competencies and intensive interactions with the EU institutions and other member states have meant that 'Europe' has become more deeply constitutive of the identities and interests of domestic political actors. At the same time, these effects are not uniform. Thus the lens provided by the domestic political and institutional context has filtered the effects of European integration. For instance, adaptation by central government has been strongly influenced by existing and well-established patterns within Whitehall and by different departmental histories and interests. While European integration has clearly had important effects on central government, the co-ordination of responses to these effects have tended to be in line with the established Whitehall ethos. This can lead to varying patterns of adaptation across Whitehall with some policy areas such as agriculture and trade extensively Europeanized, while others such as the Home Office have less direct contact with the EU (although this is changing as the EU deals with crime, policing and border controls). The key role of the Treasury in the debate about EMU was also highlighted. If and when the UK does join the Euro then the Treasury is likely to undergo a far more intense process of EU socialization than it has previously experienced.

In contrast, the development of sub-national government in the UK has been a process for which there are not well-established historical precedents and templates from which responses can be drawn. Britain has undergone significant changes because of the devolution of power introduced by the Labour government after 1997. European integration has also played a part in the development of sub-national government. The expansion in structural funding offered new opportunities for the regions. European integration also strengthened claims from Britain's sub-state nations for greater autonomy because they could point to other small-sized units that were viable actors in a united Europe. Devolution has, however, created some uncertainties, blurred responsibilities and led to some territorial tensions. While the EU has created new 'opportunity spaces' for sub-national mobilization, the more precise institutional parameters of these 'spaces' remain to be clearly specified because devolution remains an institutional novelty in the UK.

9

British Party Politics and the Rise of Euroscepticism

Introduction

European integration has been both a divisive and explosive issue in British party politics, yet, paradoxically, the intensity of elite level debates about European integration within the political parties and in Parliament has not been matched by a similar fascination about European integration and its implications amongst the general public. This chapter focuses on these elite level debates within the political parties and in Parliament. The next chapter then extends the discussion to explore public attitudes to Europe and the media representation of Europe to further highlight this disjunction between the media representation of Europe and the apparent lack of shared intensity amongst the greater part of the general public.

Neither of the two main national parties has adopted a consistent stance on European integration. Labour was divided during the 1970s and 1980s when the majority of the party's MPs and rank and file members opposed Common Market membership and sought withdrawal. The EC was seen as a capitalist club that offered little to working people and would confound the aspirations of a socialist Labour government. Tony Blair entered the House of Commons in 1983 on the basis of a Labour Party manifesto that called for British withdrawal from the EU. Labour's 'modernization' since 1984 has coincided with increased enthusiasm for European integration. This enthusiasm was one component that symbolized Party change and the move towards the political centre ground. The Liberal Democrats have been consistently the most pro-EU of the main national parties. Ironically, the pro-EU Liberal Democrats profited strongly at the polls from the rise of Conservative Euroscepticism.

The oscillations in position of the two main parties make fascinating viewing and tell us as much, if not more, about changes in British politics as they do about European integration. In 1975 the new leader of the Conservative Party, Margaret Thatcher, could rightly claim that the Conservatives were the more pro-European of the two main parties. The integration consequences of the 1986 Single European Act (SEA) induced the development of a free market nationalist critique of European integration that has fuelled right-wing Euroscepticism within the Conservative Party since the 1990s. The Maastricht Treaty, the deeply damaging ERM exit in September 1992, and disputes about the Euro all fed Conservative conflicts over European integration Euro-wars in the 1990s and contributed to the Party's landslide general election defeats in 1997 and 2001 (Geddes and Tonge, 1997, 2002).

This chapter examines the ways in which the texture of debate in British party politics about Europe has shifted since accession and explores the new political constellations that have emerged on the pro-European and Eurosceptic sides. The main arguments are set out below:

1 Divisions about Europe have tended to be within rather than between the main parties and it has been difficult for Eurosceptic forces to unite across the party divide and to coalesce into powerful anti-integration groups.
2 Debates about European integration in Britain can tell us far more about British politics than they do about the EU. A lot can be learnt about the ideological shifts in the Conservative and Labour parties, changed ideas about the role of the state and the market, and the relative importance of Parliament in public life. The EU tends to lurk in the background as a much maligned and often misunderstood external constraint on the activities of the British political class.
3 Labour's 'modernization' involved renouncing opposition to the EC/EU and adopting a far more positive stance towards European integration, but in ways that involve a 'third way' reappraisal of both Britain's place in the global economy and the main strands of European social democratic thought.
4 Conservative debates about European integration acquired a more ideological character in the 1990s. When understood in ideological terms these intra-party disputes became far more difficult to resolve through normal pragmatic methods of party management because convictions ran deep and could transcend party loyalties.
5 Parliament has been the key arena for debates about Britain's place in Europe with an occasional spillover into broader public discussion such as during the 1975 referendum campaign. Indeed, a strategically important victory for the Eurosceptics was to flush the debate on the Euro into the open and make any decision on whether the UK adopts the single currency subject to a referendum. This move away from Parliament reduces the power of the party managers and renders the outcome more uncertain.
6 The size of the majority of the governing party has been a key variable. In the 1970s the situation in the House of Commons was finely balanced between Labour and the Conservatives. In the mid-1980s, large Conservative majorities marginalized opponents of the SEA. In the 1990s the knife-edge majority of John Major's government between 1992 and 1997 provided ample scope for exploitation by Eurosceptic Conservative MPs who fought what amounted to a guerrilla war from the backbenches. While not exactly energizing the masses, the Maastricht Treaty did impel a broader public debate about Europe and prompted the profusion of extra-parliamentary anti-EU groups (mainly on the right of the political spectrum) with whom Parliamentary rebels were able to make common cause.

Arguing about Europe

Debates about Europe have tended to focus on two themes nested within a broader discussion of Britain's place in the world and the impact of 'globalization' on the sovereign authority of the nation state. The first is the slippery concept of sovereignty, and the second is the relation between socio-economic policies pursued in Britain and those pursued in other member states.

The essential elasticity of the theory and practice of national sovereignty is demonstrated by the fact that the term can be used to both support ('pooling') and oppose integration ('surrendering'). Pro-Europeans contend that sovereignty is not a static concept to be jealously guarded; rather, it is matter of using this state power and authority in the best possible way to secure advantages for the British people. This 'non-zero-sum' perspective contrasts with a Eurosceptical zero-sum understanding of national sovereignty: you either have it or you do not.

Eurosceptic arguments focus on the negative implications of European integration for their particular understanding of national sovereignty, of Britain's place in the world, and an idea of self-government linked to the nation state and 'its people'. From this perspective,

European integration denudes 'the people' of their ability to decide who decides, so to speak, and thus mounts a significant challenge to the nation state as the basic, legitimate unit of international politics and to the core principles of the uncodified British constitution, particularly parliamentary sovereignty. European integration poses this threat by granting increased power to decision-makers in EU institutions that can over-ride decisions made at national level.

Linked to this discussion of sovereignty are questions about the relation of the unwritten British constitution to the emergent EU constitution, the legal principles that under-pin it, and the role, powers and autonomous authority of EU institutions. There is much suspicion on the Eurosceptic side towards EU institutions and the perceived federalizing agenda of, in particular, the European Commission and European Court of Justice as agents of integration by stealth.

These debates can play out rather differently in different parts of the UK. Conservative Euroscepticism has been seen as an expression of a form of English nationalism the lineage of which can be traced to Enoch Powell, but which also found expression among 'Thatcher's children' (the generation of Conservative MPs that entered Parliament in the 1980s and 1990s). The key difference was that Powell combined dislike of European integration with an equal dislike for the USA. Thatcher was Ronald Reagan's ideological soul mate and fellow Cold War warrior; she had no time for anti-Americanism.

The Englishness of Thatcher's vision of Britain and Europe also merits attention. Debates about sovereignty, independence, autonomy and national interest can mean rather different things when viewed from Cardiff, Edinburgh or Belfast. This becomes increasingly relevant in the Conservatives' downfall that involved a retreat to their electoral bastions of southern England and the process of asymmetrical devolution initiated by Labour since 1997. There is now a stronger regional dimension to British politics, as explored in the previous chapter.

