

CAMERON: TAKING A GAMBLE ON EUROPE

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SUMMARY

In an address given on 23 January 2013, **David Cameron undertook to organise a referendum by the end of 2017 to decide whether the United Kingdom should remain within or withdraw from the European Union**, should he remain the British Prime Minister after the general election on 7 May 2015.

Due to this public commitment, the **general election of 7 May 2015** will take on a scale that, going beyond the importance of domestic politics, **will directly affect the European Union (EU)** and all of the United Kingdom's twenty-seven partners.

Through this promise, the Prime Minister mainly strove to stop or slow the rise of UKIP (United Kingdom Independence Party) which:

- champions a UK exit from the EU,
- has recorded steadily rising electoral results,
- and which polls credit with some 16% of voting intentions.

On the assumption that a referendum is held, **Cameron intends to campaign to keep the UK within the EU, provided that he can first obtain a modification to the European treaties which would confer a special status on the United Kingdom**. The negotiations that he intends to launch in this respect will focus in particular on:

- the free movement of people in Europe, and specifically migrants' entitlement to benefits,
- relations between Member States which have not adopted the Euro and members of the Euro area,
- and the removal of the objective stated in the treaties of an "ever closer union between the peoples of Europe".

“CAMERON INTENDS TO CAMPAIGN TO KEEP THE UK WITHIN THE EU PROVIDED THAT HE CAN FIRST OBTAIN A SPECIAL STATUS”

While he may hope to find some allies on some of the points he raises, the negotiation will be difficult, even perilous for Cameron. By his own admission, **the changes that he calls for would require a modification of the existing treaties**. To do this, he would need the unanimous agreement of all twenty-eight Member States. A seemingly impossible challenge.

A Conservative victory on 7 May 2015 is not guaranteed. Far from it. The Labour party is currently neck and neck with the Conservatives in the polls, even slightly ahead. In addition, UKIP's progression, which takes voters away from both major parties, is likely to make the difference.

Should Labour win, a referendum will not be held: Labour leader Ed Miliband has said that he has no intention to hold one, unless there were further transfers of power within the Union. Cameron, however, will not be able to back out should he stay at 10 Downing Street. Should he try, UKIP would do its utmost to prevent him. Yet the stakes are high in the political gamble that he is preparing to take: while they want the UK to remain within the Union, his partners are not willing to make major concessions. Cameron also faces explicit misgivings from Washington.

Brexit – a contraction of British exit – **is not a foregone conclusion. Yet it is a possibility.** This is a crucial issue for Europe.

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INTRODUCTION

In a referendum held on 5 June 1975, British voters were asked to approve or reject their country's membership to the European Community, passed by the House of Commons four years previously. On this day, 67.2% of voters said yes to Europe.

Forty-two years on, in 2017, it may be that these same voters could go the opposite way during a new referendum, deciding to withdraw from the European Union.

The legal option is provided for in article 50 of the Lisbon Treaty, and the political opportunity taken by the Conservative Prime Minister David Cameron – should he remain in office following the general election to be held on 7 May 2015.

In an address given on 23 January 2013, David Cameron undertook to organise a referendum by the end of 2017 to decide whether the United Kingdom should remain within the European Union – provided that it has obtained a special status from its partners, with reduced participation – or should purely and simply withdraw from the Union. By doing so, the Prime Minister added a new chapter to the troubled history of relations between the United Kingdom and European construction – firstly with the EEC, then with the EU.

As early as 1946, in his visionary speech given at the University of Zurich, Churchill called for a United States of Europe bringing together the victors and defeated of the war, starting with France and Germany – but without the United Kingdom, whose global presence was hinged upon the Commonwealth.

When the European Coal and Steel Community (ECSC) was established in 1952 and became the first draft of the Europe of Six Member States, Britain was not involved. It remained aloof in 1957, when the European Economic Community (EEC) was founded, intended to be a political union through which Member States could grow increasingly closer.

On the contrary, the UK launched a rival project in 1960, the European Free Trade Association (EFTA), but to no effect. One year later, Britain, realising its mistake, decided to request membership into the EEC. A veto from France stood in its way until 1973...

Almost twenty years later, during the negotiations of the Maastricht Treaty in December 1991, John Major prided himself on having fought tirelessly to obtain an exceptional status for the UK. Just before dawn, he left, announcing to the press that it was “Game, set and match for Britain!” In reality, the United Kingdom could not prevent its partners from moving forwards.

