



The UK in Europe: In or Out?

ESRC UK in a Changing Europe Seminar Series: Newcastle

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EVENT OVERVIEW

The United Kingdom faces a momentous decision, whether to leave or to remain in the European Union. Voters, who will soon be asked to settle the matter in a referendum, are looking for more information and impartial analysis. At this Q&A event, we will discuss the issues at stake with the help of a panel of academic specialists.

Among the matters we will cover are:

- o The impact of the EU on the economy and jobs
- o Immigration
- o European and national security
- o The political implications of Europe
- o National sovereignty
- o Impact on the North East region

PANEL (L-R)

Bob Hull (Former Director of the European Economic and Social Committee in Brussels)
Jacqui Henderson CBE (Chair)

Professor Michael Keating (Professor of Politics, University of Aberdeen) Philip Daniels (Senior Lecturer, Newcastle University)





INTRODUCTORY REMARKS

BOB HULL began by providing the context for the debate in the EU, describing the long history of political and economic integration, with the EU seen by many as the cornerstone of stability and prosperity. He pointed out that it has features of both supranational and intergovernmental organisation, pooling sovereignty in some areas, working by consensus in others.

"A number of political and economic factors are currently creating uncertainty about the future direction of the EU: ongoing economic difficulties caused by the recession; the rise of anti-EU political parties in many countries; lack of strong leadership and vision; and finally, increased acrimony and decreased solidarity among member states There are considerable doubts over the future of the EU in particular areas, given concurrent crises in the eurozone and the Schengen agreement, internal concerns over the Greek economy and a potential British exit, and external threats from Russia and ISIS.

These issues can be divided into five clear areas:

- 1) The Greek crisis and the consequent effect on the eurozone causes concern about the viability of the common currency project. The threat of a Greek exit still exists. The EU has often evolved out of crisis, and may now (paradoxically) be strengthened by this crisis, with a re-assessment of the Eurozone's economic governance.
- 2) Attemps to foster competitiveness and growth over the last ten years have made slow progress. The EU needs to deliver in terms of jobs and living standards or otherwise by 2050 not one EU country will be in the top ten world economies.
- 3) The lack of a common credible migration and asylum policy in the face of the worst migration and refugee crisis since WWII has caused divisions within the EU around the issue of accepting asylum seekers. The recent European Council agreed measures to try to stem the flow and strengthen Schengen procedures which will need time to bed in.
- 4) Russia and emerging security concerns: The EU's response to Russian aggression in Ukraine has been divided, with decision-making fragmented by national interests. The EU finds it increasingly difficult to forge common responses faced with situations in North Africa, Syria, and in relation to terrorism and ISIS.
- 5) Finally, Brexit the threat of a British exit from the EU potentially weakens the European Union on the global stage. If, however, Brexit does take place the EU could emerge as a more like-minded bloc, able to pursue deeper integration."

PHILIP DANIELS described the historically 'difficult' relationship Britain has had with Europe.



"Since the origins of the the EU, Britain has felt that it cannot live easily with Europe, but cannot live without Europe.

Five key points related to this are:

- 1) The difficulty of Britain's place in the world in the post-war period Britain was retreating from Empire but had not recognised the challenge posed by the moves towards integration in Europe. This was encapsulated in Dean Acheson's description of Britain as having "lost an empire, but failed to find a role in the world". These sentiments have been repeated today: the imperial hangover and illusions of national sovereignty in an interdependent world are continuous themes in the debate.
- 2) Britain arrived late on the "EU scene" in 1973 and never positively embraced the EU. There was a sense that all other attempts at a global role had failed so the EU was adopted as a "least-worst" option. However, the club had been designed by others, and Britain had no idealistic attachment to the principles of integration it was a pragmatic decision to open up to new markets. Britain's historical political culture of gradualism meant that integration was alien to the British political class. In addition, Britain's psychological detattachment from Europe, and several hundred years of separate development, has contributed to the notion of British exceptionalism in Europe, making the UK the "awkward partner" in the EU.
- 3) The sovereignty issue: 'Only Parliament should make laws for Britain' (A.V. Dicey's 19th century doctrine of parliamentary sovereignty) remains a prevalent attitude in the UK, and the EU encroaches on that sovereignty. David Cameron's 'pooling' concept of sovereignty makes the argument that even if the British Parliament made all the laws for Britain, it would not achieve all its objectives since the world is a much more integrated place than it was in the 19th century conception of sovereignty.
- 4) The role of the media: in particular the hostile and notoriously negative position of the written press in relation to the EU. This makes it very difficult for political leaders to present a positive case for the EU the case for remaining in the EU tends to be couched in negative terminology the risks associated with leaving rather than the benefits of remaining.
- 5) The current debate is less about the PM's renegotiations or the role of the EU but more about Britian's position in the world: it is a geopolitical question. If Britain votes to leave, it would be the biggest geopolitical shift since the end of Empire. It thus becomes a generation question: the outcome will shape the UK's position in the world for the forthcoming decades. And the referendum will not answer the difficult question of Britain's relationship with Europe whatever the outcome in the June vote, Britain will still need to find a settled, less troubled relationship with the European Union."