As well as these concerns about sovereignty, there are vital strategic questions linked to the relation between the UK's socio-economic model and the approaches evident at EU level and in other member states. To what extent is the organization of the British economy, labour market and welfare state compatible with those in other EU member states? The terms of the debate about the socio-economic implications of European integration have shifted quite considerably since the 1970s when left-wing opponents of European integration denounced the EC as a 'capitalist club' that offered little to working people. More than this, they thought that the EC could threaten the ability of any future Labour

government to attain its objectives, which included state control of industry as outlined in Labour's 'Alternative Economic Strategy' of 1983. During the 1970s, the Conservatives were far more amenable to economic integration because it was seen as good for business, although there was some lingering concern on the Conservative side that the EC was protectionist and confounded the UK's long-standing interest in global free trade.

The terms of the socio-economic debate about Europe changed in the wake of the SEA when ambitious plans for EMU and a greater social policy role for the EC/EU were hatched. By the 1990s, Conservative Eurosceptics were condemning the EU for trying to re-impose social and economic regulations that had been removed by the Thatcher governments through the 'the back door'. Meanwhile, there was a growing tendency among opponents of Thatcherite social and economic policy to espouse the virtues of the 'Rhineland model' of German capitalism as opposed to the harsher world of Thatcherite deregulation, although this ardour has diminished as the German economy limped into the twenty-first century. Nevertheless, at the time, adherence to a successful (in the 1990s at least) European model such as that provided by German consensus capitalism offered intellectual ballast to a modernizing Labour Party. By the late 1980s, erstwhile Labour Party and trade union opponents of European integration seemed to have been converted to the merits of a 'European social model' if only because this allowed Labour to distinguish themselves from the Conservatives. Meanwhile the trade unions could see a path to influence at EC level that was denied them at national level.

That said, New Labour in power have been keen to pursue an economic reform agenda at the EU level which matches well-established UK policy priorities but does not always draw enthusiasm from other member states: liberalization and deregulation do not always prompt support from those concerned that their jobs and welfare state provisions (which are seen as protecting them and their families) may be on the line in a more liberal, deregulated and global economy. New Labour's attempts to find EU allies in the quest for market liberalization has led to alliances being forged with right-wing governments in Italy and Spain rather than with social democratic governments, which one could assume to be more natural allies.

As the pace of European integration quickened from the mid-1980s with single market integration and EMU, questions about the compatibility of the UK socio-economic model and that in other EU member states became more important. For instance, would it be in Britain's

longer-term interests to become ever more closely linked to the EU by joining the Euro and participating in common economic policies? Such dilemmas are particularly evident in the debate about EMU. The answers have ranged from John Major's 'wait and see' to Tony Blair's 'prepare and decide'. Neither of these stances, couched in equivocation, doubt and pragmatic calculations, provides a particularly firm footing for a serious debate about EMU.

This chapter now moves on to explore three key periods in the chequered history of Britain's relations with the EU. First, we examine UK accession and renegotiation in the 1970s. Second, the origins and effects in the 1980s and 1990s of Conservative Euroscepticism are explored. Third, the EU's role in Labour's modernization and the dilemmas that have confronted New Labour in power, particularly EMU, are assessed.

For and against Europe in the 1960s and 1970s

Conservative opponents of European integration were largely excluded from the party mainstream in the 1960s, 1970s and for much of the 1980s. Conservative 'anti-marketeers' in the 1970s, such as Teddy Taylor, gave up ministerial careers to pursue from the backbenches their dislike for European economic and political integration. Only after Thatcher's 1988 Bruges speech and the Maastricht Treaty ratification saga was 'Euroscepticism' legitimated as a mainstream school of thought within the Party. Labour has followed a different trajectory. Divisions over Europe were evident at the highest levels of the Party through the 1960s and 1970s. Only after Labour's crushing 1983 election defeat were anti-EC/EU views pushed to the Party's margins as it undertook root and branch 'modernization'.

Between the election of Edward Heath's Conservative government in 1970 and the referendum on the Labour government's renegotiated membership terms in June 1975 a debate about Britain's place in the EC spilled over from Parliament into wider public debate, culminating in Britain's first ever national referendum. The June 1975 referendum on the membership terms renegotiated by the Labour government after their 1974 return to power resulted in a resounding victory for the 'yes' campaign, but the issue was far from resolved. The legacy of the 1975 referendum was an intensification of anti-EC sentiment within the governing Labour Party which helped plunge the party into civil war after its 1979 election defeat.

EC membership was largely an elite concern in the 1960s and 1970s. The general public was not enthusiastic about joining the Common Market, but these opinions were neither strongly held nor deeply felt. In Parliament, however, the staking out of battle lines between pro- and anti-accession forces can be detected since the early 1960s with strong feelings on both sides.

The size of the governing party's majority has important effects on the potential for anti-EC opposition to make an impact. In the late 1960s and early 1970s Labour and the Conservatives were closely matched and majorities in the House of Commons were narrow. For instance, when Edward Heath proposed to take Britain into the EC his Commons majority was a mere 30, while a leading Conservative opponent of EC membership, Neil Marten, estimated that there were between 70 and 80 opponents on the Conservative benches (Forster, 2002b: 33). It was cross-party support from 69 Labour backbenchers (including Roy Jenkins, Roy Hattersley and the future Party leader, John Smith) that secured Britain's EC membership.

Although there were anti-EC groups in both the main parties they found it difficult to coalesce into a credible and cohesive force. Instead, there tended to be groupings within the parties that did not readily form alliances across the party divide. The organizations within the Conservative Party which expressed this anti-EC sentiment were the Anti-Common Market League, founded in 1961, and the 1970 Group, founded as a right-wing dining club that had close links to Enoch Powell (Forster, 2002b: 35). Enoch Powell was a key figure in the development of Conservative Euroscepticism and to him can be attributed a right-wing, free market and nationalist critique of European integration (Gamble, 1998: 18). Powell had been sacked from the Shadow Cabinet in April 1968 following inflammatory comments about immigration and immigrants. Labour MPs were unlikely to have much sympathy for Powell's right-wing brand of anti-EC thought. Powell's influence rapidly diminished when he left the Conservative Party and called for a Labour vote in the February and October 1974 general election because Labour offered a referendum on accession. Powell's philosophical legacy (without the anti-Americanism) had more profound effects on the Conservative Party with latter-day sceptics – such as the former Conservative cabinet minister, John Redwood – aspiring to the Powellite mantle (Williams, 1998).

The support in 1972 of 69 Labour MPs for EC accession reflected divisions within the Labour Party. Although there were prominent pro-EC voices, the majority of the Party opposed EC membership. This opposition was evident at all levels of the party: the cabinet, the parliamentary party, the rank and file membership, and the trade union

movement. The main anti-EC grouping within the Labour Party was the Labour Safeguards Committee, founded in 1967, which became the Labour Committee for Safeguards on the Common Market (Forster, 2002b: 35). Prominent left-wing groups such as Tribune were also hostile to EC membership. Anti-EC sentiment encompassed most strands of thought within the party from the left to the right. Leading figures of the day, such as Tony Benn, Barbara Castle, Douglas Jay and Peter Shore, were advocates of staying out. The scope for division is illustrated by the fact that other senior figures, such as Roy Jenkins and Shirley Williams, argued for membership. As Forster (2002b: 35) notes: 'The Labour Party was therefore more anti-market than the Conservative Party, but it was also more divided at every level of the parliamentary party, on the frontbench as well as the backbenches.' The leading trade unions also opposed EC membership, which meant that the powerful trade union block vote within the Labour Party was firmly aligned with the anti-EC camp (Robins, 1979).

