

# Chapter Seven: The long road towards British departure

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## The Single European Act and the Treaty of Maastricht

At the end of the last chapter, it was suggested that although the vote in the UK referendum of 1975 to remain inside the EEC was overwhelming (two to one), very little had been done to explain what sort of organisation the UK had decided to stay inside. Some tried to say that it was a 'tamed' organisation (after de Gaulle's forcing-through of the Luxembourg Compromise in 1967) that the United Kingdom joined in 1973, one whose supranationalist wings had been clipped.<sup>1</sup> I have argued that since institutions like the Court of Justice continued to do their work in enforcing binding rules upon member-states, such a clipping of the EEC's wings might well only be temporary, as indeed it proved to be.<sup>2</sup>

Even if partially tamed by de Gaulle after the so-called Empty Chair Crisis in the 1960s and the Luxembourg Compromise that finally ended it, the EEC was released from its cage and allowed to roam free again twenty years later, not least through the efforts of Margaret Thatcher. She restored the full measure of the EEC's supranational authority through her support for the Single European Act in 1986, the first significant revision of the Treaty of Rome. This

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1 Thus Brendan Simms suggests that 'The problem was not that Britain had "missed the European bus" ten years earlier, because the bus was then headed in a supranational direction that she had no intention of taking, but rather that, once it changed course towards a more acceptable destination, the French were taking their time about letting them on.' (Simms, *Britain's Europe*, p. 187). In other words, he thinks the Luxembourg compromise had essentially changed the EEC into the sort of intergovernmental organisation the UK would feel comfortable with, but unfortunately having made the EEC acceptable to the UK, de Gaulle refused to let it in.

2 See chapter 6, above.

measure re-introduced binding decisions taken by majority vote in certain policy areas. In other words, the freeze on important new laws which were to be binding upon member-states was over.

The decade between the oil crisis of 1973 and the first serious negotiations about a single market ten years later has been described as a lost decade of factional disputes within the EEC as countries reeled under the stagflation (simultaneous inflation and rising unemployment) brought about by the supply shock of a quadrupling of oil prices in 1973. But at the same time those same states could see the opportunities available if they worked together. By the time Spain and Portugal finally joined (1986) the EEC, it would have the same population as the USA and its GDP would exceed that of Japan. Inevitably people started to think about what could be achieved if these member states formed an effective single market. Throughout that difficult decade which had just passed, the Court of Justice had been making binding rulings which forced member states to open up their markets to others. It was not just a question of customs duties – these had been abolished ahead of time before the end of the 1960s. It was all those other ways of keeping out the goods of your neighbours that had ‘equivalent effect’ to customs duties, such as regulations about how products were defined, certified and even packaged.<sup>3</sup>

Margaret Thatcher realised that the economic liberalisation which she sought – and business in the UK demanded – could only be achieved by removing restrictions, a removal that would not be effective unless they were subject to new EU legislation which was binding and enforceable. However, unless that legislation could be voted through by majority vote it was not likely to be passed. She supported the appointment of a British man, Lord Cockfield, as the Commissioner in charge of the Single Market initiative, and he set to work preparing legislation to remove technical obstacles to further integration. By the end of the 1980s about three hundred directives had been transposed into the legislation of the member states (in other words, 300 new European Laws had been made part of the national laws of those states).<sup>4</sup> The most substantial increase in the number of laws applying in the UK that were ‘made in Brussels,’ one of the frequent complaints of those who later sought UK withdrawal, was made on Mrs Thatcher’s watch.

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3 The overwhelming economic arguments were made by the Ceccini report on the economic benefits of the single market, *The Cost of Non-Europe*, named after the Italian economist Paolo Cecchini. See Dinan, Desmond *Europe Recast*, pp. 218–219.

4 See Dinan, *Europe Recast*, pp. 216–217.

Margaret Thatcher was not one of those politicians who had little understanding of the workings of the EEC. When she became leader of the Conservative Party in 1975, she was a strong supporter of the campaign to stay inside it. In an article for the *Daily Telegraph* entitled 'Europe: the choice before us,' she declared:

I believe the Common Market makes a constructive contribution ...Today European peace is taken for granted. But human nature has not changed...Prevention (of domination by another nation) lies not only in the willingness of peoples to be vigilant in the defence against tyranny; it consists of being prepared to live our lives together, in their becoming so enmeshed through trade and cooperation that to turn on one another would be unthinkable and impossible...<sup>5</sup>