MICHAEL KEATING discussed David Cameron's re-negotiation of Britain's relationship with the EU. He noted that it was a "significant change in the UK's relationship with the EU".



"There are four aspects of the negotiation outcomes:

- 1) Parliamentary sovereignty as discussed by Philip Daniels, the nineteenth century idea that Westminster is supreme over all laws. This has changed through the EU, ECHR, and also internally through devolution (as well as the use of referendums). The European body of law determines that European law supercedes national legislation: in effect, outdating this conception of sovereignty. The PM's negotiations exempted the UK from the preamble to the EU clause on "ever closer union", which is more symbolic than practical, but it is an important concession.
- 2) Competitiveness the debate here hinged upon the notions of de-regulation versus *better* regulation. There was an acceptance from other EU members in principle that the issue needed to be addressed.
- 3) Economic governance a further outcome of the negotiations was a declaration that the eurozone countries would recognise that the non-eurozone countries should and would have "a voice, but not a vote" in the future of the eurozone. In this respect, the UK could make their concerns known to the eurozone countries, but explicitly does not have a veto on what the eurozone countries decide to do in the future.
- 4) Migration the principle of free movement of people is one of the pillars of the EU single market (free movement of people, goods, capital and services) which meant that the UK could not make an agreement to 'opt-out' of the principle. However, the PM made an agreement on an 'Emergency Brake' to allow benefits to migrants arriving in the UK to be phased in over four years, beginning at the level of Eastern European benefits. While this is unlikely to have much of an impact on migration in this short-term, it is both symbolically significant to EU social citizenship (the notion that you should be treated the same across the EU) and to elements of the UK's more anti-immigration and eurosceptic electorates."

QUESTION AND ANSWER SESSION

1) IAN BRADLEY — ON THE ISSUE OF SOVEREIGNTY: IS IT REALLY QUITE AS BINARY AS COULD BE INTERPRETED FROM THE INTRODUCTORY REMARKS? OR IS THERE A THIRD WAY?

PHILIP DANIELS — While Britain's utilisation of sovereignty does currently operate in the 'third way' that the questioner describes, the conceptionalisation of sovereignty in the UK remains difficult. There is recognition that pooling sovereignty is what occurs at European level.

BOB HULL – You could argue that sovereignty no longer exists. But equally, the premise should really be whether giving up a level of sovereignty will provide a benefit to the UK. This is essentially what the debate should be about.



2) PETER MORRIS — 'THE EUROPEAN UNION IS A POLITICAL AND ECONOMIC AGREEMENT' WAS MENTIONED AT THE BEGINNING OF THE DEBATE. BUT THE ORIGINAL EU REFERENDUM SPOKE OF AN ECONOMIC AGREEMENT — HOW WOULD YOU SQUARE THIS CIRCLE?

BOB HULL – We left a free trade agreement to join an economic community. We entered into the EEC knowing that it would become a political institution as well.

MICHAEL KEATING – I find it puzzling that this is how history is remembered: it was always seen as a political agreement in 1975 and this was a large part of the debate at the time.

PHILIP DANIELS — The problem for eurosceptics is that what they want (the economic benefits of the EU) cannot exist on its own, without the regulatory framework: the Commission, a judiciary and yes, a political integration as well. You cannot divide economic and political integration so neatly.

3) PETER HUTCHISON — WHAT ARE THE POLITICAL IMPLICATIONS OF A NARROW VOTE TO REMAIN IN THE EU (SIMILAR TO THE SCOTTISH INDEPENDENCE REFERENDUM) IN PARTICULAR FOR THOSE CAMPAIGNING FOR AN EXIT (UKIP, EUROSCEPTIC CONSERVATIVES)? WILL THERE BE DEMAND FOR ANOTHER REFERENDUM?

PHILIP DANIELS — I don't think there will be a referendum for several years afterwards: the losing side will not be able to call for one. The main political leaders will not want to go down this route again — referendums are a risky business. If there is an exit, David Cameron is likely to be close to leaving Downing Street. The Conservative parliamentary party looks likely to split rather evenly over the issue, which means that those who lose will have difficulty reconciling.

