

#164

25 DE FEBREIRO DE 2016

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UK, SCOTLAND AND THE EUROPEAN DILEMMA: BREXIT IN A FEW WORDS

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a) Introduction

In January 2013, United Kingdom Prime Minister David Cameron announced that he would be in favor of holding a referendum on membership of the European Union (EU) if he remained in post after the 2015 general elections. The purpose of this compromise was to temper English European skepticism as well as UKIP's electoral success. However, the Scottish National Party (SNP) has immediately pushed for a second referendum

on Scottish independence if the UK, as a whole, decided to leave Europe. Even though David Cameron has reached an agreement with the European partners on the 20th of February 2016, the outcome of this referendum is far from being settled. The purpose of this paper is to put *Brexit* into context; to make sense of British public opinion and to identify the possible scenarios for the outcome of the UK's European referendum.

b) When and why Cameron set out this referendum?

Following the election of a Conservative Government with a majority in the 2015 General Election, David Cameron announced that a referendum would be held on membership of the EU. The referendum was suggested as a result of the rise of UKIP during last parliament and the apparent threat that that success posed to the Conservative's electoral (Curtice 2015: 10). Even though UKIP's turnout feel short of the initial predictions, UKIP has managed to reach 14,1% of the votes in England; 1,6% in Scotland and 13,6% in Wales (see table 1 above).

Table 1: 2015 General Election vote share by country (in %)

| (, -) | | | | |
|------------------|--------------|-----------|------------|---------|
| | | England % | Scotland % | Wales % |
| | Conservative | 41,0 | 14,9 | 27,2 |
| | Labour | 31,6 | 24,3 | 36,9 |
| Liberal Democrat | | 8,2 | 7,5 | 6,5 |
| | SNP | - | 50,0 | - |
| | Plaid Cymru | - | - | 12,1 |
| | UKIP | 14,1 | 1,6 | 13,6 |
| | Green | 4,2 | 1,3 | 2,6 |
| | Turnout % | 65,9 | 71,1 | 65,6 |

Source: Ormstrom, Rachel, "Disunited Kingdom? Attitudes to the EU across the UK", 2015, p.13

The idea of holding a referendum on EU membership became real on the 23 of January 2013 with the Bloomberg speech (UK government 2013) where David Cameron explained how he believed that the European Union needed to change in order to deliver economic prosperity and maintain support amongst the EU's citizens. The Prime Minister went on to set out 5 principles for change to establish a European Union

in the 21st century. These principles were: competitiveness, flexibility, repatriating powers to Member States, democratic accountability and fairness (Scottish Parliament 2015). The Prime Minister specifically referred to the need to complete the Single Market in the areas of services, energy and digital alongside adopting a flexible approach to membership of the Union. Building on his Bloomberg speech a year later in an article for the Telegraph (2014), David Cameron presented a more developed view of EU reform. He set out seven major changes he wanted to make to the European Union.

- New controls to stop "vast migrations" across the continent when new countries join the EU;
- Tighter immigration rules to ensure that migrants come to Britain to work, not as tourists planning to cash in on "free benefits";
- A new power for groups of national parliaments to work together to block unwanted European legislation;
- Businesses to be freed from "excessive interference" from Brussels, and given access to new markets through "turbo charging" free trade deals with America and Asia;
- British police and courts liberated from "unnecessary interference" from the European Court of Human Rights;
- More power "flowing away" from Brussels to Britain and other member states, rather than increasingly centralizing laws in the EU;
- Abolishing the principle of "ever closer union" among EU member states

Both the UK and the Scottish Government agreed that the EU needs to be reformed, though they differ on the type of reforms that they perceive as being necessary. Whilst the Prime Minister has stressed the need for a more flexible and accountable EU with some powers being returned to member states, the Scottish Government has suggested that the powers that the EU currently has need to be made to work better for EU citizens and that treaty or other structural reforms are unnecessary. In that respect, the Scottish Government's view on EU reform was summarized by the First Minister in an article in The Scotsman newspaper on 26 May 2015. The First Minister was quoted as saying:

"We don't think it's perfect, we think reform is both desirable and necessary, but we believe very strongly that Scotland's interests are best served by being members of the European Union and we will argue that case strongly and positively." (The Scotsman 2015)

The following week, in a speech at the European Policy Centre, the First Minister set out how the Scottish Government believed change should be achieved.