The question for opponents of the Common Market was whether organizations could be established that tapped into anti-EC sentiment in both the Conservative and Labour parties and could form the basis for a strong cross-party anti-EC coalition. This was likely to be difficult given party loyalties and the major political differences between right- and left-wing opponents of European integration such as Enoch Powell and Tony Benn. There were some attempts to establish broader anti-EC coalitions through the two main anti-accession organizations: the Keep Britain Out (KBO) movement established in 1962, and the Common Market Safeguards Campaign (CMSC), created in 1970. The KBO campaign sought a broad anti-EC movement beyond the parliamentary arena, but was hindered by the diversity of its membership, which included right-wing Conservative MPs and left-wing Labour MPs who found it difficult to work together. The CMSC was divided because some of its members wanted to open negotiations and then judge the terms available, while others were opposed outright to membership.

On the pro-EC side, the British Council of the European Movement (BCEM) experienced no such divisions because it was unequivocally pro-membership (Butler and Kitzinger, 1976; King, 1977; Forster, 2002b: 37). There are some parallels here with the contemporary anti-Euro campaign, which suggest some potential for stresses and strains during a referendum campaign. Groups such as New Europe and Business for Sterling are anti-Euro but support continued EU membership, while others (such as the UK Independence Party and the Democracy Movement) want withdrawal from the EU.

As Prime Minister between 1974 and 1976, Harold Wilson's main concern was party management. The background conditions were not good. A weak economy and poor industrial relations blighted his government. Wilson also appreciated the simmering opposition to European integration within his Party. Although Wilson had made an application for membership in 1967, he was more than happy when Labour returned to opposition to use the EC as a stick with which he could beat Heath's Conservative government. Wilson claimed not to be opposed to membership *per se,* but to oppose the terms of entry as negotiated by Heath. Wilson then called for a renegotiation and a referendum on the renegotiated terms. This referendum pledge moved Enoch Powell to desert the Conservative Party and call for a Labour vote in the 1974 general elections.

Short-term advantages for Wilson were outweighed by longer-term losses. An early indication of the European issue's potential to fracture the Labour Party was provided following Shadow Cabinet agreement in 1972 that a referendum would be held on Britain's EC membership. This prompted the resignation of the Deputy Leader, Roy Jenkins, who was not prepared to stand this affront to his pro-European sensibilities, particularly as its motives seemed grounded in the low politics of party advantage. Wilson was keen to ensure that when a referendum campaign was held it did not lead to further outbreaks of feuding within his government. The potential for it to do so was clear. Within the Cabinet, the renegotiated terms were agreed by 16 votes to seven in March 1975. The opponents were Tony Benn, Barbara Castle, Michael Foot, William Ross, Peter Shore, John Silkin and Eric Varley (Forster, 2002b: 56). Divisions were even more pronounced within the Parliamentary Labour Party with 145 voting against the terms, only 137 voting in favour and 33 abstaining. A Labour Party special conference in March 1975 saw 3.9 million votes cast against membership compared to 1.7 million in favour. There was parliamentary as well as rank and file hostility to the EC. The support of Conservative MPs saw the renegotiated terms through the Commons. Wilson permitted an 'agreement to disagree' during the referendum campaign. This allowed cabinet ministers to follow their consciences during the referendum campaign so long as they did not appear on platforms in opposition to each other. There was, though, serious trouble in store for Labour. Wilson could attempt to 'manage' these issues, but could not suppress them. As economic and political problems piled up from the mid-1970s onwards, the Labour Party became increasingly anti-EC.

The 1975 referendum was the first time that the issue of Britain's place in Europe was opened to a broader public debate. This was

something of a novelty because debates about European integration had tended to be framed in technical language that did little to enthuse the electorate. During the 1975 referendum campaign a successful pro-EC campaign managed to harness a cross-party group of leading centrist politicians with broad public appeal. Their argument was that the EC offered practical economic and political advantages to Britain which far outweighed any loss of sovereignty. The anti-EC campaign had significantly less funding, lacked media support and was led by a motley collection of politicians from the left- and right-wing fringes. They argued that the terms of membership were disadvantageous and would lead to higher prices, and that EC membership was a threat to self-government.

The referendum campaign was organized by two umbrella organizations. The Britain in Europe (BIE) campaign mobilized on the pro-EC side, while the National Referendum Campaign (NRC) led the anti-EC movement. The Britain in Europe campaign had a number of advantages: it was composed of leading centrist politicians such as Edward Heath and Roy Jenkins, while the NRC was composed of politicians such as Tony Benn and Enoch Powell who came from opposite ends of the political spectrum. The BIE campaign also enjoyed considerable financial advantages and strong support from the main national newspapers. The BIE campaign managed to raise around £1.5 million while the NRC mustered around £250,000 (King, 1977) and earned the ringing endorsement of Fleet Street. The BIE campaign also possessed a clear and unambiguous argument: membership was in Britain's interests. The NRC campaign was less focused on a single coherent theme. Some of its campaigners opposed the membership terms but did not rule out membership, while others were deeply opposed to European integration. Those who opposed the terms quickly got submerged in mind-numbing detail, while those who were outright opponents of membership were portrayed as extremists (Forster, 2002b).

Even though enthusiasm for EC membership did not run deep these views were not strongly held and shifted during the course of a campaign as pro-EC arguments were made by relatively popular politicians expounding a simple, clear message (Butler and Kitzinger, 1976; King, 1977). With their financial advantages, media backing and government support the result was a not wholly unsurprising victory for the 'yes' campaign, with a 67.2 per cent 'yes' vote on a 64.5 per cent turnout.

The referendum did not put the issue to rest. In fact, the campaign provided some opening shots in what was to become a damaging and divisive period in Labour's history, marked by a growing distance between the party leadership and the rank and file. There was

disappointment that manifesto commitments had not been pursued in government. This prompted calls for internal party democratization which would give activists more control over Labour MPs. A left-wing critique of Labour in power began to emerge. This involved a radical reappraisal of economic and social policies and the development by 1983 of Labour's Alternative Economic Strategy, which contained a full-blooded commitment to Socialism. Labour's move to the left also led to a hardening of opposition to European integration. The Treaty of Rome and the constraints that it would impose on member state governments were incompatible with the kind of programme that Labour proposed to develop. Withdrawal from the EC became official party policy and was endorsed by 5 million votes to 2 million votes at a special Party conference convened in October 1980. This prompted the 'gang of four' ex-ministers (Roy Jenkins, David Owen, Bill Rodgers and Shirley Williams) and a gaggle of MPs to leave the party and found the Social Democratic Party, which soon struck up an alliance with the Liberals.

Following the calamitous electoral defeat in 1983 the question was not so much whether Labour could win power, but whether it could survive. This problem faced the party leader elected in the wake of the 1983 debacle, Neil Kinnock. Kinnock had been a staunch and eloquent left-wing opponent of the EC throughout the 1970s. He was now to begin a personal and political odyssey that would see him advocate the 'modernization' of the Labour Party, endorse positive engagement with the EC, and conclude with him moving to Brussels to become a European Commissioner (Westlake 2001).

Almost as soon as Kinnock became party leader the commitment to outright withdrawal was watered down to a commitment to withdraw if satisfactory renegotiated terms could not be secured. By the 1989 European Parliament elections, Labour was advocating active engagement with the EC at a time when Conservative Euroscepticism was beginning to emerge in the wake of Margaret Thatcher's seminal Bruges speech. Labour would, however, need to climb an electoral mountain if they were to regain power. They were considerably aided in this task by the Euro-war that broke out in the Conservative Party during the 1990s and that helped shatter the party's electoral credibility.

Conservative Euroscepticism

In the 1970s Conservative support for the EC was based on a pragmatic and instrumental acceptance of the potential benefits that EC

membership could bring. Enthusiasm for European integration did not run deep. Support could dry up if these benefits were seen to cease. Conservative support for European integration was thus based on a rather narrow trade-based idea of European integration that was unlikely to be adaptable to the ambitious programmes for economic and political integration which were launched in the 1980s.

At the root of these difficulties has been a tension within the Conservative Party about Britain's place in the international economy. Baker, Gamble and Ludlam (1994) liken Conservative splits during the 1990s to two other deeply divisive events in the Party's history: the repeal of the Corn Laws in the 1840s and tariff reform in the first years of the twentieth century. Both consigned the Party to long periods in opposition. Thatcher's successor John Major was unable to navigate these serious challenges both to his party and his leadership with the result that Maastricht was 'the most serious parliamentary defeat suffered by a Conservative government in the twentieth century' (Baker, Gamble and Ludlam, 1994: 57; see also Baker, Gamble and Ludlam, 1993a, 1993b).