This is a classic statement of the ideas behind Monnet's supranationalism, namely that precisely because there will always be a bad as well as a good side to human nature, action must be taken at the institutional level to ensure that the conflicts into which nation-states so easily fall become less likely (they can never be made impossible) because of the closeness of the cooperation between them. 'Enmeshed in trade,' as Thatcher put it, they will find it much more difficult to go to war with one another, a view which can be traced back at least to Montesquieu. Margaret Thatcher's summary of the benefits of the Common Market is far more effective than anything managed by her predecessor, Edward Heath. Monnet had the same idea of enmeshing them when he suggested that coal and steel, the industries that had once fuelled the war effort, should be subject to peaceful cooperation managed by a High Authority. More weaving of the Teuton and the Gaul, as Churchill had once put it.<sup>6</sup>

Margaret Thatcher makes it clear in her memoirs that she knew exactly what was doing. She was not being tricked:

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5 Thatcher, Margaret. 'Europe: the choice before us' *Daily Telegraph*, 4<sup>th</sup> June, 1975.

6 The best description of such enmeshment came from the British diplomat who said that France and Germany would be 'in an embrace so close that neither could draw back far enough to hit the other.' See Bogdanor, *Britain and Europe in a Troubled World*, p. 13. The quote by Winston Churchill, 'If we could only weave Gaul and Teuton so closely together economically, socially, and morally as to prevent the occasion of new quarrels, and make old antagonisms die in the realisation of mutual prosperity and interdependence, Europe would rise again,' comes from his memories of the Second World War, Volume 1: *The Gathering Storm*, p. 16.

The price we would have to pay to achieve a Single Market with all its economic benefits, though, was more majority voting in the Community. There was no escape from that, because otherwise particular countries would succumb to domestic pressures and prevent the opening up of their markets. It also required more power for the European Commission: but that power must be used in order to create and maintain a Single Market rather than to advance other objectives.<sup>7</sup>

Back in 1975, Thatcher had argued that ‘...being in Europe, we gain access to a tariff-free market of 250 million people.’<sup>8</sup> A decade later she recognised that the only way of ensuring the free movement of goods and services within that market was to give the European Commission, the heir to the High Authority, powers of enforcement. There was a role for the ‘bunch of intrusive middlemen’ after all.

In the end Thatcher succeeded in ensuring that the Single European Act did not introduce majority voting in areas like taxation, frontier controls and employment law. By the end of her term of office (in 1990) she certainly felt that the European Economic Community had strayed too far beyond its remit – its concerns had ceased to be exclusively economic. People remember her famous ‘Bruges Speech’ in 1988 when she warned about attempts to ‘suppress nationhood and concentrate power at the centre of a European conglomerate.’ Yet she remained committed to membership and insisted that Britain ‘does not dream of some cosy, isolated existence on the fringes of the European Community. Our destiny is in Europe, as part of the Community.’<sup>9</sup> As Stephens puts it, ‘the flavour of her speech was Gaullist rather than anti-European.’<sup>10</sup> Margaret Thatcher was just like other national leaders in appreciating the value of a European level of governance in some areas while rejecting it in others.

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7 See Thatcher, Margaret. *The Downing Street Years*. Quoted in Alex May, *Britain and Europe since 1945*, p. 115.

8 She made the remark in an article for the *Daily Telegraph* entitled ‘The Choice Before Us,’ published on 4th June, 1975. The choice was whether or not to vote Yes or No in the coming referendum on whether to stay in the European Economic Community. Thatcher was an ardent campaigner for staying in.

9 Extracts from the speech can be found in Document 14 at the back of Alex May’s *Britain and Europe since 1945* (pp. 115–6). The whole speech can be found in Stubbs and Nelsen, *The European Union: Readings on the Theory and Practice of European Integration*, pp. 45–50.

10 Stephens, Philip. *Britain Alone: The Path from Suez to Brexit*, p. 251.

After her fall her successor, John Major, kept the same close control over areas where sovereignty-sharing was not appropriate. He oversaw the controversial Maastricht Treaty, which was eventually ratified in 1993, and which saw the UK obtain opt-outs from the plan for monetary union (a single currency) and the so-called social chapter, a series of social provisions on (among other things) workers' rights within what now became the European Union. The generation since that treaty was ratified has arguably shown how wise the UK was to retain its own currency – but that is just the point. The UK was able to define the areas in which it was prepared to share sovereignty and the areas where it was not prepared to do so.

