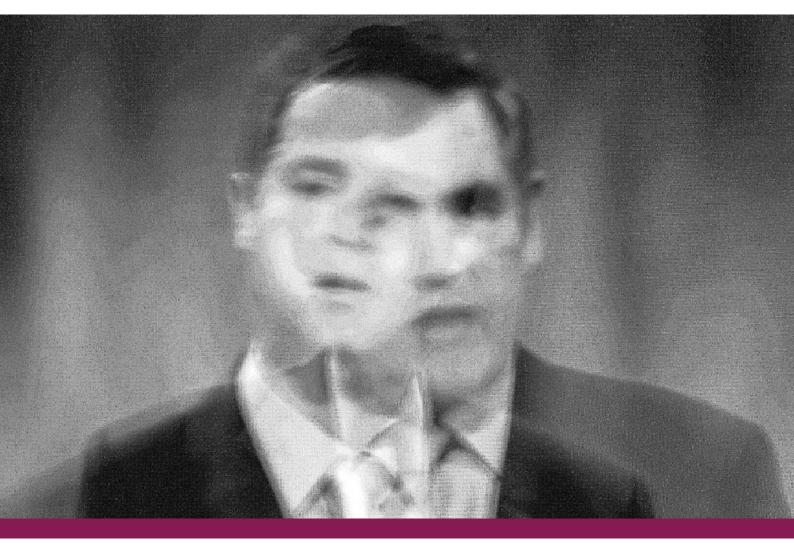
# NO REAL WINNER?

60

BRITAIN'S CLOSEST ELECTION IN A GENERATION AND THE IMPLICATIONS FOR EUROPE

Toby Archer

BRIEFING PAPER 60, 5 May 2010



# NO REAL WINNER?

# BRITAIN'S CLOSEST ELECTION IN A GENERATION AND THE IMPLICATIONS FOR EUROPE



Toby Archer Researcher The Finnish Institute of International Affairs

Briefing Paper 60 5 May 2010

- The British General Election of 2010 will be very close whoever wins. The result may well be a 'hung parliament', where no single party has an overall majority in the House of Commons.
- The third party of British politics, the Liberal Democrats, have produced a strong campaign aided significantly by the first televised debates between party leaders in British history. The Liberal Democrat leader Nick Clegg surprised the country by winning the first debate in the eyes of most observers. The Liberal Democrats have also been aided by public anger at 'politics as usual', which for the UK has meant power being held by either the Labour or Conservative parties.
- The prospect of a hung parliament that will possibly lead to a coalition government makes predicting future British policy on the EU and foreign affairs very difficult. The party positions on the EU are well known. The Liberal Democrats are the most pro-European, Labour more guardedly so, and the Conservatives considerably more Eurosceptic. But what policies would be agreeable for either a Conservative-Liberal coalition or for a Labour-Liberal pact are not known.
- It looks likely that this election will show up even more clearly the inherent weaknesses of the UK's first-past-the-post electoral system and calls for electoral reform are likely to grow stronger.

The European Union research programme The Finnish Institute of International Affairs



Photo: secretlondon123 (flickr)

The British general election of 2010 has, despite all expectations, become a genuinely exciting and possibly ground-breaking event. If, as more and more opinion polls indicate, the outcome on May 7 is a hung parliament, with no one party having an overall majority, the result will reverberate through the British political system and onwards through European politics more generally. Until very recently, Britain's European partners were, like the British punditocracy, expecting a Conservative win and a new round of British Euroscepticism as a result. Now, the sudden rise of the Liberal Democrats, by far the most pro-EU of the three big British parties, is calling all that into question. This briefing looks at why a hung parliament is now possible and after considering the manifesto policies on European and foreign affairs of the three main parties, considers what it might mean for Britain's relations with the EU and wider world.

## Setting the scene for the 2010 election

Prime Minister Gordon Brown ascended to that job in June 2007. Despite much expectation, Brown choose not to call a general election in 2007 and ever since the prime minister has not been able to escape the twin perceptions of dithering and of never having received an electoral mandate. This has weakened him. Meanwhile the opposition Conservative Party—the Tories—have been gaining in strength. David Cameron became their leader in 2005, bringing a more youthful face and a more centrist agenda to the party. The Conservatives began to rebuild their electability after years with a reputation of being the "nasty party" that was morally judgemental in a Britain that has become tolerant of difference.