The motives of Eurosceptic Conservative opponents of Maastricht were various. However, it has been argued that during the 1990s a new strain of Conservative Eurosceptic thought emerged. This new strand of thought has been labelled as 'hyperglobalist' by Baker, Gamble and Ludlam (2002) in the sense that it sought to square the Thatcherite circle through the pursuit of neo-liberal objectives of openness, deregulation and privatization in a global economy, but with nation states remaining the pre-eminent units of international politics. This marks an attempt to evince an alternative political economy that involves a particular understanding of 'globalization' and of Britain's place in the world economy. This theme in Eurosceptic thinking will be explored more fully when the main strands of Eurosceptic thought within the Conservative Party are explored.

In case the impression be given that Euroscepticism was rife within the Conservative Party during the 1980s it is useful to provide a little context. Between 1979 and 1984, relations between Margaret Thatcher's governments and the EC were overshadowed by the dispute over the Britain's budget contributions. Once this had been resolved in 1984, the single market project elicited far greater enthusiasm from Conservatives about forms of European economic integration that mirrored domestic economic policies. The Thatcher decade saw the pursuit at national level of the neo-liberal doctrines of openness, flexibility and competition and some attempt to translate these themes into EC policy-making

(Baker, Gamble and Ludlam, 2002: 400). Buller (2000) argues that Conservatives saw the single market programme as possessing the potential to embed at EC level a programme of economic changes similar in content to those introduced in Britain. Liberalization and deregulation would be elevated to a European level and a return to government interventionism would become well nigh impossible. Thatcherism could be 'exported' to Europe and entrenched as a dominant ideology. The growth, development and virulence of Conservative Eurosceptic opposition can then be related to the steady realization that this Thatcherite vision was not widely accepted by other EC member states.

European integration after the SEA fundamentally exposed the limitations of this minimalistic Conservative view of European integration. The SEA of 1986 heralded both a major transfer of sovereignty to the EC with single market integration and significant institutional reforms (such as increased use of QMV in the Council of Ministers). The Conservative governments of the 1980s were prepared to accept economic integration, but were unprepared to countenance the much deeper economic and political integration that the SEA was seen as presaging. As Forster (2002b: 66) puts it: 'The SEA therefore raised the stakes and changed the nature of the game.' For Thatcher's Conservative governments, the single market was an end in itself. For other member states and the Delors-led European Commission, it was a means to an end. This unhappy state of affairs was to be the source of Conservative Euro-wars as Thatcherites railed against what they saw as the unwelcome spillover effects of the SEA. The practical benefits of a free-trade Europe were threatened by deeper economic and political integration which challenged the core Conservative idea that 'democracy and legitimacy are located in the nation state, which is the basic unit of all legitimate democratic politics' (Baker, Gamble and Ludlam, 2002: 402).

Despite its important implications, there was curtailed parliamentary debate about the SEA and a small number of opponents. There were 43 votes against ratification at the bill's third reading, but the Conservatives enjoyed a large majority plus the support of the Liberals and Social Democrats. There was no cross-party anti-European integration organization that would bring anti-EC campaigners together across the Party divide.

The 1980s have been characterized by Anthony Forster (2002b: 66) as a period during which there were few opportunities for debates about European integration. For instance, the 1984 and 1989 European Parliament elections were dominated by domestic concerns, although Margaret Thatcher's highly negative 1989 campaign (based on the

slogan 'Don't live on a diet of Brussels') led to Labour becoming the largest British party in the European Parliament and prompted some Conservative MPs to question her leadership. There were also some important developments beneath the surface; as Forster observes, the 1980s was a period during which Eurosceptic tactics began to evolve with close scrutiny of EC measures, a developing technical expertise and a committed readiness to fight a war of attrition.

Who were these Eurosceptics and in what did they believe? Hugo Young (1999) identified five strands of Eurosceptic thought during the 1980s that were to meld in the crucible of opposition to Maastricht and EMU in the 1990s:

1 *Irreconcilables* such as John Biffen and Teddy Taylor who were long-standing opponents of European integration and its entire doings. Taylor's opposition was voiced from the backbenches; Biffen's was licensed within government, although Thatcher's press secretary was moved to describe him as a 'semi-detached' member of her government.
2 *Constitutionalists* such as Bill Cash, James Cran and Richard Shepherd, who were particularly concerned about parliamentary sovereignty.
3 *Free marketers* such as Michael Spicer and Nicholas Budgen, who were ardent Thatcherites and who became disillusioned by what they saw as an interventionist EC that threatened Thatcherite policies. A cadre of young Thatcherites – including Michael Forsyth, Neil Hamilton, Peter Lilley, Michael Portillo, Edward Leigh, Francis Maude and John Redwood – entered the House of Commons after 1979 and were to organize within the No Turning Back Group. All were to become government ministers.
4 *Nationalists* such as John Carlisle, Tony Marlow and Nicholas Winterton.
5 '*Wets*' (a term used in Thatcherite parlance to refer to those on the left of the party) such as Peter Tapsell, who opposed what they saw as EC protectionism.

Baker, Gamble and Ludlam (2002) supplement these classifications with a 'hyperglobalist' strand of Conservative Euroscepticism that developed during the 1990s and constituted an attempt to envisage an alternative political economy for the UK outside the EU (see also Gamble, 1998). In its extreme form, hyperglobalization would be difficult to accept for any national political party because it would imply

the redundancy of the nation state in the face of capital mobility in a global economy. Could the Conservatives reconcile their vision of politics within which the nation state is central with 'globalization'? Baker, Gamble and Ludlam (2002) argue that a particular notion of globalization has been articulated within Conservative Euroscepticism. This posits a vision of Britain as a sovereign state with a low tax, low spending, deregulated and privatized economy. The result is that 'The national policy-making constraints of globalization are welcomed because they rule out the kind of social democratic and socialist measures which are viewed as incompatible with British national identity, forcing the government to set the people free whatever its ideological predilections' (Baker, Gamble and Ludlam, 2002: 409; see also Portillo, 1998). The language of 'no alternative' and 'no turning back' that was central to Thatcherite thinking in the 1980s ascends to a global plain. In this context, the EU and its member states are portrayed as high spending, high tax, over-regulated and uncompetitive encumbrances on the UK's ability to compete in a global economy. If the EU continues to pursue this path then Conservative 'hyperglobalists' would call either for a renegotiation of Britain's terms of membership (the party's 2001 election stance), or might even head towards the exit.

In no other EU member state is such a strand of 'globalist' Eurosceptic thinking evident. The affinity of such thinkers is most clearly with the USA. As Baker, Gamble and Ludlam (2002: 423) put it: 'No other political elite or political elite has the same kind of material links, or the same kind of ideological attachment to the United States as do the British Conservatives, and New Labour would arguably come second in such a comparison'. Following this argument through, *The Daily Telegraph* has argued that Britain could even renounce the irredeemable EU and throw in its lot with the USA and the North American Free Trade Area.

The Maastricht rebellion

These strands of Eurosceptic thought were to coalesce into the most sustained parliamentary rebellion of the twentieth century. When tracing the historical lineage of modern Euroscepticism then pride of place needs to be given to Margaret Thatcher's Bruges speech of September 1988. This speech legitimized Euroscepticism, provoked a debate within the Conservative Party about Britain's place in the global and international economy, provided an intellectual justification for Euroscepticism, and

Box 9.1 **Extract from Margaret Thatcher's speech at the College of Europe, Bruges, 20 September 1988**

My first guiding principle is this: willing and active co-operation between independent sovereign states is the best way to build a successful European Community. To try to suppress nationhood and concentrate power at the centre of a European conglomerate would be highly damaging and would jeopardise the objectives we seek to achieve. Europe will be stronger precisely because it has France as France, Spain as Spain, Britain as Britain, each with its own customs, traditions and identity. It would be folly to try to fit them into some sort of identikit European personality.