It is true that the UK's humiliating exit from the Exchange Rate Mechanism in 1992 was a disaster from which the Conservative government of John Major never managed to recover and fuelled the claims of Eurosceptics that it was when the UK managed to tie itself to EU initiatives that its economy went into a tailspin. But such disasters didn't alter the fact that the UK secured an opt-out from the planned single currency and could perfectly well continue as a member of the EU outside the Exchange Rate Mechanism (ERM). Whether you concluded that it was hopelessly half-out of the EEC/EU or sensibly half-in, it had settled into a comfortable position from which it couldn't be removed. It had secured its opt-outs and any new treaties would require unanimous agreement by all the member-states. In some ways it is understandable that Major should have felt that the Treaty of Maastricht had 'settled' the European issue, allowed the red lines beyond which the UK was not prepared to go to be drawn in the sand and that only the 'bastards,' as he was heard to describe the Eurosceptics in his ranks, tried to pretend that there was anything left to discuss.<sup>11</sup>

## The social market

The 1990s provided both an opportunity and a problem for politicians in the UK when dealing with what was now the European Union. They could continue to support and deepen the effective single market that had been created with the help of binding European Law. Business would be pleased with the opportunities provided by the single market. This was how Margaret Thatcher had

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11 Major made his comment to a journalist at the time of a debate in July 1993 when he faced a 'no confidence' motion. See May, Alex *Britain and Europe since 1945*, pp. 85–86, the section entitled 'The Conservative Party Divided'.

become reconciled to supranationalism, and it was also the basis for the Left's hostility to the EU as something that they believed had begun as a cartel and then developed into a capitalist club.

But another approach was possible. It was already implied in part of Margaret Thatcher's famous speech at the College of Europe in Bruges in 1988, when she declared that she was not prepared to accept that, having 'rolled back the frontiers of socialism' in Britain, she should have to see them re-imposed by Brussels.<sup>12</sup> Had she recognised something that the Left hadn't? In the same year that Margaret Thatcher produced her Bruges speech, Jacques Delors, now President of the European Commission, addressed the trade unions at their annual conference. He tried to convince them that there were benefits to be had as part of the EEC in the social area, on matters like protection in work and social benefits. It was this address that arguably led Margaret Thatcher to deliver her Bruges speech. Delors was arguing that the single market was not simply being built around deregulation; there had to be better conditions for workers too.<sup>13</sup>

An example. A ruling of the Law Lords (on 3<sup>rd</sup> March 1994) during John Major's premiership established that procedures over redundancy pay and unfair dismissal were discriminatory and breached European law. The United Kingdom had a 16-hour-per-week threshold for all employment protection legislation. But as the Equal Opportunities Commission pointed out in bringing the case, the numbers of part-time workers beneath the threshold had grown significantly during the 1980s and made up more than 10% of the labour force.<sup>14</sup> Moreover, this rise in part-time working particularly concerned women. In 1994 38% of women part time workers, amounting to 1.9 million people, were under the threshold. The Equal Opportunities Commission therefore argued that rules over redundancy pay and unfair dismissal were discriminatory and breached EU law. The House of Lords upheld this and ruled that the hourly threshold contravened the EU law on equal treatment of men and women. Here was a clear example of ways in which the primacy of EU law could be of significant practical importance to a very large number

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12 See the extract from the speech published as Document 14 at the back of Alex May's *Britain and Europe since 1945*, p. 115.

13 See Andrew Duff's *Britain and the Puzzle of European Union*, pp. 45–46.

14 See *Regina v. Secretary of State for Employment, ex parte Equal Opportunities Commission*. A very good account of the constitutional impact of EU membership is given by Colin Turpin in Broad and Preston, *Moored to the Continent?*, pp. 127–144.

of (in most cases) low-paid workers and in particular to women. And since it was incumbent upon national governments to implement EU law even if it contradicted national laws, EU social legislation could even be a means of restraining or in some cases overturning government legislation that sought to limit workers' rights.

The ruling cited above was not an isolated incident. If one examines the cases dealt with by the European Court of Justice, one can find many examples of social legislation which had been made binding upon member states and had helped to protect workers' rights.<sup>15</sup> Could the EU be made to appeal to a wider section of the UK population by stressing the benefits of binding social legislation? This might win it support on the Left, even as it triggered complaints about more 'interference' from the Right. After all, it is not surprising that many on the Left had come to see the European Economic Community as a capitalist club in the early years of its existence, when all its member-states were relatively wealthy. When people on the Left thought of the rulings of the European Court of Justice, (ECJ) they cited the *Costa* case of 1964, when the ECJ supported an Italian citizen who had refused to pay his electricity bill on the grounds that the Italian state had nationalised the electricity business and had thereby created a monopoly, infringing community laws on competitiveness.<sup>16</sup> Though ECJ rulings did not in fact prevent member states from nationalising industries, the perception that the EEC was a threat to the socialist policies of member states was important. It was certainly apparent on the Left from the beginning, in the Attlee government's suspicion of the projected Coal and Steel Industry. It lived on even in some of the reservations about the European Union expressed by Labour leader Jeremy Corbyn at the time of the Brexit referendum.<sup>17</sup> But the accession of less affluent countries like Greece, Spain and

