

LABOUR EURO-SAFEGUARDS CAMPAIGN

BULLETIN

MAY 2016

QUESTIONS AND ANSWERS ON

LABOUR AND THE

FORTHCOMING EU REFERENDUM

1. What is the current policy position?

The current position is that Labour Party policy, endorsed by a relatively short debate at the 2015 Labour Party Conference, is to support wholeheartedly the UK remaining in the EU in the referendum to be held on Thursday, 23rd June 2016. The resources of the Party are therefore being thrown behind campaigning for a Remain vote. This stance is supported by the vast majority of Labour MPs, including now the Leader of the Party, and many Labour activists, particularly those in London. There are, however, a number of worrying aspects of this approach. One is the intolerance towards those who do not agree that the best future for the UK lies within the EU. While some CLPs have arranged debates on the issues involved, an alarmingly large number have refused to do so. Some CLPs have clearly been lent on to cancel such meetings even if they wanted to go ahead with them. Others have even turned away Eurosceptic speakers when they have turned up at pre-arranged times. This does not seem to be a very democratic, transparent or open approach. If the arguments for Remain are as overwhelmingly strong as some people in the Labour Party seem to think they are, why is there a problem about exposing members to opposing points of view?

2. What about people outside London?

Another major problem with Labour's current Europhile enthusiasm is that this approach is evidently not very widely shared among large numbers of potential Labour supporters, particularly outside London. Polling evidence is not crystal clear but it appears that anything up to 40% of Labour leaning voters are inclined to be Brexit supporters. Many of these people are not just reluctant to support the official Labour Europhile line but are positively put off the Party as a result of the fact that it does not appear to understand their concerns about the EU. Whereas the official Party line is to brush aside our large net contribution

to the EU budget as being of little or no consequence, large numbers of left-leaning voters, who are struggling financially, are outraged to see the total amount we pay to the EU, less what we get back, - a net £11.1bn in 2015 – remaining unscathed or even increasing while they watch deep cuts being implemented in locally provided public services. They fail to understand Labour’s lack of concern about the downsides of large scale immigration from the poor EU countries in Eastern Europe, putting downward pressure on wages and over-straining resources in hospitals and schools. They are not impressed by the economic performance of the Eurozone, which has achieved no growth in average incomes in real terms since the 2008 crash, and they are appalled by the way in which countries in southern Europe have been treated, with their drastic austerity programmes and huge levels of unemployment. They think that the Common Agricultural and Common Fisheries Policies are wasteful, badly administered and destructive, a view which they also have about other parts of the EU budget, not least the extravagance and lack of accountability among EU officials. They believe that the EU is fundamentally undemocratic and out of control. They note the unremitting determination of the EU political class to create a federal European state which almost nobody in the UK wants, with all the pressures to stop the Eurozone breaking up, pushing in the same direction. They are also aware that the failure of the Prime Minister to achieve anything of any real significance from the recent round of renegotiations means that trying to reform the EU from the inside is likely to be a lost cause.

3. **Why does the Labour Party not have an EU reform policy?**

Faced with all these concerns about the EU, large numbers of Labour-leaning voters think that, at the very least, the Labour Party ought to have a constructive reform programme for our relationship with the EU even if, at the end, they recognise that a significant number of Party members may vote Remain rather than Leave when the referendum takes place. They cannot understand the Labour Party campaigning so uncritically for Remain when clearly there is so much wrong with the EU. They are baffled as to why Labour announced that it would be campaigning strongly for Remain before they even knew what the outcome of the recent renegotiations was going to be. They cannot understand why Labour has no critical but constructive stance on all the concerns that many working people have about the EU – on its cost, on immigration, on where the EU is going, and on how to influence our future in an organisation which is so difficult to control by any normal democratic processes.

4. **Where is the referendum going to leave Labour support?**

The biggest danger to the Labour Party from the referendum campaigns which are currently being waged may not be the result, which may or may not go the way that the Party wants, but the impact that Labour’s campaigning stance may have on its long term support, particularly outside London. Because the Party’s extreme Europhile position is not going down well with large numbers of Labour’s erstwhile supporters, they are therefore becoming more inclined to support other political parties in future elections. There have always been

tensions within the Labour Party between its intellectual middle class wing and those supporting the Party from a more working class background. Keeping both types of supporters together has always been crucially important if Labour is to be able win elections and to form a government. The danger now is that, as the centre of gravity of the Party becomes more metropolitan, more middle class, better off, more public sector orientated and, in consequence, perceived to be more out of touch and less interested in what is happening in its former industrial heartlands, crucial support in future elections is seeping away. Too many potentially Labour leaning voters think that the Party does not really understand their culture, values and aspirations. Labour's unconditional support for the UK's EU membership, because it does not fit in at all comfortably with their view of the world, re-emphasises their feeling of alienation.