Founding fathers: Some of the founding fathers of the Community thought that the United States of America might be its model. But the whole history of America is quite different from Europe. People went there to get away from the intolerance and constraints of life in Europe. They sought liberty and opportunity; and their strong sense of purpose has over two centuries, helped create a new unity and pride in being American – just as our pride lies in being British or Belgian or Dutch or German. I am the first to say that on many great issues the countries of Europe should try to speak with a single voice. I want to see us work more closely on the things we can do better together than alone. Europe is stronger when we do so, whether it be in trade, in defence, or in our relations with the rest of the world.

A European super-state: But working more closely together does not require power to be centralised in Brussels or decisions to be taken by an appointed bureaucracy. We have not successfully rolled back the frontiers of the state in Britain, only to see them reimposed at a European level, with a European superstate exercising a new dominance from Brussels. Certainly we want to see Europe more united and with a greater sense of common purpose. But it must be in a way which preserves the different traditions, parliamentary powers and sense of national pride in one's own country; for these have been the source of Europe's vitality through the centuries.

Utopia never comes: If we cannot reform those Community policies which are patently wrong or ineffective and which are rightly causing public disquiet, then we shall not get the public's support for the Community's future development. What we need now is to take decisions on the next steps forward rather than let ourselves be distracted by Utopian goals. Utopia never comes, because we know we should not like it if it did. Let Europe be a family of nations, understanding each other better appreciating each other more, doing more together but relishing our national identity no less than our common European endeavour. Let us have a Europe which plays its full part in the wider world, which looks outward not inward, and which preserves that Atlantic Community – that Europe on both sides of the Atlantic – which is our noblest inheritance and our greatest strength.

impelled the organization of anti-EC groups both within and outside the Conservative Party.

Thatcher's Bruges speech recycled some old Gaullist themes with a Powellite twist (see Box 9.1). The Bruges Speech understood the EC in Gaullist terms as an association of states whose core purpose was to strengthen the sovereignty of the member states. She opposed what she saw as integration by stealth driven by the Commission rather than integration that was the conscious choice of the member states. She was also suspicious of the ability of other member states to dress up the pursuit of their national interest as being in the European interest. As she put in her memoirs, 'I had by now heard about as much of the European ideal as I could take' (Thatcher, 1993: 473). Thatcher sought to deflect criticism that she was anti-European by arguing that she was actually pro-European, but that she favoured a different vision of Europe based on loser intergovernmental ties. She alluded to a wider Europe that included Budapest and Warsaw as well as London, Paris and Bonn. At the core of her speech was a statement of her mounting objection to an emergent EC socio-economic model in which she famously stated that she had not 'rolled back' the frontiers of the state in the UK only to see new controls imposed from the EC.

The Rubicon had been crossed. Following Thatcher's Bruges speech a loose organization was formed centred on the Bruges Group, which had strong financial support from Sir James Goldsmith, the former British Airways boss, Lord King, and the hotel magnate, Lord Forte. Eurosceptic arguments also began to find a home in right-wing newspapers, particularly *The Daily Telegraph* and *The Times*. The strands of the argument were as follows (H. Young, 1999; Forster, 2002b):

1 The alleged insincerity of other member states that expressed commitment to single market integration but reneged on core free market principles.
2 Basic institutional incompatibilities between British legal, political, social and economic institutions and those of other member states.
3 The EU was seen as moving in the direction of over-regulation and social democratic interventionism. The UK, in contrast, could position itself as a low tax, low regulated economy on the edge of Europe.
4 The spillover effects of the SEA were unacceptable, particularly the plans for social policy integration and EMU, as well as the role of supranational institutions in driving this process which grossly infringed on the authority and autonomy of the British executive to pursue British national interests.

5 The autonomy of supranational institutions such as the European Commission and the European Court of Justice posed a real threat to British national sovereignty. Interestingly, despite the fact that neo-functionalist theorizing with its idea that the Commission could be a driving force had fallen into abeyance in the 1970s, it was resuscitated in grand style by the British Eurosceptic press who lambasted Delors and his sinister plots. The apotheosis was *The Sun*'s 'Up Yours Delors' front page headline of 1 November 1990 that urged its readers to tell the 'filthy French' to 'frog off'.
6 Nationalism, xenophobia and an obsession with the Second World War. For instance, Thatcher's notorious seminar on Germany and the Germans (Urban, 1996). Nicholas Ridley was sacked from the cabinet following an interview with *The Spectator* magazine in which he described European integration as 'a German racket designed to take over the whole of Europe'. *The Spectator* used the opportunity to portray Chancellor Kohl with a Hitler-style moustache on its front page. The Euro '96 football tournament prompted similar nationalist and xenophobic eruptions targeted at Spain and Germany.

The significance of Thatcher's downfall and Major's Maastricht negotiations were fivefold. First, a lingering resentment simmered within the Party caused by the manner of Thatcher's departure (a 'Conservative coup' as Alan Watkins, 1991, put it). Second, Euroscepticism had been given an intellectual justification, the origins of which lay with core Thatcherite tenets which the EU in its post-Maastricht guise was deemed to threaten. Third, the intellectual justification for Euroscepticism brought together previously disparate groups within the Party, impelled the formation of extra-parliamentary anti-EU groups, drew funding from leading business people, and found an echo in the opinion columns of right-wing newspapers. Fourth, John Major may have been the designated heir, but was an unknown quantity as Prime Minister. He had risen without trace in the sense that he had quickly become a government whip and then government minister following his election to Parliament in 1979. If he had views on Europe, then these were unclear. He was, though, happy to give the impression during the 1990 leadership contest that he was the carrier of the Thatcherite flame (and Thatcher to give the impression that she would be 'a good back seat driver', as she put it). If anything Major's track record indicated pragmatism rather than the sort of hardline opposition to European integration that was beginning to acquire a foothold within his Party. Eurosceptic disappointment with Major fuelled notions of 'sell out' and 'betrayal'. Finally and crucially,

Major possessed a parliamentary majority of only 21 after his 1992 election victory. This diminished as the government lurched from crisis to crisis, from by-election defeat to by-election defeat, and from defection to defection (the pro-EU Liberal Democrats were the principal beneficiaries of these, by the way).

The anti-Maastricht rebellion was an intra-Conservative conflict. Labour Eurosceptics did not make common cause with Conservative Eurosceptics, although the Labour whips were happy to plot defeats for Major's government with hard-line anti-Maastricht opponents. There were generational differences at work here too. The Conservative Eurosceptics were Thatcher's children. The future belonged to them, or so they thought. Labour Eurosceptics were older, nearing the end of their political careers, and easily picked off by the modernizers. If Labour and Conservative Eurosceptics had been able to find common cause then, given Major's small majority, it would have been difficult to ratify the Treaty. It was, however, hard for Labour's Eurosceptics (many of whom saw themselves being on the left of the Party) to make common cause with the Conservative brand of right-wing, Thatcherite Euroscepticism.

The Maastricht ratification saga

While basking in election victory in the spring of 1992 the Major government could not possibly have foreseen the scale and extent of the difficulties that would be experienced during the Maastricht ratification that would lead to the collapse of the Conservative party as an electoral force. Clearly there was opposition to Maastricht, but party management and party loyalty should prevail, or so party managers thought. They were dramatically, calamitously and ruinously wrong. One reason why they were wrong was the series of blows that struck the EU and British government in 1992. These delayed the Treaty and emboldened the Eurosceptics.

The first blow occurred on 2 June 1992 when the Danes rejected the Maastricht Treaty by a narrow margin of 51 per cent to 49 per cent. Despite the narrow margin, rejection was rejection and the Treaty required ratification in all member states. The ratification process was suspended. Perhaps if Major had pushed ahead at this time then many of the later difficulties could have been avoided. The delay gave the Eurosceptics a vital ingredient in any war of attrition: time. In the wake of the Danish 'no' Michael Spicer established the Fresh Start Group (FSG). The FSG

collected 84 signatures for an Early Day Motion calling for the Maastricht Treaty to fall and for the negotiations to be re-opened. Even though this was an unlikely scenario, there was now some belief among the Eurosceptics that the tide of European integration could be halted, perhaps even turned back. Many Tory MPs strode Canute-like to the water's edge.