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15 This included social legislation incorporated in the Charter of Fundamental Rights. After the BREXIT referendum, but before the UK formally left the EU, Lord Sumption ruled that a Sudanese official employed by the Sudanese embassy in the UK was entitled to compensation for unfair dismissal, failure to pay her the minimum wage and holiday pay. The embassy had appealed to the UK's State Immunity Act of 1978. Lord Sumption ruled that there was a conflict with Article 47 of the Charter and therefore the UK Act must be disapplied. See Bogdanor, *Beyond Brexit*, p. 149.

16 See Bogdanor, *Beyond Brexit*, pp. 52–54. The case, Bogdanor points out, 'concerned the lawfulness of the nationalisation by the Italian government of the electricity industry' (pp. 52–53).

17 See former Labour Europe minister Denis MacShane in his *Brexit, No Exit*, chapter 12, 'Labour fails to make an impact', pp. 129–144. Corbyn, MacShane writes, 'wanted a so-

Portugal in the 1980s was to change the 'rich person's club' perception, as did the increasing visibility of ECJ rulings in support of the social market.

The shift in perception became noticeable in the 1990s, with increasing Conservative hostility to the EU under John Major, whilst the Labour opposition under Tony Blair became more enthusiastic about Europe. The Labour opposition had actually pledged to withdraw from the EEC without a referendum in its 1983 manifesto, the one on which the future Labour leader Jeremy Corbyn was first elected to the House of Commons. By the end of the 1980s, under Neil Kinnock, withdrawal was no longer in the Labour manifesto. By 1997, now led by Tony Blair, Labour was emphasising the need for the UK to play a leading role in the EU. It was a remarkable turnaround. The Labour government that won a landslide victory in 1997 put its new pro-European stance into practice by signing up to the Treaty of Amsterdam and opting back into the Social Chapter which John Major had secured an opt-out from some five years earlier. It was the one example of the UK opting out of an opt-out, but it reflected a new sense of the value of European legislation. The 'capitalist club' had a chance of being rebranded on the Left as a campaigning organisation for workers' rights, for instance in health and safety, working hours, holiday and pension entitlements, trade union recognition and representation on company boards. All of these matters were now subject to European law, while there was recognition of the need to avoid a 'race to the bottom' which led to a minimum of welfare provision.<sup>18</sup>

The EU was also attractive to those (who tended to be on the political Left) who were increasingly concerned about the environment in general and climate change in particular. After all, pollution knows no boundaries, a chemical discharge into the Danube (say) in one country can affect several others and only binding legislation across borders can be effective in preventing it. It was obvious that a group of more than a dozen (and soon to be more than two dozen) states acting together and being bound to comply with various forms of environmental protection legislation on everything from untreated sewage to the protection of endangered species could achieve much more than each state acting on its own.

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cialist Europe in which trade unions were strong, while open markets trading arrangements and enforced competition rules were suspect' (p. 133).

18 As the former Liberal Democrat MEP Andrew Duff concedes in his *Britain and the Puzzle of European Union*, 'Tony Blair's first and most positive contribution (to the Treaty of Amsterdam) was to agree that the UK should sign up to EU social policy' (p. 54).

The spin-off from the economic liberalisation of the Single European Act into social and environmental areas that would prevent economic liberalisation from increasing pollution or exploiting workers, helping to form what was called 'the social market', had provided an opportunity for the European Union to appeal to the Left. In the 2001 election, Labour won another landslide majority against a Conservative opposition under William Hague whose unsuccessful campaign was centred around 'saving the pound.' This was hardly likely to prove a major issue when the UK had its opt-out to stay out of the euro, which was clearly the preferred policy of the Labour chancellor, Gordon Brown. The United Kingdom Independence Party (UKIP) received just 1.5% of the vote, 1% less than the Referendum Party led by James Goldsmith had won in the general election four years earlier.<sup>19</sup>

It might have been concluded at the beginning of the new century that Euroscepticism was far from being a vote winner in the UK, particularly among left-wingers. Two developments in the new century changed the situation. One was the eurozone crisis. The other was immigration.