Cameron's speech in January 2013 is in some respects the extension or completion of the Maastricht episode. Since then, the Union has trundled along, continuing to add more depth, while the British increasingly drag their feet. The creation of the Euro resulted in the formation of a Euro area with a growing number of members – nineteen since 1 January 2015 – and an institutional organisation of this area which fuels the UK's fears of finding itself in second division and an outsider.

1. Cameron's offensive

When he gave his address at the London headquarters of Bloomberg on 23 January 2013, the Prime Minister left nothing to chance. It is said that Cameron had been preparing this televised speech for six months. This goes to show that he considered it of utmost importance and had weighed up the political risks. The target was clearly stated from the outset: "This morning", he began, "I want to talk about the future of Europe...".

Here is the premise: "We [the United Kingdom] have the character of an island nation - independent, forthright, passionate in defence of our sovereignty... For us, the European Union is a means to an end - prosperity, stability, the anchor of freedom and democracy both within Europe and beyond her shores - not an end in itself".

“THE UNITED KINGDOM
IS UNCOMFORTABLE IN THE
UNION AS IT IS”

Here are the consequences: the United Kingdom is uncomfortable in the Union as it is, and would be more so along the path it is developing. It is vital for the UK to be part of the European single market and to take part in drawing up its operating rules. It must now be completed and ensured that developments in the Euro area - of which the UK will never be a member, says Cameron, do not compromise in any way Britain's access to this market¹.

David Cameron's approach is bold. Regardless of his claims to the contrary, it is a form of blackmail with regard to his partners: either you satisfy our wishes, and to do so we would have to negotiate a new treaty or amend existing treaties, or you run the risk of seeing British voters deciding to withdraw from the European Union in 2017. By doing so, he exposes himself: the signature of a new treaty requires the unanimity of all Member States. With twenty-eight signatures to obtain, needless to say that he has his work cut out. The Prime Minister, who admits that he does not want his country to leave the Union, could ultimately be snared by his own trap. He is clearly aware of this and if he decides to take up this risky challenge, it is due to the range of threats directed at him, both from British domestic politics and from the Union in which the Euro area is getting stronger and more organised, while London has little influence over it.

2. At home, containing the rise of UKIP

For David Cameron, and for the Conservative Party in general, the main domestic threat comes from UKIP (the United Kingdom Independence Party), founded in 1993, as a reaction to the Maastricht Treaty that some Tories were unable to accept. Resolutely anti-European, UKIP, in its populist discourse, makes Brussels the root of all evils and militates for the United Kingdom to slam the door in Europe's face - with full support from Murdoch's tabloid press.

While the Conservative Party boasts long-standing experience in heading off the traditional opposition from the Labour Party, it is much less comfortable sparring with this adversary to its right which, at least in its first years, recruited voters from a population which for the most part traditionally voted for the Conservatives. Yet UKIP, once considered a marginal, or even quirky and harmless party, is now constantly gaining ground by siphoning from all government parties (*see Box 1*).

1. "Full text of the [prime minister's speech](#) about his plans for a referendum on British membership of the European Union", 23.01.2013.

BOX 1 ▶ **Where do UKIP voters come from?**

The meteoric rise of UKIP, in only a few years, is one of the key elements of the upcoming general elections in the UK. The question – besides the number of votes the party will secure – is to find out where these voters come from, or in other words, which parties they have been poached from. Peter Kellner, President of market research agency YouGov and former political commentator for many newspapers, attempted to answer this question in an analysis published by *The Guardian* on 17 November 2014².

Kellner starts with a fact: today support for UKIP averages 16% (in polls) while in March 2012, it had just 5%. In January 2013, as Cameron made the famous Bloomberg speech in which he promised a referendum on the UK's membership to the EU, UKIP had started its climb and its support reached 9%.

Kellner believes that today's support of 16% can be broken down into two blocks of 8%: those who were already UKIP supporters in early 2013 and those it has gained since then. If 60% of the first group voted Conservative in 2010, the figure for new converts is just 36%. And the proportion of UKIP supporters coming from the Labour party has trebled from 7% to 23%.

Since early 2013, new UKIP recruits come from the three main parties – Conservatives, Labour and Liberal Democrats – in a strictly identical proportion of 6%: the percentage of Conservative voters in 2010 having joined UKIP rose from 14% to 20%; in the Labour party it was up from 2% to 8% and, from 6% to 12% for the Liberal Democrats.