"We believe that reforms can be implemented within the existing Treaty framework, rather than requiring Treaty change." (Scottish Government 2015)

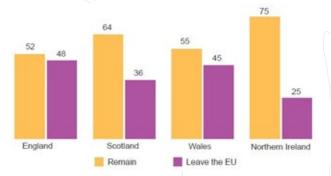
Indeed, with these statements, pro-European Scottish National Party made it clear that if Scotland were taken out of the European Union against its "democratically expressed wishes" as a result of a majority vote to leave in England, a second referendum on Scottish independence would be "probably unstoppable" (BBC, 16 October 2015). In the same line of thought, the SNP has included a proposal in their party manifesto for the 2015 General Elections that any referendum on leaving the EU should include a "double majority" rule whereby all four nations of the UK must back withdrawal before exit is possible (Scottish Parliament 2015: 14). In other words, with a double majority rule set into place, the European dilemma was about to be expanded to the UK, as a whole. In that sense, whereas in Wales, Leanne Wood, the leader of Plaid Cymru has immediately warned of a "constitutional crisis" if voters in England decided to leave the EU (The Independent, 23 October 2015); in Ireland the Irish Prime Minister has already suggested that the Northern Irish peace deal would be undermined if the UK decided to leave the EU (Telegraph, 9 November 2015).

c) What does the UK think?

As for British public opinion, UK-wide polls on whether the public will vote to" remain" or to "leave" the European Union in the upcoming referendum have shown a lot of variation in recent months, but in Scotland polls have consistently shown that Scottish voters would support staying in the EU by a considerable majority (see table 2 below). Unless all parts of the UK vote in favor of staying in the EU, the result is likely to be highly politically divisive, whether the result is *Brexit* with England dragging Scotland, Wales and Northern Ireland out of the EU against their will, or the other way round, that is, Scotland, Wales and Northern Ireland keeping England inside the EU against England's will, the political solution to be found for the Union will not be straightforward.

Table 2: EU referendum voting intentions by country

(in %, excluding "don't knows")



Source: Ormstrom, Rachel, 2015, "Disunited Kingdom? Attitudes to the EU across the UK", p.3

Indeed, as we look into numbers, a recent analysis (Curtice 2015) has put pro-EU support at 52% for England, 55% for Wales and 64% for Scotland, with Northern Ireland polls suggesting support even as high as 75% (see picture 1 below). Meanwhile, a panel base poll for the Sunday Times last summer put England on

51% for leaving the EU, with 66% in Scotland wanting to stay. These figures suggest a major political divide between Scotland and England with potentially explosive results depending how the EU referendum goes.

To put it differently, if Scotland did vote at around 66% in favor and Wales and Northern Ireland vote to remain too, this would outweigh an English "leave" vote at 51%. Very seemingly, the "remain" in the EU camp would have a majority at that point of over half a million votes – giving a close overall UK vote of 51% for remain and 49% for "leave". Such a vote could also counteract an English "leave" vote at the level of 52% support for *Brexit* – though with a majority narrowing to around 100 000 votes – an overall UK vote of around 50,16% for "remain" and 49,83% for "leave".

Picture 1: level of support for the UE across the UK (in %)



Source: Ormstrom, Rachel, 2015, "Disunited Kingdom? Attitudes to the EU across the UK", p.2.

However, if English views were strongly swayed by the "leave" campaign, then a 53% or higher vote to leave in England would dominate any likely "remain" vote in the rest of the UK, given much larger size of the English electorate – again with an extremely close UK-wide result (at that point at about 50,66% for "leave" and 49,33% for "remain"). On the other hand, if Scotland voted to "remain" much more weakly – for example at 52% for "remain", then England would pull the UK out of the EU with just 51% English vote for "leave".