5. **What about the future if we vote to Remain in the EU?**

Labour also needs to think carefully about what policies to adopt whatever the outcome of the referendum. If the country votes to stay in the EU, how is the Labour Party going to react to the reinforcement of the centralising tendencies of the EU political class which will certainly be enhanced by a Remain vote? The attitude of our EU partners is bound to be that we had an opportunity in our referendum to opt out of EU moves towards a federal union and we chose not to take it. We therefore need to recognise that saving the Single Currency – let alone the support for ever closer union which is widely shared among EU leaders - leaves the EU with no alternative but for its drive for banking, monetary, fiscal and finally political union to be accelerated and accentuated. How are we then going to avoid being in a relatively powerless outer ring, excluded from the Eurozone decision making process, but still very much subject to the impact of whatever is decided to keep the Single Currency going? The EU faces a terrible dilemma. Keeping the Eurozone intact is almost certainly going to imply little or no growth as long as the euro lasts while allowing it to break up is going to precipitate a financial crisis. How is the UK going to protect itself in these circumstances? And in the meantime, is Labour going to press for any substantial reforms to the way the EU is run generally? There is a long agenda of changes which most people in the UK would like to see implemented, all of which are being discussed at length during the referendum campaign. The Party has always argued that we need to be on the inside to get these changes made. How confident is Labour that any of this reform programme will be taken seriously, especially just after a Remain vote?

6.A **What if we vote to Leave?**

If, on the other hand, the UK votes to leave the EU on 23rd June 2016, how is Labour policy then going to evolve? Clearly, Parliament will have no alternative but to implement a decision taken by the electorate to leave, but this is going to involve complex negotiations on trade and co-operation with our European neighbours whose outcome is going to be crucial for our future prosperity and stability – and for that of the rest of the EU too. Is the Party going to take a constructive line, even if it disagrees with the decision taken in the referendum, to ensure that the outcome is as favourable as possible both for

the UK and the other EU countries? Clearly the best outcome would be for the UK to retain free trade with the rest of the EU while maintaining the maximum amount of co-operation where it makes sense for working together to take place within Europe but on an inter-governmental basis rather than as part of the current EU political project. Neither of these objectives looks impossibly difficult to achieve but both seem more likely to be accomplished if the UK presents a friendly and reasonably united front towards those with whom the negotiations will have to take place.

6. **How should Labour approach the forthcoming referendum?**

The Labour Euro-Safeguards Campaign has always tried to perform a critical but constructive role towards the EU. We recognise the successes which the EU has achieved, particularly in bringing France and Germany together after World War II and attracting back into the European liberal democratic fold both the countries in southern Europe which had been subject to right-wing dictatorships and those in Eastern Europe who had been subject to communist rule for many decades. We are not convinced, however, that the best way for all the countries in Europe to work together is through the creation of a unified state covering the whole continent. Nor do we think that the terms of membership enjoyed by the UK have been generally favourable to us - from the early days of our membership through to the present day. We therefore believe that the best way ahead on 23rd June 2016 is for the UK to vote to Leave, but very much on the basis that we do not then disengage from our neighbours and retreat into isolation. Our aim, on the contrary, should be to refashion our relationship with our neighbours in a way which suits both us and them better than now. We do not want to hold them back from building the federal political structures they want to construct, but we do not want to be a part of them. We are more than happy to trade with the EU but to do this we do not need to be part of the Single Market. We wish the EU well – with some trepidation – with both the Single Currency and the Schengen border control arrangements, while wishing to distance ourselves from both of them. We would like to maintain co-operation on all matters of common interest between ourselves and our near neighbours, albeit on an inter-governmental basis rather than as part of a political unit. We hope that Europe will see better economic outcomes than it has experienced recently, including much lower unemployment and a revival of support for centre left political support. The EU is, of course, unique in its determination to submerge long-standing national identities into an over-arching political unity. We think that a better future is to be found in retaining the nation state as the primary focus for national identity and democratic control. We also think that the Labour Party needs to recognise that these views are ones which are legitimate and widely supported among Labour-leaning voters.