MICHAEL KEATING – Potential external outcomes from narrow leave vote: either EFTA or goit-alone strategy. Implications within the UK, the potential for a second independence referendum in Scotland – especially given more euroPhilipe tendencies in Scotland while England is 50-50. In Northern Ireland, it is incredibly complex: DUP, SF both very eurosceptic, don't really want to leave since it would disrupt the peace agreements in Northern Ireland (and create a hard border with the Republic of Ireland). Also, the Scots could force the English to stay in, and if that's the case, there are questions of democratic legitimacy.

BOB HULL – a narrow outcome means that the responsibility should return to elected representatives, where it should be anyway.

4) JOHN WILL - IS DAVID CAMERON'S NEGOTIATION "LEGALLY BINDING"?

MICHAEL KEATING – there aree two interpretations of this – which are those of Michael Gove (that it is not) and that of David Cameron (that it is) but we don't really know which of them is right.



BOB HULL — the EU lawyers are not clear, but the 28 member states have made a political commitment to it, so it's politically binding but not necessarily legally so. Legislation will be required in specific areas.

5) PHILIP JOHNSTON — WHAT DO YOU THINK THE CONTRIBUTION OF THE LABOUR PARTY IS TO THIS DEBATE?

PHILIP DANIELS — Labour has been quite quiet on this issue. Jeremy Corbyn has fully endorsed UK's position in the EU, but criticised David Cameron's negotiations. Labour hasn't shown inclination to get deeply involved in the campaign. Corbyn is naturally eurosceptic, but the party is pro-Europe and the party will have a large role to play in the coming weeks. 38% of Labour voters (according to a recent poll) would vote to leave, but only 8 Labour MPs appear to back an exit. So the party is somewhat divided.

MICHAEL KEATING – If the vote is going to be won, David Cameron needs the support of Labour voters in England. A lot of direct electoral competition for Labour from UKIP – in Wales, and in the North East particularly – as well as Labour's experience of working with the Conservatives in Better Together mean the party is reluctant to get involved with a joint campaign.

6) MICHAEL LLOYD — THERE WILL BE A "LABOUR VIEW" OF HOW THE EU SHOULD LOOK AS IT GOES FORWARD. IS THERE A SENSE THAT THE EU IS A CONFEDERATION?

BOB HULL – Britain and the EU both need to look forward and not look back. If we vote to leave, the EU is likely to make it quite difficult in negotiations. "What is Britain's place in the world?" is probably the key question that we'll face going forward.

MICHAEL KEATING – Is the EU seen as part of domestic politics? In most of Europe, yes, but here we see it as foreign politics. That's problematic – we have the rhetoric of "we won" when we negotiated with them. That rhetoric has meant that a referendum has almost seemed an inevitability.

BOB HULL – I think the EU in the last 10-15 years has moved a lot closer to the model that the UK would like it to be, and the UK has been somewhat influential in developing that. The danger now is that the UK looks somewhat petty if, having re-shaped the EU to its liking and then leaves, EU member states will be rather annoyed – and likely to make future negotiations somewhat more difficult.

PHILIP DANIELS – The negotations have probably lost Britain some credit in European circles, despite the fact that the "concessions" received play well at home. Makes life more difficult – and fosters a resentment among the other EU member states, who are left with the feeling that "well, why don't they just leave?"



7) RICHARD CARRUTHERS — IN RELATION TO SECURITY, RUSSIA AND SYRIA: WHAT DOES THE EU HAVE TO OFFER THAT NATO DOES NOT? AND ISN'T A HARD BORDER USEFUL IN THIS RESPECT?

PHILIP DANIELS – Given we're not part of Schengen, we already have a hard border, and migration would still be an issue. With regards to NATO, there is overlap and common membership, but NATO is a military organisation, with personnel situated in the Baltic states to dissuade Russia from further aggression. The EU rather uses 'soft power' – sanctions – to complement the role of NATO.

MICHAEL KEATING — We will see a lot scaremongering on the issue of security in the forthcoming debate, which is unfortunate since those are unlikely to be affected by either outcome in the referendum. On migration, we have to do something — it requires a multinational approach, but the EU has done a terrible job of dealing with it.

BOB HULL – NATO and the EU compliment each other in different ways, working together within the EU on terrorism, on organised crime etc, provides value to individual member states. The US values the relationship that the UK has with the EU – whereas Russia would be happier with a UK exit.

8) LORNA DARGAN — MEDIA DEBATE IS UNRELIABLE AND I WANT TO BE MORE INFORMED. WHERE WILL I GET BETTER INFORMATION, AND WHAT HOPE DO YOU HAVE THAT THE DEBATE WILL IMPROVE OR BE LESS POLARISED?