The financial crisis of 2008 brought some international acclaim to Prime Minister Brown, particularly in the United States, as he was credited for taking a leading role in producing an international response to help stabilise the international financial system. However this view never gained traction domestically. As the former Chancellor of the Exchequer (finance minister) from 1997, Brown was seen as having allowed the British banks to get into the dangerously over-leveraged position that many were in, whilst excessively enlarging the national debt to fund Labour's increases in public services. Under Tony Blair, and in better economic times, the Labour government had been credited with economic competence in running the economy but the financial crisis and following recession called all this into question. Prime Minister Brown was an easy figure to blame. So, against a background of economic crisis, and with a dithering prime minister lacking an electoral mandate, the received opinion amongst the political class became that a 2010 election was David Cameron's to lose.

# A hung parliament

What has made the current election so novel has been the rapid rise in popularity of the Liberal Democrats under their relatively new leader Nick Clegg. Opinion polls are suggesting that the LibDems could possibly even take a bigger proportion of the vote than the Labour Party, an unprecedented event. However due to the electoral system coming second might still leave them third by a long way in the number of seats won.

### The peculiarities of the British electoral system

Unlike most other European states, the UK uses a 'first past the post' electoral system as opposed to some form of proportional representation. The overall share of the vote that a party takes nationwide does not matter. The country is divided into 650 constituencies; the member of parliament (MP) elected from each constituency is simply the candidate who takes the most votes in the constituency. All the votes cast for other parties in that constituency play no subsequent role in the election. This system accounts for why normally one party gets a clear majority in parliament despite having only a slightly larger percentage of the overall popular vote than its nearest rival. In the 2005 election, Labour won 356 seats, the Conservatives 198 and the Liberal Democrats 62; but their share of the popular vote was 35.3 percent, 32.3 percent and 22.1 percent respectively.

Because of the first-past-the-post system marginal constituencies become very important. Many parliamentary constituencies are considered as "safe seats" for one party due to their socio-economic structure. Even within those constituencies the numbers of 'floating voters' may well

still be small. What this means is that excitement around elections can differ significantly by area and this has alienated many voters who feel that, being in a safe seat, their vote is taken for granted.

The first past the post system is not helpful for smaller parties who have their share of the vote spread across the country. It has meant a continuing third party status for the Liberal Democrats. This party, a fusion that took place in the 1980s between the Liberal Party (that traces its roots back to the Whigs that formed in the 17th century) and the Social Democrats (that splintered from Labour in 1981), has for the last 25 years polled in the percentage range between the mid teens and the mid 20s, meaning in the Finnish political system the vote is comparable to one of the 'big three' parties. With a better seat targeting strategy they have steadily increased their number of MPs through that period, yet due to first-past-the-post the LibDems still only got slightly less than ten percent of parliamentary seats in 2005, despite taking more than 22 percent of the popular vote. Unsurprisingly electoral reform to a proportional representation system remains a fundamental policy of the party's electoral platform.

After this election the House of Commons will be made up of 650 MPs, meaning that the winning party needs to win 326 seats to get an over all majority. If no party gets 326 or more, the result is a hung parliament. This is very unusual in Britain only happening twice in the 20th century, with the last time being in 1974. That year, Labour under Harold Wilson formed a minority government but this lasted only six months before a second general election was called, which resulted in a slim overall majority for Labour. If this election does produce a hung parliament, many analysts believe the LibDems might form a coalition government with either one of the big parties. Although neither Labour nor Conservatives have been willing to speculate on this yet, opinion polls suggest it may have to happen. This has created much more interest in the Liberal Democrats' policies than in past elections.

Three factors have been central to the rise in support for the LibDems. There is a general dissatisfaction with the Prime Minister and government for their economic management. The recession has led to the expectation that major cuts will need to be made in public spending. This anger was greatly amplified in 2009 by the MP expenses scandal where MPs had been manipulating the expenses system for personal profit. All parties had some MPs who had acted dishonourably and others who had been honest, but public anger became a rejection of 'politics as usual', meaning competition between Labour and the Conservatives. The LibDems have seized upon this sentiment to increase their support by recasting themselves as a 'new' type of political party that will bring change. The third and rather unexpected factor in the LibDems rise has been the televised debates between the party leaders, a novelty in UK election campaigns. In the first widely watched debate Clegg put in a surprisingly strong performance and gained interest and support. Both Brown and Cameron produced better performances in the two subsequent debates, but Nick Clegg continued to impress and gained huge visibility and credibility for his party.