## Hung, drawn and troikered

Whether or not they were recognised by the Commission itself, and whether or not the blame lay with Greek over-spending or unfair practices by the so-called Troika of lenders, the sufferings caused by the crisis in the eurozone were visible to the public in countless news broadcasts and were analysed in the UK media during the years running up to the 2016 referendum.<sup>20</sup> A great deal of this was simply hostile propaganda, but not all of it. For instance, one could hardly accuse the BBC's Europe correspondent, Gavin Hewitt, of tabloid irresponsibility. Yet the book he published in 2013 provides an account of the 'euro-drama' which shows just how destructive the eurozone crisis was for those with a belief in the values of the 'European Project.'<sup>21</sup> Indeed, what happened inside the eurozone had a particular effect on the thinking of the Left in the UK. All

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19 See <https://commonslibrary.parliament.uk/research-briefings/cbp-7529/> for an analysis of all elections during the last century.

20 Many of them by the BBC's Europe editor Gavin Hewitt who later wrote an account of the crisis entitled *The Lost Continent*, published in 2013.

21 Hewitt, Gavin. *The Lost Continent*.

those ghosts of the capitalist rich man's club, which had been the Left's perception of the EEC in its early years, came rushing back. So many of the less well-off countries that had made the EU genuinely representative of a range of European nations, rich and poor, now appeared to be suffering systematic financial abuse from the rich countries. The redistributive intent that was clearly present in the EU's regional policy was overwhelmed by a punitive approach towards the debt-ridden members of the eurozone that was having precisely the opposite effect.

As the referendum approached in 2016, few people on the Left in the UK wanted to discuss whether the EU was an overweening supranational organisation interfering with the sovereign rights of nation-states. But they had seen the demands being made that a poor country inside the EU cut its pensions. Probably a few people in the run-up to the 2016 referendum confused being in the EU with being in the eurozone. But what did that matter? Although they were aware that the Troika could never come knocking at the UK's door even if it remained part of the EU, their news bulletins provided constant reminders of what being in the eurozone might mean. Greeks struggling to survive on reduced benefits. Forced privatisations. Cypriots unable to get to the bank and money being flown out to UK troops stationed there. A proposal (later withdrawn) that even holders of small bank accounts (under 100,000 euros) in Cyprus would suffer a 'haircut' and lose a percentage of their savings (many British people with savings in Cyprus were affected by this idea of a 'bail-in' rather than 'bail-out').<sup>22</sup> It all seemed to add up to an extreme version of the austerity programme that was becoming increasingly unpopular back in the U.K, but this time being imposed upon a country from without by the bureaucrats from Brussels. The poorer countries that had been embraced by EU entry and later by the eurozone were being made to suffer by the richer members. It was just a capitalist club after all. The support from the Left which had been built up through appreciation of the 'social market' was being whittled away.

In the summer of 2015, the Greeks held a referendum on the latest bail-out proposal from the Troika and voted to reject it. The BBC reported as follows:

Just over a week ago, Alexis Tsipras stepped on to a podium in Syntagma Square in Athens. In his trademark open-necked white shirt, his sleeves rolled up, he punched the air.

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22 One of the best accounts of the privations involved is given by Joseph Stiglitz in *The Euro. How a Common Currency Threatens the Future of Europe*.

“I call on you to say a big ‘no’ to ultimatums, ‘no’ to blackmail,” he cried. “Turn your back on those who would terrorise you.”

His thousands of fans roared in approval. The Greek public followed his lead and 61% voted “oxi” (“No”).

Roll forward seven days and Greece's prime minister signed the very measures he had fought against. Corporate tax and VAT will rise, privatisations will be pursued, public sector pay lowered and early retirement phased out.<sup>23</sup>

The BBC was able to give its report the headline: *Greek debt crisis: What was the point of the referendum?* The left-wing leader of the Greek government, Alexis Tsipras, had accepted a deal that was even worse than the one rejected in the referendum. His finance minister, Yanis Varoufakis, who was willing to explore alternatives that might fall short of leaving the eurozone (like adopting a parallel currency) then lost his job. Varoufakis has written a great deal on this subject.<sup>24</sup> The question asked here is simply whether it is so surprising, in view of what happened when the Troika went to Greece, that a significant part of the Left in the UK decided to vote to leave the EU in 2016. What did national sovereignty mean if a people could reject privatisation, lower public sector pay and a later retirement age, only to see the measures re-imposed because (it must have seemed) the ‘Troika’ had everyone in its grip? People didn't need to understand what the ‘Troika’ was. They just had to understand that the Greeks had been bludgeoned into something they didn't want and hadn't voted for. Furthermore, is it so surprising that for four years (after the referendum in 2016) many on the Left in the UK held their leaders to respecting the result of their own referendum, unlike Tsipras who had ignored the democratic mandate he'd asked for in Greece? The reaction was that even if Tsipras bottled it, we weren't going to. It was the will of the people. In the end they were even being prepared to get the job done by voting in someone who from a Left point of view was nothing but an obstacle to progress, Boris Johnson.