While the temptation to support UKIP is felt more keenly among Conservatives than Labour Party supporters, this is less the case than in its early days. Back then, UKIP took nine votes from the Conservatives for every vote it took from Labour. Since 2013, for every nine votes it has taken from the Tories it has taken six from Labour.

With 16.6% of votes at the European elections of 2004, UKIP won 12 seats at the European Parliament. This number rose to 13 after the 2009 elections and in 2014, obtaining 27.49% of votes, the party beat all the other British parties and took possession of 24 seats for MEPs.

Yet, worse still from Cameron's point of view, UKIP is now also present in the House of Commons: in quick succession in October and then November 2014, through two Tory defectors, the party won two by-elections. There are certainly reasons to think that this movement has not yet run out of steam: an *Opinion/Observer* poll published on 21 June 2014 by *The Guardian*³ gave 35% of votes to Labour, 31% to the Conservatives, 17% to UKIP and only 7% to the Liberal Democrats (see *Table 1*). In the same poll, in the event of a referendum to decide Britain's possible exit from the European Union, 48% of people asked were in favour of withdrawal, and 37% in favour of remaining within the EU. This result differs significantly from the poll conducted by YouGov in August 2014 on behalf of *The Sun*: 40% claim to be in favour of staying put in the Union, as against 38% who would choose to leave.

2. Peter Kellner, "Ukip's support is changing, and with it the contours of British politics", for YouGov, part of the Guardian Comment Network, *TheGuardian.com*, 17.11.2014.
3. "British people favour leaving the European Union, according to poll", *TheGuardian.com*, 21.06.2014.

TABLE 1 ► Elections on 7 May 2015: British voters' party preferences since early December 2014 (YouGov/The Sun polls)

	CONSERVATIVES	LABOUR	LIBERAL DEMOCRATS	UKIP	GREEN PARTY
3-4/12/2014	31%	32%	7%	15%	8%
17-18/12/14	30%	35%	6%	16%	8%
4-5/01/2015	31%	34%	7%	14%	8%
18-19/01/15	32%	32%	8%	15%	7%
1-2/02/2015	33%	35%	7%	14%	6%
10-11/02/15	32%	33%	7%	15%	7%

Elements taken from Wikipedia ("[Opinion polling for the 2015 UK general election](#)"), which has published the results of many polls conducted by several agencies. Here, we look at the results obtained by YouGov/The Sun, which hold almost daily polls of considerable samples of the population, so that only results that are comparable are considered.

As a reminder, the results for the last general election, dated 6 May 2010 were as follows:

- Conservatives: 39.6%
- Labour: 28.1%
- Liberal Democrats: 24.2%
- UKIP: 3.5%
- Green Party: 1%

However, when asked how they would vote if Cameron successfully managed to renegotiate the treaties with his European partners in favour of British interests, 42% of these people were in favour of remaining within the EU, against 36% who preferred to withdraw (in the YouGov poll dated August, for the same question, 57% were in favour of the EU while only 22% would vote for withdrawal). This result could bolster the Prime Minister's position in the discussions he will have with his twenty-seven partners. These figures are, however, not to be taken at face value: the polls conducted since 2013 give indications that vary significantly over time and according to polling agencies. In addition, the notion of a successful outcome of negotiations for London is, until now at least, very vague - and therefore highly subjective. Furthermore, according to this poll taken last June, the British people are sceptical that Cameron could obtain the necessary concessions from the other Member States.

Tactically speaking, it is not in David Cameron's interest to show his hand before any European negotiations actually take place. Yet UKIP will most likely raise the stakes by the next general election set for 7 May 2015. What do Nigel Farage - UKIP leader - and his supporters want? A highly restrictive policy against migrants and divorce between the UK and the EU.

At the other end of the political spectrum, slightly ahead in the polls, the Labour leader Ed Miliband took a different stance to Cameron by saying, in an address given on 12 March 2014 that, if Labour won the election, there would be no referendum on a possible withdrawal from the EU - unless there were further transfers of powers within the Union⁴. The Liberal Democrats, his allies in the government coalition, are supporters of the EU, but are in freefall in the polls. UKIP, in the meantime, is on the up. Cameron's situation is therefore highly uncomfortable, as Farage and friends will demand strong and precise promises from him before the election.

