicon to be crossed. Indeed, the whole process of taming the unions was based on a step-by-step legislative effect, so that each new law seemed a natural development of what had gone before.

This is not possible with the EU question. In the end you have a binary choice. You are either 'in' or 'out'. Reformers of the EU are part of the 'in' group.

Success for full-blooded euroscepticism requires a clear cut decision to move from an 'in' to 'out' in sufficient numbers to reverse the political tide, rather than a gradual and partial acceptance of the kind that facilitated the Thatcher revolution.

A further impediment to change is

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## EU reformers are part of the 'in' group

that this requires not only an admission of error of some magnitude; it also means directly confronting the status quo. Analyses of referendum results has always shown there is a bias among all electorates to retain the status quo - this has been a barrier for europhiles to surmount in a referendum on sterling. However, this resistance to change also applies to politicians. As Alfred Sherman remarked, politicians carry on in a straight line until they hit a brick wall. In the 1970s in the economic field the brick wall came into view and forced a dramatic change in Tory Party policy. This change was acknowledged by the other parties in the 1980s and, no doubt, something similar may happen again. However, in these economic crises, it is possible to argue that the change of course involved a reversion to previous aspects of Tory Party thinking. In short, it was possible for Tory politicians to accommodate the new thinking within the broad Tory tradition of ideas. There was no point at which previous policy ever had to be directly confronted and reversed and the errors admitted.

It can be argued that David Cameron

and the Tories have not yet confronted the status quo in the present economic crisis. At Cheltenham David Cameron said he would let us know his plans before the general election. If it takes him a year to work out his policies, how long will it take to actually make his policies work? The acceptance of the enormous deficits appears fatalistic although quick and drastic action could shrink the problem dramatically. Yet the Tory leader has said his ministers will not act as "*flint-faced turbo-charged accountants*".

The final barrier to change lies in the pain of admitting error and acknowledging that the 'great unwashed', as well as the frequently lampooned minor parties and groups of the Left and Right, have been right all along. This is difficult for the political class to swallow.

What therefore could trigger a substantial part of the political class to make the intellectual leap in abandoning the status quo and cross from 'in' to 'out'? This sort of revolution in thinking among politicians is rare. The only example that comes to mind is the volte-face in British political opinion following the

Nazi occupation of Prague in 1939.

Even an economic global crisis and huge budget deficits have not been sufficient to force the Tory leadership to examine such EU commitments as Blair's rebate give-aways or the bipartisan support for Turkish membership.

If the recent economic events cannot produce a modicum of rethinking on the European Union, the only way to change the opinion of the political class would be an upheaval in British or EU politics. There are a number of possibilities which could trigger rethinking. One is a worsening of the British financial crisis forcing the political class to jettison sacred cows. However, by itself I do not personally believe that the arrival of the IMF is likely to open closed minds; thea trans-national organisation, would not acknowledge that the EU is part of the problem. Others might include big electoral success for UK Independence Party or the BNP (or both) or a financial or political collapse in a large EU country - because of its history, Italy is where I would place my bets.

## *eurofacts* to cease publication

Very sadly, the next issue of *eurofacts* (Vol 14 No 17), which will appear on 19th June 2009, will be the last. After nearly 14 years of unbroken publication and 330 issues, *eurofacts* is to close.

The reasons are largely financial: we depend on a subsidy which in the present economic climate has become increasingly difficult to raise. We would like to take this opportunity to thank very sincerely those who have provided financial support. We would also like to thank our contributors and readers whose hopes and aspirations so often coincided with our own and whose best wishes and loyalty have been hugely appreciated.

It was never our intention that

*eurofacts* should exist in perpetuity; rather our aim was to go on explaining the economic and political realities of British membership until the pressure for British withdrawal had become irresistible. In this respect we sought to follow the advice of the Israeli foreign minister and wit Abba Eban: "*History teaches us that men and nations behave wisely once they have exhausted all other alternatives*". Our purpose has been to try to fast track this process

We have fallen some way short of our original ambition, but it is clear that British public opinion is far better informed about 'Europe' than when the first issue of *eurofacts* appeared on 20th October 1995. A clear majority

now favours withdrawal and dissatisfaction with the realities of membership is almost universal. We hope that we have played a useful role in explaining what British membership has cost this country in terms of loss of sovereignty and democratic accountability as well as in economic terms. Although to date euroscepticism has failed to achieve its central objective of withdrawal from the European Union (for reasons set out in the article above) we remain confident that within the next decade Britain will decide to pull out of Europe's political structures and to place its relationship with its continental neighbours on a fundamentally different footing.