A decade earlier, the Left had recognised that significant parts of a left-wing agenda could be advanced from within the EU. The eurozone crisis killed that perception off. It looked like a return to the neo-liberal agenda that had

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23 The BBC report was on 11th July 2015. See <https://www.bbc.com/news/world-europe-33492387>

24 See *And the weak suffer what they must? Europe, Austerity and the threat to Global Stability and Adults in the Room: My Battle with Europe's Deep Establishment.*

attracted Margaret Thatcher in the 1980s, breaking down the barriers to free trade and building everything around unrestrained competition enforced by European Law, with the weak going to the wall. The bridges and gateways on those euro notes, designed to stress ‘connection’ and the way everyone was linking up together, had become no more than the pipelines along which unfettered currency and trade could flow, producing its inevitable winners and losers. The eurozone crisis didn’t quite drive Greece out of the eurozone. But it did a lot to drive the United Kingdom out of the EU.

## Immigration

The second reason why euroscepticism proceeded to take root once again inside much of the UK in the new century was concerned with a very practical and controversial issue – immigration.

The immigration debate is not new in the UK, and it is well-known that it became a source of bitter controversy in the 1960s when Enoch Powell made his famous ‘rivers of blood’ speech.<sup>25</sup> However, it should be noted that the rise in immigration at the time of Powell’s speech did not cause any growth in the overall population – it was a time of net emigration. Insofar as the focus was about immigration in the 1960s, it concerned the fear of having a lot of incomers from other parts of the world (particularly if they were a different skin colour) rather than the fact that the population was growing too quickly.

However, the increase in population in the UK which averaged out at about half a million a year over the decade between 2005 and 2015, undoubtedly was heavily influenced by net immigration. Immigration from the EU played a significant and increasing part in the overall rise of the UK population during that decade, though its extent should not be exaggerated. It was never the cause of more than 25% of that rise. Half or more of the immigration to the UK came from outside the EU, and half of the rise in the UK population had nothing to do with immigration. If a post-Brexit government were to forbid all immigration

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25 The speech was delivered on 20th April, 1968 to a meeting of the Conservative Association in Birmingham. It spoke out against mass immigration, particularly from the Commonwealth. Powell, once a classics professor, quoted a passage from Virgil’s *Aeneid* where there is a reference to the Roman being ‘filled with foreboding.’ Others finished the line for him – ‘I seem to see the River Tiber foaming with much blood.’ Hence the description ‘rivers of blood’ speech, which Powell didn’t actually say but may well have implied from his use of the earlier part of Virgil’s passage.

from EU countries, that would perhaps reduce immigration by one half and slow the increase in population by one quarter. Nevertheless, that would still be a significant amount, and migration from the EU certainly did fall sharply after the 2016 vote (which is not to say that this was a desirable thing).<sup>26</sup>

The immigration concerns that hit the headlines through Powell's speeches came at a time when more people were leaving than arriving. It was also a time when there were not only low levels of unemployment, but wages were growing in real terms. The concern was with the cultural and ethnic make-up of the incomers and the perception that this would change the nature of the UK, a concern that was usually blatantly racist.<sup>27</sup> In the case of immigration from other parts of the EU in the 2010s, though there can be discussion of how much superficial assumptions about appearance played a part, the sort of racism that could be discerned in people reacting to a different skin colour was not so evident. EU migration was as large as that from the Commonwealth, it came at a time when real wages were stagnant or falling and it was part of a very rapid increase in the overall population. It was hardly surprising that 'take back control', with its images of raising the drawbridge and holding back the flood, was to prove such an effective campaign – and not only on the Right. As Bogdanor points out, for many in the poorer sections of the country 'immigration seemed primarily to have benefited the elite, who were able to hire Polish builders and Lithuanian au pairs inexpensively.'<sup>28</sup>

With an opt-out from Schengen, the UK did not face demands to implement a common asylum policy. One of the obvious implications of abolishing *internal* border controls was that you had to have effective and mutually agreed *external* border controls. You also had to have clear policies for handling refugees who would arrive in member states on the borders of the EU. You would need to help member states who had to accommodate them while being assessed. You would have to have a common procedure for assessing their claims and deciding where they would stay if accepted. When, in 2015, a large number of people started crossing the Mediterranean from Turkey and (to a

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26 These figures come from the Migration Observatory at the University of Oxford. See <https://migrationobservatory.ox.ac.uk/resources/briefings/long-term-international-migration-flows-to-and-from-the-uk/>