Cameron has reacted to this by taking two precautions. Firstly, he has had the various ministries draw up an in-depth assessment of the advantages and disadvantages of Britain's membership to the EU⁵. This meticulous collective undertaking, conducted in consultation with businesses and civil society, presents conclusions that are generally much more nuanced than you would expect. Many complain about the administrative bureaucracy that Brussels imposes on economic subjects. Nearly all stress the vital nature of the United Kingdom's membership in the European Single Market and are in favour of its completion.

4. "Ed Miliband's speech on Europe: full text", *The Spectator*, 12.03.2014

5. UK Government, "The review of the balance of competences": 32 reports from June 2013 to December 2014.

Secondly, he took up the issue of immigration – an area already successfully exploited by UKIP as it is of particular concern to British citizens. During the Eurobarometer poll in spring 2014, one of the questions asked was: “What do you think are the two most important issues facing (your) country at the moment?”⁶ Like other Europeans, the British people polled put unemployment first (but less than their counterparts – 33% as against 49% for the EU). But immigration ranks second for the British (25%), while in the EU, this issue is only mentioned by 11% of those polled and ranks seventh in their concerns.

After the EU’s greatest enlargement in 2004, the UK welcomed Europeans from the new Eastern Member States with open arms and willingly set the example for countries where, like France, the image of the “Polish plumber” embodied a new threat – an invasion of low-cost workers. Yet tensions were heightened in the UK in the run-up to January 2014 and the total opening, set for this date, of the European labour market to citizens from Bulgaria and Romania. This had already been a hot topic for some time, but it then became a burning issue. In December 2013, the Conservatives advocated laws limiting Bulgarians’ and Romanians’ access to social welfare.

David Cameron made this issue his main concern for 2014, starting on 5 January by declaring on the BBC “We must change the conditions of movement for workers (in Europe)”, and concluding on 28 November, in the Midlands, in a lengthy speech of which the first words clearly set the tone: “Today I want to talk about immigration.” In this well-argued speech, David Cameron lay the blame on immigrants by criticising them for coming in their droves and unfairly benefiting from the UK’s welcome, labour market and social welfare systems. This targeted more particularly migrants from other European Member States, promising that – if he is Prime Minister after the election – a certain number of measures regarding them would be taken to discourage them from coming or to reduce the entitlements that those who succeeded in entering the UK previously enjoyed.

3. Outside of the United Kingdom, reshaping Europe

“IF OUR CONCERNS
FALL ON DEAF EARS (...),
I RULE NOTHING OUT”

In this speech, the Prime Minister also addressed his EU partners, confirming to them his drive to renegotiate the regulations that govern the free movement of people. Given that this subject affects the basic principles of Europe, he wanted to pre-empt and counter any negative reactions: “It will be argued that freedom of movement is a holy principle – one of the four cardinal principles of the EU, alongside freedom of capital, of services and of goods – and that what we are suggesting is heresy. To which I say: hang on a moment. No one claims that the other three freedoms have yet been fully implemented. Far from it. [...] So I am saying to our European partners. I ask you to work with us on this”. He added, in conclusion, “This issue of free movement will be a key part of that negotiation (with the twenty-seven other Member States). [...] If our concerns fall on deaf ears and we cannot put our relationship with the EU on a better footing, then of course I rule nothing out”.

Cameron does not keep to this requirement alone, however. On 15 March 2014, he set out in the British press a seven-point plan mostly aimed to reduce Brussels’ power in relation to that of national governments. This includes: the option for national parliaments to work together to block legislation proposed by the Commission (but this already exists in the treaties); to be liberated from rulings by the European Court of Human Rights (but this is related to the Council of Europe and not the EU); favour enlargement to new States but with restrictive controls for their citizens in terms of migration within the EU; the removal – at least for the United Kingdom – of the political objective of an ever closer Union between the peoples of Europe (see Box 2).

6. Eurobarometer special 415 “Europeans in 2014”. Results for the UK: “Life in the European Union”: Q A4a: “What do you think are the two most important issues facing (your) country at the?”, 1296 British people interviewed from 15 to 24 March 2014.