September 1992 was to be another month of woe for Major's government with serious long-term implications for Conservative credibility. In France the *petit oui* (another 51 per cent–49 per cent narrow squeak, albeit this time in favour of the Treaty) in Mitterrand's referendum indicated the lack of public enthusiasm for the Treaty (as well as the declining popularity of the Mitterrand government: referendums are imperfect devices, it should be recalled). Worse was to come. On 16 September 1992 sterling was ejected from the ERM. During a day of frantic market activity and government chaos (during which interest rates were increased to 15 per cent at one point) the Conservatives' reputation for economic competence was shattered (Stephens, 1996: ch. 10). They may not have been the 'nice' party, but the public saw them as the party that knew how to manage the finances. Now with the threat of repossession looming over mortgage-holders, this reputation for economic competence was lost. As billions of pounds were drained from the nation's reserves, Conservative claims to be effective stewards of the national economy became fanciful (Wickham Jones, 1997).

Despite being a bleak day for the country, the ERM crisis was another boon for the Eurosceptics. Following his May 1993 departure from the government, the Chancellor of the Exchequer who presided over the ERM ejection, Norman Lamont, went so far as to claim that 'golden Wednesday' might be a better term because the British economy was freed from the unwelcome shackles of EU economic rules. In fact the golden opportunities were those provided to the Conservatives' opponents who fed off the Tories' fratricidal Euro-war and the economic crisis management that saw the supposedly tax-cutting Conservative Party preside over tax hikes. Yet, in the peculiarly insular world of Conservative Party politics in the early 1990s, there were those who believed – wrongly on all counts as it turned out – that the European issue mattered deeply to British people, that opposition to European integration could reconnect the Conservative Party with the electorate, and that the tide of events was flowing in their direction with the effect that the Maastricht Treaty could be stopped. But, put simply, the issue mattered to too few people. Those to whom it mattered were probably Conservatives anyway. Maastricht became a synonym for tedium while

rebellions, in-fighting and sleaze were the public representation of the Conservative Party (Cowley, 1997).

This relative lack of public interest mattered little to the growing number of Eurosceptics within the ranks of Conservative MPs. They enjoyed financial support from wealthy patrons. They were militant in their opposition to Maastricht, and this militancy could over-ride their Party loyalty. They had a formidable modus operandi based on a command of detail that bordered on the obsessive and far exceeded that of their opponents. Eurosceptics who had absorbed every paragraph and sub-clause took as a shocking indictment Kenneth Clarke's admission that he had not even read the Maastricht Treaty, while doubtless a copy nestled on the bedside table of every good Eurosceptic.

The FSG developed a new form of opposition to European integration with its members harbouring deep dislike of the EU and their own Party leadership while also being prepared to liase with Labour whips to defeat the Maastricht bill. FSG members tabled more than 500 amendments to the ratification bill, proposed 100 new clauses and abstained on 1,515 occasions (Forster, 2002b: 87). The belief that the Maastricht Treaty could be stopped in its tracks set the 'unwhippable in pursuit of the unratifiable' (Baker, Gamble and Ludlam, 1994: 38). An incipient transnationalization of this anti-Maastricht protest occurred when Tory Eurosceptics sought common cause with their colleagues in Denmark, but they had little in common and anti-Maastricht opposition remained grounded in national politics.

While ostensibly about Britain's place in Europe, the Maastricht ratification process was also a Conservative Party identity crisis. European issues were refracted through the lens of national politics and national institutions and can tell us as much (if not more) about this politics and these institutions than they do about the EU.

Political life within the Conservative Party became tumultuous and chaotic as the 1990s progressed (see, for instance, Gorman, 1993; Williams, 1998; Gardiner, 1999; Walters, 2001, for some insight into the poisonous world of Conservative Party politics in the 1990s). The Party's conferences became redolent of Labour's hate-fests of the 1980s. They were great entertainment for the viewing public but disastrous for a Party that aspired to re-election. At the 1992 Party conference Norman Tebbit led the opposition to Maastricht and elicited huge support from the party faithful in a speech that alluded to the treachery of the Party leadership. The ranks of the Eurosceptics had also been replenished by the 1992 general election, which brought hard-line Maastricht rebels such as Iain Duncan Smith and Bernard Jenkin into Parliament.

Major had a slim parliamentary majority and a divided and fractious parliamentary party, the Eurosceptic wing of which was well-organized, committed and determined to do all it could to ditch the Treaty. The opt-outs from the Social Chapter and the third stage of EMU that Major had negotiated at Maastricht did little to help his position in the Commons. In fact, the opt-outs were used by Labour to oppose the ratification bill on the grounds that they should be re-inserted. Yet the opt-outs also did little to appease Conservative Eurosceptic ultras that wanted to see the whole Treaty defeated irrespective of opt-out clauses which they saw as largely meaningless. Consequently, the government's small majority ensured repeated embarrassment due to the persistent strength of the rebellion and the willingness of the two main opposition parties to support amendments that were pro-Maastricht (including the Social Chapter) but destroyed the government's semi-detached position (Baker, Gamble and Ludlam, 1994: 38). The ratification process was an unmitigated nightmare for Major's Conservative government. The government slumped to by-election defeats in Christchurch and Newbury and lost 500 seats in the May 1993 local council elections.

Meanwhile the ratification bill limped through Parliament for over a year. There were 70 parliamentary votes and 61 debates. By the third reading in May 1993 there were 41 Conservative rebels and five abstentions (Baker, Gamble and Ludlam, 1994). The bill was only passed in July 1993 when the government chose the 'nuclear option' and made the issue a matter of confidence in the government. All but one Tory MP (the absentee being Rupert Allason, the member for Torbay) supported the government. The bill was carried, but the blood spilt within the Conservative Party during the ratification process had inflicted terminal damage. It was impossible to pretend that Euroscepticism was the preserve of a few backbench fanatics. There were Eurosceptics at all levels of the government. Even so, Europhiles such as Kenneth Clarke and Michael Heseltine were a small but powerful minority. Within the cabinet were those such as John Redwood, Michael Portillo and Peter Lilley who had been members of the No Turning Back Group. Their views were probably more reflective of Party sentiment, but they were seen as troublemakers by Major and his pro-European colleagues.

In the 1970s Edward Heath had kept the harder-line opponents of British membership of the EC out of his cabinet. By the 1990s the presence of prominent Eurosceptics within Major's cabinet prompted one of the most famous off-guard moments in British politics. At the end of a television interview on 23 July 1993, the day on which his government had just secured a vote of confidence, Major thought that the microphone had been switched off. It had not. What he had to say illustrated the scale of his problems and his inability to deal with them:

> The real problem is only a tiny majority. Don't overlook that I could do all these clever decisive things which people wanted me to do – but I would have split the Conservative Party into smithereens. And you would have said I acted like a ham-fisted leader. Just think it through from my perspective. You are the Prime Minister with a majority of 18, a party that is harking back to a golden age that never was, and is now invented. You have three right-wing members of the cabinet who actually resign. What happens in the parliamentary party? ... I could bring in other people. But where do you think most of the poison is coming from? From the dispossessed and the never possessed. You think of ex-ministers who are going round causing all sorts of trouble. We don't want another three more of the bastards out there. (cited in Baker, Gamble and Ludlam, 1994: 37)

The aspersions on legitimacy were directed at Lilley, Portillo and Redwood, although the more fanatical and determined Conservative Eurosceptics adopted the term as a badge of honour for the irreconcilables (Gorman, 1993). Maastricht did not end the in-fighting. Instead, attention turned to EMU and other instances of the Major government's 'betrayal, complacency, lack of attention to detail and complicity' (Forster, 2002b: 93).

There were to be two more set-piece confrontations that were landmarks on the Party's path to opposition. The first occurred in November 1994 when eight Conservative MPs (Nicholas Budgen, Michael Cartiss, Christopher Gill, Teresa Gorman, Tony Marlow, Richard Shepherd, Sir Teddy Taylor and John Wilkinson) defied a three-line whip to oppose the European Community (Finance) Bill. The whipless eight were then joined by Sir Richard Body, who combined Euroscepticism with opposition to what he saw as draconian tactics by the party whips. For a few brief months the rebels became important, if never quite serious, political figures who revelled in 'the adrenalin of the camera and the allure of the lens' (Williams, 1998: 72). Scarcely a television debate could be held without these champions of Euroscepticism advertising the deep divisions within the Conservative Party. Even when the rebels were readmitted to the Party fold in April 1995 they were able to boast that they had not been forced to repudiate their views (Williams, 1998: 77).

