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British politics and Europe

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With elections to the European Parliament taking place in June 2004, the relationship between the European Union (EU) and British politics is again in the spotlight. Philip Lynch examines the impact of EU membership on British sovereignty and the party system.

An institution can be regarded as sovereign if it has ultimate decision-making authority and is able to act without undue external constraint. The term 'sovereignty' is used in three main ways in relation to the EU.

First, the notion of **national sovereignty** holds that final decision-making authority should reside within the nation-state, whose institutions should determine policy within its boundaries.

Second, the doctrine of **parliamentary sovereignty** states that the Westminster Parliament is the supreme legislative body within the UK. The doctrine makes three claims.

- (i) Legislation made by Parliament cannot be overturned by any higher authority.
- (ii) Parliament can legislate on any subject of its choosing.
- (iii) No Parliament can bind its successors.

Finally, the idea of **popular sovereignty** argues that political authority derives from the people. In a democracy, policy-makers should be accountable to the people, for example through free elections.

Sovereignty and the EU

Membership of the EU has affected these different dimensions of sovereignty in a number of ways.

- The EU has extended its policy competencies into areas such as home affairs, monetary policy and foreign policy, which were formerly the preserve of national governments.
- Britain has lost the right of veto in policy areas in which qualified majority voting (QMV) applies. Under QMV, a state that fails to put together a blocking minority of votes is compelled to implement legislation it had opposed.
- EU law has primacy over national law, meaning that British law can be overturned if it conflicts with EU law. The European Communities Act 1972 gave future EU law legal force in the UK and

denied effectiveness to national legislation conflicting with it. In the 1990 Factortame case, the House of Lords overturned parts of the 1988 Merchant Shipping Act, which it found to be contrary to EU law.

- There are limited opportunities for holding EU decision-makers accountable. National parliaments are ill-equipped to scrutinise EU policy. There is a democratic deficit within the EU, and the European Parliament, the EU's only directly elected institution, is relatively weak.

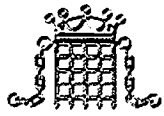
However, it should be stressed that national governments are still the most powerful actors within the EU, particularly on issues such as treaty change, on which they retain the veto. In the domestic arena, Parliament retains final legislative authority as it has the right to withdraw from the EU.

A contested concept

Euro-sceptics and pro-Europeans disagree about the nature of sovereignty and the impact of the EU upon it. Euro-sceptics see sovereignty in zero-sum terms: a state either has ultimate decision-making authority or it does not. Sovereign authority should, they argue, be located with the nation-state as it is this — rather than the EU — with which citizens identify. According to Euro-sceptics, the transfer of decision-making powers to the EU has weakened democracy by fracturing the bonds between policy-makers and the people.

Pro-Europeans view sovereignty in terms of effective influence or capacity to act. They claim that by 'pooling' sovereignty, Britain has achieved policy objectives (for example, the single European market) that it could not have achieved alone. In an age of globalisation, no state can deal with issues such as the environment and migration on its own. Being a member of the EU gives Britain more influence on the world stage.





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Political parties and Europe

Britain's role in the EU is a major issue in contemporary politics, but one that political parties have found difficult to manage. The two main parties have changed their policies on 'Europe', suffered internal divisions and faced problems exploiting the issue for electoral advantage.

The Conservative and Labour parties seem to have swapped positions on Europe during the last three decades. Labour used to be hostile to European integration but is now broadly support-ive; the Conservatives were generally pro-European but now Eurosceptics predominate.

Under the Conservatives, Britain applied for membership of the European Economic Community (EEC) (1961), joined in 1973 and signed the Single European Act (1986). But Euroscepticism escalated after John Major agreed the Maastricht Treaty in 1991 and is now the dominant perspective in the party.

Labour opposed the first EEC application — then sought membership (unsuccessfully) in 1967. In the early 1980s, Labour supported withdrawal from the EEC. This contributed to a split in the party, in which some Labour MPs left to form the Social Democratic Party. Labour's pro-European conversion began in the late 1980s, when MPs and trade unionists were particularly attracted by European social policy.

Internal divisions

Differences on Europe are found within, as well as between, the two main parties. These internal divi-

sions have created difficulties for the party leaders: if they take a firm line, they risk exposing divisions within their ranks. Party leaders have instead adopted compromise positions, which are acceptable to many MPs without fully satisfying either wing of their party. John Major's 'wait-and-see' policy on economic and monetary union (EMU) was a classic example.

The ratification of the Maastricht Treaty provoked serious dissent in the Conservative Party as Eurosceptic MPs engaged in organised rebellions. The divisions contributed to the Conservatives' heavy defeat in the 1997 general election. In opposition, the divisions receded as William Hague and Iain Duncan Smith adopted Eurosceptic policies more in tune with the views of most Tory MPs and party members. But pro-Europeans like Ken Clarke were critical, while some Eurosceptics have gone beyond the party line by urging withdrawal. The new Conservative leader, Michael Howard, has not made it clear how he intends to handle this difficult question.