MICHAEL KEATING – Go to our website! (www.ukandeu.ac.uk) We will have lots of neutral information and will keep trying to inform the debate. As to whether the debate will become more rational – this is politics. Not likely! It is unlikely the written media will have that much influence, but as academics we can provide information, which is likely to further confuse decision-making. A lot of the information will be somewhat normative, and you'll value different things in the EU debate, so reading the same information might lead you to different conclusions. But an informed position is a better place to be making the decision from.

PHILIP DANIELS — 25-30% remain undecided at the moment, and there are so many subjective assessments. For example, CAP helps farmers, so you're probably in favour, but if you're a consumer, you may think that CAP inflates prices and makes it less beneficial to you.

BOB HULL – The website is very good. But as Philip has said – it'll be both an emotional consideration and a subjective one.

9) CHRISSY — WHAT ARE YOUR PREDICTIONS ON TURNOUT, AND WHAT WOULD BE THE RAMIFICATIONS?

MICHAEL KEATING – We really don't know, because we haven't had this kind of referendum since 1975. In the Scottish referendum, it was extraordinarily impressive how engaged people were, but it is unlikely to be the same in the EU referendum. A low turnout almost certainly benefits the leave side.



BOB HULL — I think it will depend on what the "younger generation" do. I fear there may be apathy there — and if they turn out to vote, they may make the difference.

PHILIP DANIELS – In European elections, turnout is appallingly low. In 1975, turnout was around 65%. I'd be surprised if it reached that level. The debate will probably reduce in intensity over the next few weeks, but it will need energy.

10) IS IT RIGHT THAT THE FRANCHISE HAS BEEN RESTRICTED TO ONLY UK CITIZENS, OR SHOULD IT HAVE BEEN EXTENDED TO EU RESIDENTS OF THE UK?

PHILIP DANIELS – I think EU citizens should have gotten the right to vote here. They have a stake in the future of the UK. Maltese, Cypriots, Gibraltarians, Irish – former Commonwealth states get to vote, which is an inconsistency in the logic of the franchise.

BOB HULL – My view is that, if you are being taxed in this country, you should have a vote, but it's too late now to do anything about this.

11) MARTIN ARKLESS — NIGEL FARAGE MAKES IT SOUND VERY EASY TO LEAVE THE EU. IS IT QUITE THAT EASY?

BOB HULL – It'll be a long process: it won't be overnight. It'll be many years – lots of renegotiation of EU legislation.

MICHAEL KEATING – If we vote to leave, it must be respected, if it's difficult it is difficult – it'll need to be done. Both options require difficult to decisions to be taken.

PHILIP DANIELS — I agree it would be difficult — it took Greenland several years, and it was nowhere near as integrated or had such a complicated relationship with the EU. Nigel Farage is of the belief that the UK would remain part of the EEA, but that would require negotiation and we do not know what the nature of that solution would be. Many favour the Norwegian model, but Norway has to abide by regulations with no say in them. Switzerland has 136 different deals on different issues.

12) IAN BRADLEY — EU REGULATION MAKES IT VERY DIFFICULT FOR MEDIUM SIZED ENTERPRISES, AND I WOULD VOTE TO LEAVE IF I WAS ASSURED THAT WE COULD GET A CANADIAN STYLE MODEL, WHERE TARRIFFS ARE ABOLISHED. WHAT ARE THE CHANCES OF THAT?

MICHAEL KEATING – Free trade agreements on an individual basis – based on product origin – are a hugely complex system. So difficult to do. Small businesses find these things difficult but big business can afford to comply and find the regulations useful – so there is division between businesses in the UK on the issue.

PHILIP DANIELS – There is a view that regulation is all bad, but that is simply not the case. In same ares, yes – regulation compliance costs have increased for no discernible



improvement, in other areas British regulations have been significant better value. But these things are important.

13) DAN — AS PROMINENT PEOPLE LIKE BORIS JOHNSON START TO DECLARE WHAT SIDE THEY WILL BE ON WILL THIS HAVE A SIGNIFICANT EFFECT ON THE VOTE?

BOB HULL – If you have someone who is a personality, it will have an impact but I expect that the referendum will come down to a much more emotional decision about Britain's future rather than what particular politicians say or don't say on the issue.

PHILIP DANIELS – Matthew Goodwin did a study on this issue, and identified Boris and Nigel Farage as personalities who might have an impact on the vote. Maverick politicans have been on the rise and have an appeal but not sure they'll have an impact.

MICHAEL KEATING – The messenger is as important as the message sometimes – but its difficult to know who in the UK would fit that bill at the moment.

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