The second landmark was John Major's resignation on 22 June 1995 from the Party leadership. In a bid to test the Eurosceptics' mettle, Major invited a challenge to his leadership. The more obvious Eurosceptic challenger, Michael Portillo, wavered while the Secretary of State for Wales, John Redwood, decided to stand. Redwood's campaign did not get off to the best of starts when the brightly garbed whipless rebels provided the backdrop to the press conference launching his campaign. As Redwood's own special adviser noted: 'The impression was that of a coup launched by a group of dissident Latin-American colonels who had just taken over the local airport and cancelled all flights' (Williams, 1998: 105). Apparent eccentricity belied the seriousness of Redwood's challenge, the threat it posed to Major's leadership, and the dedicated group of Eurosceptics (such as future Party leader, Iain Duncan Smith) who supported it. Major needed to secure a simple majority of the 329 MPs eligible to vote, and he also needed to be 15 per cent ahead of his challenger. However, simply to win was not enough; Major needed a convincing margin of victory. By the time of the election, it had been established – following furious briefings and counter-briefings from each side – that a vote against Major by 100 MPs would seriously undermine his leadership. On Tuesday, 4 July 1995, 218 MPs voted for Major, 89 for Redwood, and 22 either abstained or spoilt their ballot papers. Fewer than 100 MPs had voted for Major's challenger, but 111 – one-third of the parliamentary party – had failed to endorse his leadership. As soon as the results were announced and in a well-planned media-management operation, Major loyalists appeared on television screens and radio stations to pronounce upon the Prime Minister's resounding triumph. But the victory was pyrrhic because 'Major's summer contest had institutionalized conflict within the Party' (Williams, 1998: 121).

What did the Eurosceptics achieve? Above all, it could be argued that the divisions that were exposed were central to the Conservative's 1997 and 2001 election defeats. There were other consequences. First, persistent anti-EU campaigning forced Major to convince his Chancellor, Kenneth Clarke, that British Euro membership would need to be conditional on a referendum. Labour too made a commitment to a referendum in the run-up to the 1997 general election in order to avoid being outflanked on this issue. Second, constraints were imposed on Major's government because the scale of rebellion made it clear that no further measures could be brought before Parliament that would increase the EU's role. Third, Major's government ceded to the Eurosceptics a greater voice in policy-making, although Major continued to bounce

between the pro-European and Eurosceptic wings of the Party. Fourth, the election in 2001 as party leader of one of the most inveterate Maastricht rebels, Iain Duncan Smith, showed how the Eurosceptic wing had captured what remained of the Party. Fifth, Conservative Eurosceptics linked their campaigning to like-minded and often wealthy extra-parliamentary organizations. Eurosceptic think tanks were created, such as the European Foundation run by Bill Cash and the European Reform Group run by Michael Spicer. In the aftermath of his defeat in the leadership election John Redwood established Conservative 2000 to advance his particular brand of Conservatism. In addition to this there were campaigning organizations within the Conservative Party and beyond such as the Campaign for UK Conservatism, the League of Concerned Conservatives, and Conservatives Against a Federal Europe.

There were also groups pushing for a referendum on Maastricht. The Maastricht Referendum Campaign organized a phone-in in which it managed to elicit 94 per cent support from respondents for their demand for a referendum. The multi-millionaire financier, Sir James Goldsmith, who used his personal fortune to advance his own views on European integration, took up this challenge. Goldsmith's Referendum Party ran candidates in the 1997 general election against any MPs that refused to pledge their support for a referendum which would not be on EMU but on the question of whether Britain should stay in the EU. The Referendum Party contested 547 seats and garnered 810,778 votes, which, when the £20 million spent by Goldsmith on the Party is taken into account, works out at £24.67 a vote (Geddes, 1997). The UK Independence Party (UKIP) was overshadowed by Goldsmith's dramatic entry on to the British political scene. Goldsmith's Party failed to win a single seat, but did contribute to the removal of some Conservative MPs, most famously in Putney where Goldsmith himself stood against David Mellor and contributed to Labour's victory.

Europe in the 1997 general election

The European issue was not a salient concern at the 1997 general election. Even the very limited scope for 'clear blue water' to be opened between Labour and the Conservatives was swiftly neutralized by Labour which was eager to adopt a similar unyielding stance on core sovereign concerns. Blair even felt moved (or at least Alastair Campbell, his press officer, did) to pen an article for *The Sun* in which he proclaimed his 'love for the £'.

Labour's 1997 general election manifesto called for 'an alliance of independent nations choosing to co-operate to achieve the goals they cannot achieve alone. We oppose a federal European superstate.' This language did not differ markedly from that in the Conservative manifesto. On the issue of EMU, both Labour and the Conservatives pledged to hold a referendum. Labour also promised to uphold the national veto on taxation, defence and security, immigration, the budget and changes to the Treaty. The main difference between the two parties was on their stance to the Social Chapter. Labour said that they would sign up. To counter accusations of being insufficiently patriotic Labour used a British bulldog – often an emblem of the far right – in one of their Party Election Broadcasts. The Conservatives retaliated with an election poster showing a miniature Tony Blair sitting on Chancellor Kohl's knee, with the implication that senior EU statesmen would bamboozle the naive Blair.

The salient concerns in 1997 were, however, not the EU; instead, they were the divisions, incompetence and sleaze that were seen to characterize the Conservative Party (Cowley, 1997). The electorate appeared to make no judgement about the stances of MPs as they voted both Eurosceptics (such as Michael Portillo) and pro-EU Conservative MPs (such as Edwina Currie) out of the House of Commons. The result was the election of a New Labour government with a more positive approach to the EU, albeit with some reservations about the Euro.

Europe in the 2001 general election

The 2001 general election was noticeable for William Hague's attempts to make European integration a key issue and to festoon his campaign with the motif 'save the pound'. Never before had a national campaign by an aspiring party of government veered so close to single-issue politics. Hague sought to open 'clear blue water' between the Conservatives and Labour on European integration because this was one issue on which voters seemed to prefer the more sceptical stance of the Conservatives to that of Labour (although there was an element of contradiction here because Blair was vastly more popular as a potential Prime Minister – and thus Britain's representative in Europe – than Hague, whose personal ratings in the polls were resolutely negative).

Four reasons have been identified for the Conservatives' 2001 embrace of Euroscepticism as a key campaign theme (Geddes, 2002: 145). First, since 1997 pro-EU voices such as Michael Heseltine and Kenneth Clarke had been marginalized. Second, Hague and his advisers – after an early flirtation with a more inclusive version of Conservatism – saw a series of core issues on which they might stand some chance of eroding Labour's dominant position (Europe was one, asylum and tax cuts were the others). Third, there was a lingering bitterness within the Party surrounding Thatcher's removal from office in 1990. The disputes in the 1990s were in many ways a battle for the Party's soul. Fourth, Eurosceptics dominated the parliamentary Conservative Party.

Clear blue water was indeed opened in 2001. The Conservatives advanced a vision of a 'network Europe' with states coming together in areas of mutual benefit. States could opt into or out of those parts of the *acquis* that they favoured. The Euro was ruled out for the lifetime of two Parliaments, while any further extension of competencies to the EU would be opposed. 'In Europe, not run by Europe' was Hague's campaign theme. This minimal vision of the EU would be reinforced by the creation of powers reserved for the British state and therefore forbidden from becoming EU competencies. Such a policy would raise serious questions about Britain's continued membership of the EU because the UK government would be placed in a position of almost perpetual opposition to other member states. In a speech made on 4 March 2001, Hague alluded to Britain as a 'foreign land' with a second-term Labour government and called for cross-party support in what he portrayed as a last-ditch defence of the British nation state (Hague, 2001).