BOX 2 ► Cameron's seven specific changes

In an article published by *The Telegraph* on 15 March 2014, David Cameron for the first time set out the main changes that he would intend to obtain from his twenty-seven partners in the EU. He listed seven of these changes:

- Powers flowing away from Brussels, not always to it
- National parliaments able to work together to block unwanted European legislation [such a provision is already stated in the Lisbon Treaty]
- Businesses liberated from red tape and benefiting from the strength of the EU's own market – the biggest and wealthiest on the planet – to open up greater free trade with North America and Asia
- Our police forces and justice systems able to protect British citizens, unencumbered by unnecessary interference from the European institutions, including the European Court of Human Rights (ECHR)
- Free movement to take up work, not free benefits
- Support for the continued enlargement of the EU to new members but with new mechanisms in place to prevent vast migrations across the Continent
- The concept of “ever closer union”, enshrined in the treaty, is not right for Britain, and we must ensure we are no longer subject to it

This agenda was already very clearly set out in his speech in January 2013 – “We do not want an ever closer Union, we want trade and collective action” – and he repeated it with insistence on several occasions. Yet the objective, historically rooted within the EU's texts, is right at the top of the preamble of the Treaty on the Functioning of the European Union (TFEU). Is this, then, achievable?

4. An inevitable clash?

The extreme hypothesis introduced by Cameron into national and European politics – that of the United Kingdom opting out of the EU – is perfectly realistic: article 50 of the Lisbon Treaty (Treaty on the European Union) provides for the first time that “Any Member State may decide to withdraw from the Union”. This cannot be done from one day to the next, because the conditions of such a withdrawal are subject to an agreement with the Union. Denis MacShane, former Labour Minister of State for Europe, believes that in this case, “the United Kingdom and the EU would enter into a very difficult crisis period, with at least two years of talks”⁷. Ultimately, the right to withdraw exists, so it cannot be contested. From the inside in any case. On the other side of the Atlantic, Washington – London's key ally – quickly reacted to the January 2013 speech in which the Prime Minister announced a possible referendum in 2017: “I value a strong UK in a strong European Union”, said Obama. In diplomatic language, this is a keen disapproval.

“LONDON COULD BECOME WHAT COULD BE CALLED A ‘PART-TIME MEMBER STATE’”

The same is not true for a possible modification of the UK's status within the Union. Here, two options arise, according to whether or not the changes requested by London require a modification of the treaties. David Cameron has himself acknowledged several times – particularly in his Midlands speech on 28 November 2014 and again recently on 7 January 2015, in London, during Chancellor Merkel's visit – that to be satisfied, these changes would bring about a modification of the treaties. If he continues along this road, he runs a significant risk of falling short of his goal. This already emerged on 31 January 2014 during the press conference to close a UK-France summit. Speaking of the changes that London wishes to make to how the Union operates: “We want to see that re-negotiation and that re-negotiation will involve elements of treaty change.”⁸ The press noted Cameron showing a certain irritation after François Hollande declared: “We feel revising the treaties is not a priority for the time being”, a polite way to refuse the option. The French President is not the only one to feel this way. Ms Sanita Pavluta-Deslandes, Ambassador of Latvia to France, speaking of David Cameron's desire to remove this “ever closer

7. Quotes from Denis Mac Shane, Sanita Pavluta-Deslandes and Geraldine Byrne Nason come from interviews with the author (written ones about MacShane

8. Summary in *Le Monde* dated 2-3 February 2014.

union between the peoples of Europe” from the treaty: “It is provided for in the treaties. Modifications to a treaty require ratification from all Member States – and sometimes referenda – which many will not accept”. As a revision of the treaties requires the unanimous agreement of all twenty-eight Member States, the British struggle seems doomed to failure.

However, while organising a complete revision of the treaties seems difficult – “conceding fundamental elements to the UK would be like opening Pandora’s Box, something that its partners cannot accept, and it would also mean opening the gates to all populists” warns Sanita Pavluta-Deslandes – the talented British diplomacy may attempt to shake things up slightly. This would mean, for London, obtaining an intermediary status to become what could be called a “part-time Member State”. The Foreign Office will no doubt set to work on this, but even this half measure may be difficult to achieve: to start with, Cameron will need allies.

Cameron thinks he does have some. In an op-ed published by the *Financial Times* in November 2013⁹ on the restrictions that he wishes to apply to European migratory movements where the per capita GDP of the migrants’ country of origin does not meet a certain proportion of the European average, he added: “We are not the only country to see free movement as a qualified right: interior ministers from Austria, Germany and the Netherlands have also said this to the European Commission”.