27 The figures from a research briefing for the House of Commons library make it clear that in the 1960s and 1970s there was net emigration and not net immigration. More people were leaving than were coming. (<https://commonslibrary.parliament.uk/research-briefings/sn06077/>)

28 Bogdanor, Vernon. *Britain and Europe in a Troubled World*, p. 98.

lesser extent) North Africa, it was clear that none of this had been agreed between member states. Intense debate has continued ever since among members of the Schengen area over whether they should be required to take a quota of migrants or even any at all. No effective common asylum policy has been implemented so far and crowded, insanitary refugee camps continue to exist both inside and just outside the borders of the EU.<sup>29</sup>

For the UK, on the other hand, it was always possible to argue that since it had not opened its borders in the first place, there was no need to observe a jointly agreed policy for receiving migrants. This is not to take a position on the ethical issues involved one way or another. It is simply to say that membership of the European Union in no way forced the UK's hand. No one could say that the country was being 'forced by Brussels' to accept Syrians or Afghans. The clearest indication of this was the way that the Leave campaign concentrated not on Syrians arriving but Turks, supposedly on the basis of Turkey becoming a member of the EU (which it couldn't do without the unanimous backing of every member state, including the UK).<sup>30</sup>

The Leave campaign argued that the UK's hand was being 'forced' by internal migration, people moving from one part of the EU to another. In the run-up to the second referendum vote in 2016, the issue was Romanians and Poles, (and potentially Turks), not Afghans or Syrians. In this area there were no opt outs, meaning that EU membership did appear to take border control away. Since the free movement of people was always seen as one of the unassailable 'four freedoms' that enabled the single market to function effectively, it was not possible for the UK to put a lid on the number of EU citizens settling in the country while remaining a member of the Community.

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- 29 The European Commission has useful websites for all its different departments ('directorates-general', as it calls them). The one on Migration and Home Affairs has a useful account of its attempts to devise a common asylum policy. Under the EU system, the Commission can only initiate legislation; the Council and Parliament alone can pass it. Many proposals have come from the Commission in this area and have been drastically changed or knocked back by the other EU institutions. See [https://home-affairs.ec.europa.eu/policies/migration-and-asylum/common-european-asylum-system\\_en](https://home-affairs.ec.europa.eu/policies/migration-and-asylum/common-european-asylum-system_en)
- 30 As Philip Stephens points out, 'The Brexiters cast Turkey as the threat: Johnson and Gove made the entirely false claim that it would soon join the European Union.' See Stephens, *Britain Alone*, p. 372. He records (p. 373) that Labour MP Gisela Stuart even warned of the effects of 88 million people (the whole population of Turkey) being given access to the NHS.

If one moves beyond the UK for a moment and looks at figures for net emigration and immigration throughout what was then the EU-28, one finds that during this decade (2005–2015) there were significant increases in the population of some countries but significant falls in others (Romania, Bulgaria, Latvia and Lithuania). Indeed, since independence in 1991 Latvia and Lithuania have lost about one fifth of their population. In the decade after Bulgaria joined the EU in 2007, its population fell from about 9 million to around 7 million – in other words, about one quarter of the population was lost.<sup>31</sup> Since these are often the brightest citizens, young and dynamic and therefore on the move, their countries do not want to lose them. At the very least, even if they cannot prevent their nationals from leaving, they would like to find a way of attracting them back again after a few years abroad.

Since a degree of balance was in everyone's interest, arrangements to control significant movements from one member state to another, or at least to limit the time away in another member state (brain circulation rather than brain drain) might have been welcomed by both 'sending' and 'receiving' countries. But freedom of movement was and is an essential part of the single market (of which the UK had always been a great supporter).

Yet if the free movement of people was untouchable, the legislation to ensure that it did not mean exploiting workers arriving from elsewhere in the EU appeared to be very flexible. Whatever the efforts made to manage the free movement of people to take up jobs in other member states, it did not lead to the adoption of enforceable rules which would make it impossible for workers coming from another state to be paid lower wages or accept poorer conditions of work than workers from the home state.<sup>32</sup> The result – on the ground, if not in the ivory towers of EU officialdom – was a strong element of resentment as

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31 The figures come from the excellent EU statistics agency EUROSTAT. It is possible to see the point very clearly from a detailed description of the period from 2015 to 2021. The population of Bulgaria fell every year and by 2021 was about 300,000 less (out of a population of about 7 million). In the same period, the population of Ireland rose every year to go up by 300,000 (to just over 5 million). The population of Romania fell each year and after 6 years there were about 700,000 fewer out of a population of around 19 million. The population of the Netherlands meanwhile rose by about 600,000. The change was not of course due simply to movements of people inside the EU, but the figures make clear that some countries of the EU are experiencing significant falls in population while others are experiencing significant increases. See [https://ec.europa.eu/eurostat/databrowser/view/demo\\_gind/default/table?lang=en](https://ec.europa.eu/eurostat/databrowser/view/demo_gind/default/table?lang=en).