Labour's stance, as was discussed in Chapter 5, reflected some core underlying themes that have informed elite attitudes to European integration: a preference for intergovernmentalism, rejection of federalism and the maintenance of strong ties with the USA. Labour's support for the Euro would depend on the five economic tests being met.

The Liberal Democrats supported transfers of sovereignty to the EU when in the national interest, and were more positive about the Euro (although with a referendum as the basis for entry). Yet their manifesto also revealed an underlying conceptualization of the EU as an association of sovereign states that is distinct from the kind of unionist style federalism that informs the thinking of their sister parties in other member states. The Liberal Democrats tend to see a 'lower case' federalism focused on the local level rather than connected to any grand plan for an upper case Federal Europe. Moreover, Liberal Democratic support for European integration is tempered by some on-the-ground realities with a Party membership with strong Eurosceptic inclinations. This has been seen as a central aspect of the Liberal Democrats' 'dual identity' with some distance between the Party in Westminster and the

Party membership (Fieldhouse, McAllister and Russell, forthcoming). A study of Liberal Democrat members found them to be 'scarcely more pro-European than the electorate as a whole' (Bennie, Curtice and Rudig, 1996: 141). Furthermore, Liberal Democrat support is at its strongest in the south west of England and parts of rural Wales and Scotland where agriculture and fishing interests are strong and which, as a result, do not tend to be hotbeds of pro-EU sentiment.

The result in 2001 was famously another landslide victory for New Labour. The Conservative campaign failed because Hague was not popular and because his core themes, such as European integration, mattered to too few people, and those to whom it mattered would probably vote Conservative (or UKIP) anyway. The key election issue was the state of Britain's public services. The Conservatives had almost nothing to say on this issue.

New Labour and European integration

Chapter 5 surveyed New Labour's engagement with the EU and argued that significant continuities can be detected. In such terms, the party's position has conceptual and strategic components, while much also hinges on the key relationship at the heart of New Labour between Blair and Gordon Brown.

In conceptual terms, the majority of Labour MPs have moved since the 1980s to a position that is supportive of economic and political integration. The great fissure over Europe that existed in the late 1970s and early 1980s has dissipated, perhaps to be replaced in the aftermath of the second Iraq war with divisions over the USA. Even if there were very much Eurosceptic opposition to the EU within the Labour Party then it would be difficult for it to make its voice heard, given the Party's crushing parliamentary majorities after the 1997 and 2001 general elections. Most Labour MPs seem to have embraced what Baker, Gamble and Ludlam (2002: 413–15) characterize as 'open regionalism', involving acceptance of major changes in the global economy that diminish the sovereign authority of states and which mean that 'traditional goals of national economic management are now best pursued at the collective level of the EU, rather than left to the nation state alone'.

To this conceptual re-orientation can be added strategic calculation. This introduces a complication into the analysis because of the necessary interaction between this support for 'pooling' sovereignty and the core concerns of the new Labour government. New Labour were elected

in 1997 and re-elected in 2001 to make good their promises to deliver high quality public services. At the 2001 election, health, education and law and order were the top three salient concerns at the 2001 general election, while European integration was outside the top ten in twelfth place. Despite William Hague's attempts to make Europe a key issue and to 'save the pound', voters were influenced by concerns such as the standards of schools and hospitals that had a far more direct effect on their lives.

It is, however, worth noting that while New Labour may appear to be in a dominant position following two crushing landslide victories, their share of the vote was a little over 40 per cent while turnout slipped to a worryingly low 59 per cent at the 2001 general election (Fielding, 2002a, 2002b). New Labour's coalition is surprisingly fragile, based as it is on an appeal to 'middle England'. It is unlikely that any journey to 'the heart of Europe' will be made if 'middle England' is not felt to be ready to accompany New Labour on this expedition, or if it jeopardizes the attainment of public service objectives that are central to the success or failure of New Labour.

The third factor is the question of New Labour's leading personalities, particularly the relationship between Blair and Brown and their coteries of advisers (Naughtie, 2001). New Labour in power with their crushing majority have helped expose the myth of parliamentary sovereignty, the weakness of cabinet government and the potential for concentrated power around key governmental figures. Scarcely a week goes by without stories emerging of divisions between Tony Blair and Gordon Brown (the TeeBeeGeeBees, as these divisions have been called). No one seems to quite know the exact positions of these two figures or how things will resolve themselves. It seems that Blair sees it as part of his mission as Prime Minister to make Britain a leading player within the EU. Brown, on the other hand, is a €-sceptic in the sense that he is not convinced either conceptually or strategically that adoption of the single currency is right for either Britain or New Labour. Brown's position has been strengthened by the departure from office of pro-Euro cabinet ministers such as Robin Cook, Peter Mandelson and Stephen Byers. Brown's April 2003 budget statement added grist to the €-sceptic mill when the UK was consistently compared favourably with a poorer performing, sluggish, low growth Euro-zone economy. The extent to which these positions reflect the reality of debate within government was revealed when the negative assessment of the five economic tests was made in June 2003.

A key question in contemporary British politics is thus whether or not the Euro should replace sterling. In conceptual terms, it would seem that there are still obstacles within the Labour Party to this step being

taken. The view that European integration can create the conditions for sustaining key elements of the social democratic project has been widely accepted (even though the relationship between New Labour and European social democracy is rather more ambiguous). In strategic terms, there are more grounds for equivocation because New Labour was re-elected to make good their public service promises, and it is on this that they will be judged. The debate about the Euro also exposes the concentration of power and the key power relationship within the Blair government and the tensions that can run across it. Moreover, any decision on the Euro will depend on a referendum. This takes the issue beyond the domain of party management and increases the levels of uncertainty and risk. As will be seen in the following chapter, there are no good grounds for supposing that the British people are enthusiastic about deeper European integration or the adoption of the Euro.

Conclusions

European integration has possessed the potential to strike at the heart of British politics. In the 1990s European integration was a cause of serious divisions within the Conservative Party that not only contributed to its 1997 and 2001 election defeats, but also led to questions being asked about whether it can ever recover. Analysis of British party politics and European integration since the 1970s shows that divisions over European integration have tended to be within rather than between the main parties, and that the size of the governing party's parliamentary majority has been a key factor in the scope for Eurosceptic opposition to be effective. Moreover, since the late 1980s it has been possible to detect relatively coherent strands of Eurosceptic thought within the Conservative Party that have been reflected in an extra-parliamentary campaign groups and leading national newspapers. The fissile party politics of European integration imposed real constraints on the EU policy of the Major government and have induced caution and nervousness on the part of New Labour. A key reason for this is the perceived extent of public scepticism about European integration and the apparent absence of Europeanized collective identities in the UK; or, put another way, people in the UK neither seem to see themselves as, nor to feel, particularly European. The next chapter explores these public attitudes to European integration more closely and also assesses the impact of media representations of Europe on these attitudes.

10

Public Attitudes and Media Representation

Introduction

This chapter explores public attitudes in Britain towards European integration and media representation of Europe. The chapter will show that British public attitudes towards the EU appear to be structured by a self-declared lack of knowledge of the EU, and when opinions are held they appear to be based on cost-benefit calculations of the advantages and disadvantages of membership; neither collective identities nor methods of political communication in the UK seem particularly Europeanized. Compared to other member states public perceptions of the benefits of EU membership by British citizens appear to be more negative.

The power of the press?

The view that media representations of Europe can have negative effects on public perceptions of European integration has been voiced from the highest level. Tony Blair reacted in exasperated fashion in November 1998 to the hostile coverage in Eurosceptical newspapers to proposals for a European Rapid Reaction Force: 'I'm used to the British media being hostile on Europe, but I hope that the public will be given the facts' (Horrie, 2000). In a speech made in Gent, Belgium, in February 2000 he again expressed frustration:

> If people tell you that the argument for Europe has been lost in Britain, they are wrong. Of course our position is made more difficult by our media. One part has abandoned all sense of objectivity and is essentially hostile to the European Union. The other part is supine in the face of that hostility. Take the example of last year's financial negotiations at Berlin. Europe is always at its most hard-headed when it comes to paying for it.