“MERKEL: WE ARE
PREPARED TO TALK ABOUT
BRITISH WISHES”

A few months later, in March 2014, he called for – among other points – the option for national parliaments to work together to block legislative initiatives and stated that the Netherlands had already requested the creation of this “red card” (this possibility already exists in the treaties). Mentioning countries like this suggests that, when the time comes, he will be able to find support. The fact that Angela Merkel has repeatedly confirmed her desire to keep the UK on-board the European ship can only strengthen Cameron in this regard. The Chancellor reacted positively – but also cautiously – on 23 January 2013, after the speech given that day in which Cameron had announced plans to hold a referendum in 2017: “Germany, and I personally, want Britain to be an important part and an active member of the European Union. We are prepared to talk about British wishes, but we have to always keep in mind that other countries have different wishes and we have to find a fair compromise”. Berlin has never hidden its attachment to the UK’s presence in the EU – as a means for Germany to counterbalance France.

Yet this support is not unconditional. It was put to the test, for example, in June 2014, when Cameron wanted at all costs to prevent Luxembourgish Jean-Claude Juncker to become President of the European Commission. The Swedish Prime Minister at the time, Fredrik Reinfeldt, had invited Merkel on a boat trip. On-board with her, were three “anti-Juncker” players: himself, Cameron and the Dutch Prime Minister Mark Rutte. The idea was to convince the Chancellor, who supported Juncker, to join them and form an alliance to block his path. In vain: the Chancellor was unbending.

Similarly, irritated by Cameron’s comments demonstrating his drive to fight immigration, in particular through restrictive measures aimed at EU nationals, Angela Merkel reacted strongly during the European Council on 23 and 24 October 2014. *Der Spiegel* covered this in its newspaper and Merkel’s spokesperson Steffen Seibert was clear: “The principle of free movement in the European Union is non-negotiable for Germany”. That is what the Chancellor said. It was then added “This is not a bilateral matter between Germany and Britain but between Britain and all of its European partners”¹⁰.

9. “David Cameron launches attack on EU migration”, *Financial Times*, 27.11.2013.

10. Rowena Mason and Philip Oltermann, “EU freedom of movement non-negotiable, says Germany”, *The Guardian*, 3.11.2014.

Yet, during the same October summit and according to Seibert, the Chancellor also said that “the fight against the possible abuse of free movement is of legitimate interest for us in Germany as well.” In this way, Ms Merkel drew a red line which must not be crossed, while leaving the door ajar for negotiations.

David Cameron understood the message perfectly. During a joint press conference on 7 January 2015, following the Chancellor’s visit to London, he tried to calm down the situation in a single phrase: “I support freedom of movement, but what I don’t support is the abuse of freedom of movement.”

5. The narrow scope for negotiation

“Everyone wants the UK to stay in Europe, but not with a different status to the other Member States,” says Denis MacShane. He has just published a book entitled *Brexit: How Britain will leave Europe*¹¹. As a committed Europhile, he explains: “Of course, I won’t want this to actually happen. I’m raising the alarm because we can’t leave the EU without having properly considered the consequences first.”

Nobody wants the UK to leave Europe. Many Member States have affinities with the UK, for various reasons. Germany likes its openness to global exchanges, its Atlanticism and a presence which saves Berlin from going up against Paris; France shares with the UK a status of nuclear power and a presence on the UN Security Council, while the Netherlands appreciates its liberalism and the attraction of the open sea... Seen from Dublin, it is almost an existential question: “We are the most exposed (should Britain leave) because we have close relations and the UK is our main export market”, says Geraldine Byrne Nason, Ambassador of Ireland to France. Her concerns go beyond mere Anglo-Irish relations: “The very existence of the EU would be threatened by a UK departure”, she believes. Yet she quickly adds: “Ireland has invested much in the European project for forty years and would not want to see the EU weakened at all. We want to stay at the heart of Europe and will do our utmost to stay there”.

By banking on the general desire to keep the UK in Europe, Cameron has guessed right. There will be talks – he has already said that they have begun. His room for manoeuvre will be limited, however. Ms Pavluta-Deslandes sums up the feeling of many European capitals, if not all, in one sentence: “We are convinced that the UK’s withdrawal would be in nobody’s interest, but that is their decision to make: I can’t imagine that a single Member State would accept the British cherry picking as they wish [in the way the EU operates].”