# Britain and Europe: the parties' approaches to the EU, past and future

The focus of the second leaders' televised debate was foreign affairs. It is illustrative of British attitudes



Photo: The White House

to the EU that the main issue discussed within the foreign affairs context was 'Europe'. Despite the fact that EU activity affects most areas of national life and impacts across all parts of government, Britain's relationship to the EU is still discussed in the context of foreign policy. As Eurobarometer surveys consistently show, the UK remains very Eurosceptic. This sets the context for the campaigning, or lack thereof, around this issue; for Labour and the Liberal Democrats there are no votes to be gained in discussing the EU as both are on the whole more pro-EU than the public average, whilst the Conservative party has to appeal to its very Eurosceptic core voters.

### Labour

The election of Tony Blair and New Labour in 1997 was a very important turning point in British-EU relations. Blair, a fluent French speaker, was by nature a Europhile and wanted Britain to play a leading role within the EU. During the first Labour government there was much discussion and disagreement over whether the UK would join the Euro at its inception. Only the Liberal Democrats supported joining (after a referendum), but the opposition Conservatives were staunchly against. Within the Labour party opinions differed, with Blair being in favour but Gordon Brown, then the Chancellor, being far more reticent. Brown proposed a series of tests that the British economy would have to pass to show it would be compatible with the Eurozone. Many perceived these to be effectively a veto on joining from the Chancellor.

But whilst debate raged over further economic integration, UK policy was also rapidly changing over a common European foreign, security policy (CFSP) and European security and defence policy

(ESDP). Previous Conservative governments had been exceedingly nervous about integration in these fields, often viewing them as French plots to undermine Nato-the core of British security thinking. But the Labour government argued that to maintain the respect and support of the United States to the Atlantic alliance, Europe needed to take more responsibility for its own security and that EU competence in these areas could reinforce Nato, not compete with it. The result was the important St. Malo accord between the UK and France (the EU's two 'great powers' in defence and foreign affairs), which laid the path towards a genuine ESDP. In particular, British policy found ways to link the EU and Nato, reflecting Blair's vision of Britain being important to the EU because of its closeness to the us and important to the us because of its influence within the EU. Even if Britain could not play a role in the Eurozone, alongside France it could lead the EU in international affairs.

Yet it was Blair's transatlanticism that, having given him the confidence to become a leader within the EU, would go on to nearly split the Union. In the run-up to the Iraq war as the EU divided between what Donald Rumsfeld called "old Europe" and "new Europe", London was again split from Berlin and Paris. It is important to note though, that domestically the Conservative party staunchly supported the government's decision to join the invasion of Iraq, with only the LibDems and some of the minor parties standing against the war.

Away from the 'high politics' of war in the Middle East, the Labour government remained essentially pro-European, supporting for example rights given



Photo: The Conservative Party

to British workers originating from EU regulation, and also supporting the EU constitutional process. Most notably, on coming into office, Blair signed the 'Social Chapter' that brought Britain under the EU's fundamental charter of social rights. Margaret Thatcher had negotiated an opt out on this having refused to sign what she dubbed a "socialist charter". Labour's line has not altered greatly with Gordon Brown taking over as Prime Minister, despite his reputation for being disinterested in European issues and aware of 'pro-Europeanism' being a potential vote-loser domestically. Brown's ambivalence to the EU was best illustrated by his infamous signing of the Lisbon Treaty where he arrived a number of days late and tried to sign with the minimum amount of press coverage, reflecting how the Conservatives had used opposing the Lisbon treaty as a rallying cry to Eurosceptics. Nevertheless, the Labour manifesto for this election stresses that Britain is stronger as part of a strong EU but adding that the EU needs reforming, such as over the budget. The Labour manifesto argues that the EU helps the UK; for example saying it has an important role to play in increasing competitiveness and encouraging business and employment, and in guaranteeing social and employment rights to British workers. This is a jab at Tory policies, claiming the Conservatives will attempts to "unravel" the rights that now apply to the UK job market. Labour also argue that a joint EU response is central to dealing with climate change, and that a common foreign policy amplifies British influence worldwide.

#### Conservatives

For the Conservatives the situation around European policy is complex: division within the cabinet over the EU was central to bringing down the last Conservative

government under John Major. Amongst a clear majority of party activists, including those standing as candidates in these elections, Euroscepticism is an article faith; with many favouring either a major renegotiation of Britain's relationship with the EU if not an outright withdrawal. There is a long history of pro-Europeans holding senior positions within the party, notably former-Chancellor Ken Clarke and former European Commissioners Chris Patten and Leon Brittan. However, the contemporary Conservative Party is arguably more Eurosceptic than ever before—in part simply due to a lack of regular contact with EU partners, having spent the last 13 years in opposition.