32 Wagner, Ines. *Workers without Borders: Posted Work and Precarity in the EU*.

local workers noted that whatever was the case in theory, in practice they were being undercut by migrants. This was a further way in which support for the EU was being undermined on the Left, encouraging the sort of pincer movement that finally produced a vote from both ends of the political spectrum in favour of leaving the EU.

## Conclusion

The point of the last two chapters has not been to attempt yet another analysis of why the UK joined the EEC and then left its successor, the EU. Instead, the book has tried to focus upon the extent to which the sharing of sovereignty, the key ingredient in the form of cooperation between nation-states devised by Monnet and first implemented by Schuman, was understood and received by the United Kingdom. The last chapter suggested that it was strongly opposed from the very beginning by post-war UK governments, and certainly not explicitly supported even by those who took the UK into the EEC in the 1970s. Nor, this chapter has suggested, was the sharing of sovereignty ever the focus of discussions among those who debated later in the century whether the UK should remain in the EU.

One surprising conclusion from reading her speeches is that the leader who came closest to understanding the merits of sovereignty-sharing was Margaret Thatcher. She became Prime Minister four years after the referendum confirming UK membership of the EEC, in which she campaigned for a 'Yes' vote. As Prime Minister she did not challenge the supremacy of EU Law in particular policy areas (though she wanted these areas strictly controlled) and more importantly she opened the door to majority voting in the Council of Ministers by agreeing to the Single European Act in 1986. She even defended sovereignty-sharing as a way of curbing the excesses of nationalism. All this was perfectly consistent with emphasising 'thus far and no further' and insisting upon red lines, just as other EU leaders (and her successors as Prime Minister) did. While she was the head of government she never took the sort of view taken by the Conservative government of Boris Johnson today that it is better for the UK to make its own trade agreements and be free of the binding decisions of the Court of Justice altogether. Such a position would have made no economic sense to her – at least while she was Prime Minister, though she changed her views in retirement.

It was not Margaret Thatcher who lit the fuse that led to the eventual withdrawal of the UK from the European Union. In fact, her reservations about the EU were a far less significant factor than the problems of immigration and the crisis of the eurozone that particularly affected UK governments in the early twenty-first century. It was these events that re-awoke traditional fears on the Left that the EU was simply a capitalist club, whereas in the 1990s there had been a growing appreciation on the Left of the social dimension to the single market – something that had worried Thatcher and her successor as Prime Minister, John Major.

From the perspective of this book, the underlying problem was that UK governments never spelled out clearly what sovereignty-sharing meant. Thatcher and Major were not alone in this respect, since none of their predecessors in office, including those who applied for membership and eventually took the UK into the EEC, made it clear either. It is even arguable that on the one or two occasions where the system did lead to a real conflict between national laws and Community law, Community law prevailed without much protest in the UK. It seemed that UK leaders, whether from Left or Right, rarely grasped that the Community represented a new way of conducting international relations. Often they just thought of a new set of instructions, this time coming from Brussels, as part of their membership of the ‘Common Market’.

The UK was not uniquely unaware of the arguments about the sharing of sovereignty. There was little discussion of the benefits in France and Germany either. It was probably best appreciated by the smaller countries that became part of the original Six, like Belgium, which has always linked the institutional structures of the EU to its own complex federal system. The UK was simply the place where failure to grasp those arguments had unexpectedly bad consequences, largely because of measures that the EU introduced in the new century to deal with the eurozone crisis and with internal and external migration. The eurozone crisis gave many in the UK the impression that member-states no longer had the right to manage their own economic affairs, even though the UK was not itself part of the eurozone. The debate over immigration gave the impression that member-states could no longer manage their borders, because freedom of movement between EU countries was and remains a key principle of the single market. ‘Take back control’ therefore became a very powerful headline for the Leave campaign, not least because the idea of joint control had never been properly explored.

Few people suggested, during the long debates over Brexit, that by pooling sovereignty nation-states had done something unique in history. Few people emphasise its benefits even now. However, as this book will go on to suggest, the consequences of the UK's withdrawal from a sovereignty-sharing system extend to the future of its own union, since a version of the structures it has renounced in leaving the EU may be the only way of maintaining the United Kingdom intact. The benefits of sovereignty-sharing may at last come to be appreciated on this side of the Channel, simply because there can be no other way of maintaining a United Kingdom. The rest of the book will apply itself to this question.