“REMAIN A FULLY-FLEDGED MEMBER OF THE EUROPEAN SINGLE MARKET”

British diplomacy will therefore have to assess just how far it can go without biting off more than it can chew. Some guidelines have already been laid down for burning issues such as immigration and rights related to freedom of movement within the Union. Angela Merkel has made herself clear (*see above*) and is joined, for example, by the Commissioner for Justice, Consumers and Gender Equality, Vera Jurova, quoted in *The Guardian*¹²: “Free movement of our citizens is essential to the European Union. It is a fundamental right and an asset to our union. Free movement of people – to work, live and travel in other EU countries – is at the core of having a strong single market and it benefits our economy and society. Abuse weakens free movement. Therefore, member states need to tackle abuse decisively where it happens and EU rules provide the tools to do this”. This stance is sufficiently ambiguous to imagine that a compromise could possibly be reached. But UKIP leader Nigel Farage does not want a compromise...

11. Denis Mac Shane, *Brexit: How Britain will leave Europe*, I.B. Tauris, January 2015.

12. “Thousands of Britons on benefits across EU”, Euractiv.fr, 20.01.2015.

Outside this issue, David Cameron has clearly expressed British concerns: to remain, at all costs, a fully-fledged member of the European Single Market and ensure that Euro area countries cannot decide on everything without taking into account the interests of States that do not have the single currency. These two requirements, strongly stated by businesses, are shared by the City and the UK political establishment – excluding most UKIP members. To this, we can add the removal of the infamous “ever closer union between the peoples of Europe”, that David Cameron constantly repeats. These are the stakes in the game launched between the UK and continental Europeans. It will be a poker game – in which keeping one’s head and bluffing will be the way to go.

Cameron has hardly any chance of obtaining a renegotiation of the treaties and therefore substantive changes: to achieve this, he needs unattainable unanimous approval. Yet sometimes you need to ask for much to obtain a little. What the Prime Minister really needs is to be able to lift a sufficiently visible reward to convince the British voters to keep him in office.

Where things get complicated is Cameron’s demands with regard to the first two points – full membership of the Single Market and guarantees concerning relations between the Euro area and Member States that are not part of it. These are not, at least as a general principle, unreasonable. They could therefore possibly be negotiated. For the other two points, this will be harder to obtain. The “ever closer Union” stated in the treaties, granting the UK an exemption – should its partners give their consent – will require some inventiveness. With regard to freedom of movement and immigration, it’s a minefield. Firstly because domestic political pressure is constantly growing in the UK – a poll recently showed once again that 55% of British citizens believe that immigration has a detrimental effect on the National Health System (NHS)¹³ Secondly, because, contrary to what David Cameron says, the UK’s partners are no less welcoming than the UK itself.

Germany in particular is very attached to freedom of movement and broke its immigration records in 2013 by welcoming 1.23 million people, according to a recent government report¹⁴. This resulted in a positive migratory balance of 430,000 people for the year in question. The forecast for 2014 is an even higher positive balance of 470,000 people. More than three quarters of migrants are EU nationals and the vast majority of people come to work. In other words, Berlin accepts without shilly-shallying the very issue that the UK wants the EU to legislate against. German understanding of this position may well prove limited. Poland, the country of origin of many European workers, will probably not be an easy State to face on this issue either. While Cameron announced on 10 June 2014 that he had found an agreement to fight the “misuses of the right to freedom of movement” in the EU with Sweden (from where he made the statement), Germany and the Netherlands, it must be said that the content of this agreement is unknown and that it has not been confirmed by these three countries.

Moreover, European legislation leaves Member States, and therefore the UK, a relatively broad scope for national regulations with regard to workers’ right to settlement¹⁵. The UK, like the other Member States, has the right to legislate to prevent or sanction the types of benefit fraud denounced by David Cameron. This is what a spokesperson for the President of the Commission, Jean-Claude Juncker, confirmed when commenting on the Prime Minister’s immigration speech on 28 November 2014: “It is up to national lawmakers to fight against abuses of the system and EU law allows for this”¹⁶. So convincing his partners to strengthen European legislation may not be unattainable, though it is a long shot, but he will struggle to bring home the trophy he dreams of to win back UKIP voters.

13. ComRes/ITV News poll quoted by Euractiv.com, “Immigration rises as Britons fear pressure on jobs, NHS”, 27.02.2015.

14. “L’Allemagne accueille un nombre record d’immigrés”, in *Nouvelles d’Allemagne*, report published by the German Embassy in France, 22.01.2015.