To conclude, we could argue that these results would give the narrowest of margins for "leave" at 50,33% for "leave" and 49,66% for "remain". Such potentially narrow margins would certainly fuel the debate across the UK with Scotland, Wales and Northern Ireland asking for a new referendum – a demand that could be heard in England too where many of the public, business, unions and politicians are deeply concerned with the consequences of the UK leaving the EU (Hughes 2016a).

d) What are the possible scenarios for the outcome of the EU's referendum?

There are three key scenarios for the outcome of the UK's EU referendum:

First scenario: if all parts of the UK vote in favor of staying in the EU, the immediate political consequences of the vote would be relatively slight – although the UK's opted-out, low influence model of EU membership will be important.

Second scenario: the second scenario is of a vote for *Brexit*, with England's choice dominating that of Scotland, Northern Ireland and possibly Wales too. This would result in a major political and constitutional crisis. In face of this situation, the three devolved administrations in Scotland, Wales and Northern Ireland

would also need to liaise rapidly. They could potentially block the repeal of EU laws that would be part of the *Brexit* process. They could also turn to the EU for advice and Brussels would find it hard not to get dragged into the debate.

Third scenario: a vote for the UK to stay in the EU driven by Scotland, Wales and Northern Ireland against England's will would also lead to considerable political debate in England, probably reinforcing euroscepticism in that country, increasing support for UKIP, and posing major challenges to the unity of the Conservative Party, and to the future policies of the Labour Party.

e) What are the options for Scotland in the face of *Brexit*?

If the UK voted to leave the EU at the upcoming referendum, the implications for Scotland are many and challenging (Hughes 2016: 20). The route to independ-

ence could become much more complex and difficult if the UK voted for *Brexit*, while Scotland voted to remain in the EU. While some pro-independence voices

in Scotland are quiet cautious and would not rush into a second independence referendum in the face of *Brexit*, the challenges for Scotland if it, along with the rest of the UK leaves the EU, mean that a rapid push for independence could make sense.

The key question here is whether *Brexit* would result in "no" voters changing their minds significantly on independence. Indeed, slipping from the rest of the UK when the rest of the UK is no longer on the EU is more difficult, and may be less appealing to voters, than doing so while both are in the EU. For John Curtice (2016), so far, there is no evidence on whether those who are currently inclined to vote *No* to independence but to "Remain" in the EU would switch to backing *Yes* to independence in the event of a UK-wide vote to "leave". A "Leave" vote could only potentially represent a threat to the maintenance of the Union if that were indeed the case.

For Kristy Hughes (2016a and b), if the UK decides to leave the EU, Scotland will have to choose amongst four broad options: 1) Scotland could leave the EU along with the rest of the UK; 2) Scotland could go for

a rapid second independence referendum; 3) Scotland could adopt a combative political strategy, aiming to challenge the *Brexit* process on constitutional and legal grounds; 4) Scotland could aim to negotiate with the EU and Westminster for a differentiated deal for Scotland as part of the UK outside the EU- something that as no precedent in the EU.

The choice between these four options will not be easy. It will depend on the public and political reactions across Scotland to vote for *Brexit* and the *Brexit* vote in the rest of the UK and across the EU. Ironically enough, it seems that Scottish independence would be much more straightforward if the UK remains part of the EU, which means that even thought the SNP is relying on the European card to push for a second referendum on political independence, it is far from being certain that staying in the EU as an independent state could bring only benefits to Scotland. By the end of the day, the SNP may hope the UK votes to remain in the EU in order to avoid difficult choices, debates and negotiations in the near future.

f) Concluding remarks

The purpose of this working paper was to explain *Brexit* in a few words. In face of the UK's European referendum, we could argue that Britain is a deeply divided society that looks at Europe with a certain dizzi-

ness. For the time being, the referendum campaign has already begun but the final outcome of this referendum - to be held on the 23th of June 2016 - is far from being settled.

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