The power of the Eurosceptics within the party can be seen in the decision for Tory MEPs to withdraw from the mainstream centre-right European Peoples' Party (EPP) grouping in the European Parliament, and forming their own grouping with a small selection of мерs from predominantly Eastern European member states. In the leaders' debate, Nick Clegg of the LibDems called the Tories' European friends "nutters", describing them as anti-Semites, homophobes and climate change deniers. Pulling out of the EPP has made David Cameron no friends amongst the centreright leaders elsewhere in Europe. For example, Angela Merkel of Germany has made it clear that her Christian Democrat-led government is not excited by the prospect of the Tories returning to power in the UK despite the seemingly political closeness of the two parties. Cameron made the promise to leave the EPP as part of his election campaign for the party leadership in 2005. At the time it was seen as an easy sop to offer the Eurosceptics within the party, who view the EPP as dangerously federalist. Over the



Photo: Liberal Democrats

last year the issue has brought more British media attention to the party groupings within the European Parliament, as well as to the small parties involved in countries such as Poland and Latvia, than ever before. The issue has shown how the EU can still cause problems within the Conservative Party, particularly between a leadership who do not particularly want to discuss it and the party members for whom the EU is still a red rag to a bull. Cameron realises that, despite a general scepticism of the EU in the UK, the virulence of the Euroscepticism amongst some wings of his party is unattractive to many voters and divisive within the party. As a result, he has sought to avoid the issue throughout the campaign.

The Conservative Party has historically seen the EU as having a competitive relationship with Nato, and hence putting at risk Britain's relationship with the United States, the guarantor of British security throughout the twentieth century. The Tory manifesto for this election tries to balance the EU versus the us question more finely, but the influence of the Eurosceptic wing of the party if it was to form a government is not yet clear. Another 'wild card' factor is how a potential Conservative government would deal with the Obama administration in Washington-signals from which already suggest they have no particular attachment to the idea of the a "special relationship" between the UK and the us and would have no ideological affinity with a Conservative government. If Britain perceives less support from the us in the future, better relations with the EU may simply be sensible, regardless of party activists' Euroscepticism, and indeed expected by Washington who want the EU to carry more weight in international affairs.

### Liberal Democrats

The LibDems are the most pro-EU of the three major British parties. This has been reinforced by Nick Clegg as their leader. Clegg worked for the European Commission, for some years, was a one-term MEP, speaks four other European languages, has close family connections to other European countries and is married to a Spaniard. Nevertheless, the effects of the public Euroscepticism can be seen in how the LibDems feel they must present their EU policy. When Clegg spoke about the EU during the second TV debate, as well in the LibDem manifesto, positive statements about the EU are accompanied by anecdotes demonstrating something silly about the EU or its policy processes. For example their manifesto commits them to the quixotic battle against the European Parliament's monthly commute to Strasbourg. Perhaps most importantly, in 2008, the party's widely admired economics spokesman, Vince Cable, said that it was no longer the party's policy that the UK should join the Euro, at least for the foreseeable future. These examples all were to show Eurosceptic voters that the LibDems do not see the Union as flawless, thereby increasing their electability. Nevertheless, the rapid rise in support for a party known to the be the most self-consciously pro-European amongst the big three suggests that British voters' Euroscepticism is not enough to keep many of them from looking to the LibDems as an alternative.

The LibDems have been exceptional in the 2010 campaign by highlighting how certain EU policies are beneficial to the UK, but how the Tories in particular want to gain exemptions in those areas. Clegg has on numerous occasions pointed to how the European

arrest warrant has been used against distributors and users of child pornography, whilst highlighting that the Conservatives are against the arrest warrant system. Clearly, the thinly veiled implication is that for the Conservatives Euroscepticism would trump child protection. Clegg has also criticized both Labour and Conservative claims that they will control immigration, pointing out that they cannot legally limit immigrants from other EU states and that it is EU citizens who have comprised the major part of recent immigration to the UK. Accurately reflecting the facts about EU-influence on the UK is a bold tactic: the electorate may appreciate Clegg's candour, but Nigel Farage, leader of the anti-EU UK Independence Party, immediately seized on the statement as evidence that 'the EU' controls British immigration policy.

The LibDems are firm supporters of joint European action in the foreign and security fields. Their Europe Paper as agreed on at the 2008 conference states that a successful ESDP will save the UK money, help prevent the overstretch of British forces and bolster Nato. Ultimately they argue that a failure of EU security policy will be a failure of British policy.