15. Yves Bertoncini and António Vitorino, “Freedom of movement in the EU: like the air that we breathe?”, *Tribune – Viewpoint*, Notre Europe – Jacques Delors Institute, 30.01.2014.

16. “Commission unimpressed by Cameron’s immigration rhetoric”, Euractiv.fr, 28.11.2014.

6. The unknown quantities of a referendum

Speculations on the UK's withdrawal from the European Union will be stepped up as the general election of 7 May 2015 grows closer. However, much uncertainty still surrounds this issue. To start with, will the referendum really be held, and if so, when? Denis MacShane is categorical: "We know the proverb that promises only bind those who listen to them, but yes, if Cameron stays in Downing Street after the May 2015 election, he will not be able to go back on a referendum". Regarding the timing of one, Cameron has recently contrived to cloud the issue: in early January 2015, he spoke of the idea of bringing the vote forward to 2016 but according to the British press on 19 February, he spoke about the end of 2017. Sowing doubts in his opponents' minds has always been a good strategy, it's true...

That said, the question of a referendum would not arise if the Conservatives lose the election as Miliband, Labour leader, has said that he does not intend to hold one. UKIP? Until now, nobody has entertained the idea of Nigel Farage becoming Prime Minister. Should the Conservatives have to create another coalition government with another party, it is not a foregone conclusion that David Cameron would remain Prime Minister and that his successor would feel bound by the commitments he has made. And if this coalition joined the Tories and the Lib Dems once again - while the latter are in freefall in the polls - they would probably attempt to abandon the idea, or to permanently shelve it.

London's partners would, however, be misguided to count on a Conservative defeat. Firstly because the edge given to Labour in most polls is very flimsy and variable. Secondly, because we cannot rule out a last-minute return to the Tories of a number of repentant voters tempted for a time by UKIP. Lastly, because there is a significant unknown factor for in the event of a Labour win: the Scottish vote.

In his analysis of the election (*see Box 1*), Peter Kellner reminds us that in 2010 almost half of the seats (145 out of 258) won by Labour were in Scotland or the North of England. Without making any projections, he states that the party may lose part of these voters to UKIP or the SNP (Scottish National Party). If this should happen a depleted Labour would be outrun by the Conservatives.

Other factors, this time outside of the UK, must also be considered. In particular the election calendar in France and Germany: in 2017, presidential elections and general elections are set to be held in France and Germany respectively. Politicians and parties will be more or less already campaigning by 2016, which could complicate matters in negotiations concerning the UK's place within the EU: will positions be more accommodating or more inflexible? Everyone will have in mind the potential reactions of their own voters.

“OBAMA: IT'S ALWAYS ENCOURAGING FOR US TO KNOW THAT GREAT BRITAIN HAS A SEAT AT THE TABLE IN THE LARGER EUROPEAN PROJECT”

And above all, the American "big brother" is watching this hypothetical referendum closely - and is openly concerned. Following the G7 summit organised in Brussels on 4 and 5 June 2014, Barack Obama and David Cameron held a joint press conference and the US President did not mince his words: "We share a strategic vision with Great Britain on a whole range of international issues, and so it's always encouraging for us to know that Great Britain has a seat at the table in the larger European project. [...] It's hard for me to imagine that project going well in the absence of Great Britain. And I think it's also hard for me to imagine that it would be advantageous for Great Britain to be excluded from political decisions that have an enormous impact on its economic and political life."¹⁷ These comments sound like a warning. Suffice it to say that pressure from Washington to dissuade Cameron from taking this path would most likely be serious.

17. Joint press conference on 05.06.2014.

Yet, “just in case”, Conservatives and government circles are starting to come up with arguments that could convince British citizens to vote to keep the UK in the EU – for example the fisheries policy reform, progress in the energy and digital markets, membership of the European Single Market, trade agreements with Korea and Canada, and the prospect of transatlantic free trade, etc. We could also suppose that London’s partners would give it at least a semblance of victory, so that if a referendum is held, it is the supporters of the UK membership to the EU who will have the last word.

Many events could occur in the coming months, but rarely has a general election taken on so much importance for the future of the EU as a whole. Regardless of the results on 7 May in the UK, British voters will have a strong and durable impact on the European project’s development. Either we will head towards a referendum with all the uncertainty surrounding its outcome, or the bomb will be defused – at least for another term of office...

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