Tony Blair did not experience the sort of divisions on Europe that undermined Major's government. This is partly because he postponed taking the final deci-

Box 1 Tests for EMU

Labour's five economic tests for joining economic and monetary union

The Labour government's policy on economic and monetary union (EMU) was first set out by Chancellor Gordon Brown in October 1997. Membership of EMU would mean that the UK would adopt the euro as its currency and interest rates would be set by the European central bank (ECB).

Brown said that there had to be a clear economic case for membership of EMU, which would depend on five economic tests.

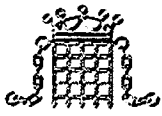
- (1) **Convergence** Are business cycles and economic structures compatible, so that the UK could coexist comfortably with euro interest rates on a permanent basis?
- (2) **Flexibility** If problems emerge, is there sufficient flexibility to deal with them?
- (3) **Investment** Would joining EMU create better conditions for firms making long-term decisions to invest in the UK?
- (4) **Financial services** What impact would entry into EMU have on the competitive position of the UK's financial services industry?
- (5) **Growth, stability and jobs** In summary, will joining EMU promote higher growth, stability and a lasting increase in jobs?

	In favour of joining	Against joining	Don't know
	%	%	%
1995	29	60	11
1996	23	60	17
1997	25	60	15
1998	31	54	16
1999	31	53	15
2000	25	60	14
2001	28	57	15
2002	31	53	16
2003 (Jan)	31	57	11
2003 (May)	29	58	12
2003 (Sep)	24	61	15

Source: MORI

Table 1 Euro or pound? Trends in British public opinion on membership of the single European currency, 1995–2003





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sion on joining the single currency. But Blair's backbench critics showed their willingness to vote against his government — for example, on Iraq and tuition fees — and some 50 or more Labour MPs, many on the left of the party, are likely to vote against the euro when the time arrives.

Party competition

As the differences between the economic policies of the Conservatives and New Labour narrowed in the 1990s, Europe emerged as a key area of disagreement. At the 1997 general election, Labour claimed it would be more influential in the EU than a divided Tory party, while the Conservatives claimed that Blair would surrender sovereignty by giving up the veto and signing the social chapter. But both parties favoured an intergovernmental EU and put forward a 'wait-and-see' position on the euro — though Labour was clearly more favourable to membership.

The differences became more pronounced after 1997 as the Conservatives adopted a more Eurosceptic position. Hague promised to oppose British participation in the single currency for two Parliaments (that is, for up to 10 years), though he did not rule out entry for all time as a matter of principle. Blair and the chancellor, Gordon Brown, signalled that Britain would join the euro, but only when five economic tests had been met (see Box 1).

The Blair government agreed the Amsterdam Treaty (1997) and the Nice Treaty (2000). These extended qualified majority voting and established a European security and defence policy. At the 2001 general election, the Conservatives pledged to renegotiate the Nice Treaty, seek more opt-outs, and curb the EU's powers. William Hague made 'saving the pound' a central theme in the Tories' 2001 campaign.

British voters and Europe

The issue of Europe appeared to be a potential vote winner for the Conservatives at both the 1997 and 2001 elections. Opinion polls suggested that Conservative policy on the euro was more popular with voters than Labour's position, but the Conservatives did not reap significant electoral rewards (Geddes 2002). Conservative divisions on Europe put off voters in 1997 while 1 million people supported Eurosceptic fringe parties.

Hague's 'Keep the pound' campaign made Europe the number one issue for the Conservatives in 2001. But the issue ranked only eleventh among voter concerns. The party's tough message on Europe enabled the Conservatives to win back some votes from Eurosceptic parties, but it did not win them sufficient support from target voters, many of whom felt that the Conservatives were out of touch with their main concerns, such as improving public services.

Conservative 'modernisers' identified the emphasis on Europe as a key factor in their defeat. Despite being a firm opponent of the euro, Iain Duncan Smith was persuaded not to focus on the issue in the early stages of his leadership.

European elections

The issue of Europe moved up the political agenda again in 2003 (see Table 1). Blair and Brown agreed that the five economic tests for adopting the euro had not yet been met. The Convention on the Future of Europe produced its draft constitution for the European Union; Labour said this merely tidied up existing treaty provisions, but the Conservatives claimed it as a further assault on British sovereignty.

Britain's relationship with the EU will no doubt feature prominently in the 2004 elections to the European Parliament. The limited upturn in the fortunes of the Conservative Party under its new leader is likely to continue in June. However, turnout will probably be very low — it was only 24% in 1999 and many of those who do vote will use the election as a chance to punish an increasingly troubled Labour government, rather than to register their views on the European Union.

References and further reading

- Geddes, A. (2002) 'In Europe, not interested in Europe', in A. Geddes and J. Tonge (eds) *Labour's Second Landslide*, Manchester University Press.
- Scully, R. (2003) 'Europe and the European Union', in J. Fisher, D. Denver and J. Benyon (eds) *Central Debates in British Politics*, Longman.

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