### **Beyond Europe**

The premiership of Tony Blair will be forever linked to the Iraq war, but British general elections rarely turn on matters of foreign or defence policy. Despite huge anger at Blair for taking Britain into the 2003 Iraq war, he still won the 2005 election comfortably. This suggested that although for the most politically engaged groups in the UK, Iraq-and questions around Britain role in the "War on Terror" more generally—were the pre-eminent issues, they were not as important to less politically active but wider sections of society. This appears to be the case again in 2010 and therefore foreign and defence issues have not played a major role in the campaign. Another important reason for this is that although the Conservatives have continually criticised the details of how Labour has conducted its foreign and security policy, they do not differ on the overall lines. Hence, the government has been attacked for not providing British troops in Afghanistan with adequate equipment or care for the wounded, but neither the Tories nor the LibDems would withdraw troops from Afghanistan. The LibDem manifesto openly suggests

that Britain is a in "subservient relationship" with the US and that this is against British interests.

Except on Europe, the Conservatives and Labour foreign and security policies do not differ significantly. Both make manifesto pledges to maintain Britain's independent credible nuclear deterrent in the form of updating the current submarine-based Trident missile system. Again, here the LibDems are unique in stating that they rule out a like-for-like replacement for Trident as unaffordable. This issue was discussed in the second leaders' debate, with both Brown and Cameron arguing that the LibDems could not be trusted with the defence of Britain. Clegg countered that it is not clear how Trident defends the UK in an age of terrorism and other new threats.

Beyond the EU, LibDem policy on foreign and security matters is more hazy, in part due to the party not having been in government for many generations and hence not having to take concrete positions. In the leaders' debate, Brown tried to brand Clegg anti-American, in part due to LibDem policy on Britain's nuclear forces, although the charge has little credibility. The former LibDem leader Paddy Ashdown has a long and honourable career in international crisis management operations and reflects a belief in active internationalism in the party, despite their opposition to Iraq and their manifesto commitment to be only "critical supporters" of the continuing Afghanistan campaign. One accusation levelled at the LibDems, for example by the Economist's leader writers, is that they do not know whether they should position themselves to the right or left of Labour. On security issues, along with on the EU, they are arguably to the left of the party that has governed for the last 13 years, but their civil libertarianism and criticism of British involvement in some parts of America's struggle against violent jihadi groups, whilst honourable, might be tested if as part of a government they were responsible for ensuring the security of British citizens against terrorist attacks.

In respect to foreign, security and defence policy the prospect of a hung parliament again becomes intriguing. Putting EU policy to one side, a shift of power from Labour to the Tories might actually have less effect on those policy areas than either of those parties entering into a coalition government with the Liberal Democrats.



A British nuclear submarine in the Firth of Clyde. Photo: zoegernitz (flickr)

#### The future tense

The serious prospect of a hung parliament has thrown into question the possible future policies of the next government in all areas including on Europe. The likely policies of either another Labour government or even of a new Conservative government could be predicted with some sense of certainty. If either of those two parties go into coalition with the Liberal Democrats to form a government, the novelty of the situation makes it very hard to guess at what may be the results. What policies the LibDems might have as their 'lines in the sand', demanding that their governing partners would adopt as a condition of an alliance, is not clear. What either the Conservatives or Labour could accept in that regard is also still very much an unknown. Those two parties continue to campaign for an outright win, using the 'danger' of a hung parliament that would be 'hostage' to LibDem demands as a way of motivating their core votes. The LibDems in coalition with the Conservatives could be expected to temper Tory Euroscepticism, but attitudes to the EU could also become a flash-point within such a coalition. A Labour-LibDem coalition might see the start of an increase of British activism within the EU, as both parties believe that the UK is

more influential internationally as a member of the Union. Whatever happens, electoral reform is likely to be on the agenda of the next parliament in some form. If, as many polls and projections suggest, the result is Labour taking the smallest share of the national vote out of the big three parties but still ending up with many more MPs than the Liberal Democrats, calls for electoral reform in the name of fairness from the public are likely to be overwhelming. The introduction of European–style proportional representation as a result of the 2010 general election would indeed make it a political earthquake for the UK. It would also have major repercussions for British EU, foreign and security policy and these changes would reverberate internationally.

Toby Archer
Researcher
The Finnish Institute of International Affairs
ISBN 978-951-769-265-6
ISSN 1795-8059
Cover photo: Jonny White
Layout: Tuomas Kortteinen
The Finnish Institute of International Affairs 2010
www.upi-fiia.fi