Why and how did David Cameron decide to hold an EU referendum? Introduction

The paradox of David Cameron's premiership is that he wanted to stop his party's obsession with the European Union (EU) yet it came to define his term in office.¹ Before becoming Conservative Party Leader, Cameron's political career had already been marked by the issue. Working in Conservative Central Office he witnessed the resignation of Margaret Thatcher as Prime Minister (PM), caused in part by her growing hostility to EU developments.² In 1992, as Chancellor Norman Lamont's special adviser, Cameron experienced the turmoil of sterling's suspension from the European Exchange Rate Mechanism.³ Then, as special adviser to Michael Howard, the Home Secretary, he watched Conservative divisions damage John Major's premiership after the signing of the Maastricht Treaty.⁴

Three election losses later when Cameron became leader, he urged his party to 'stop banging on about Europe' and focus on the numerous concerns that voters ranked above the EU.⁵ However, he advocated this view whilst holding moderately sceptical views, characterised in one typology of Conservative opinion as supporting EU membership but against 'further integration' and seeking 'opportunities for reform'.⁶ This positioning had helped him secure the Witney constituency nomination ahead of the 2001 election.⁷ Four years after becoming an MP, he used this scepticism tactically in the party leadership contest, advocating that

¹ Philip Lynch, 'Conservative modernisation and European integration: From silence to salience to schism', *British Politics*, Vol.10, No.2, (2015), p.185.

² David Cameron, For the Record (London: William Collin, 2019), p.35.

³ Ibid, pp.41-43.

⁴ Cameron, *For the Record*, p. 46. Anthony Seldon and Peter Snowden, *Cameron at 10, the Verdict* (London: William Collins, 2016), p.165.

⁵ Matthew d'Ancona, In It Together, the Inside Story of the Coalition (London: Viking, 2013), p.241.

⁶ Lynch p.194.

⁷ Tim Shipman, All Out War (London: William Collins, 2017), p.6.

Conservative MEPs should separate from the European People's Party (EPP), the mainstream block of right wing parties, because of the EPP's federalist commitments.⁸

This positioning was demonstrated again in 2007 when as leader he gave a 'cast iron guarantee' in the *Sun* over holding Lisbon Treaty referendum.⁹ However, Cameron changed position before the 2010 election once the Treaty was ratified, seeding deep distrust amongst more sceptical Conservatives. In response, Cameron proposed a 'referendum lock' to prevent the transfer of *further* powers to the EU without a plebiscite.¹⁰

In the 2010 Coalition discussions, Cameron was able to bridge European policy disagreements with the Liberal Democrats, as both party leaders wanted to defuse the issue.¹¹ This was seen as achievable because with the Lisbon Treaty ratified by all Member States, no further treaties were expected.¹² As a precaution, however, the Coalition agreed to legislate to enact Cameron's 'referendum lock'.¹³ Both Nick Clegg, the Liberal Democrat leader, and Cameron were confident that the Coalition would not be 'blighted by...Europe'¹⁴ as they looked forward to 'five relatively Europe-free years'.¹⁵

Yet, just two and half years later, in his Bloomberg speech, Cameron shifted his stance¹⁶ and committed a future Conservative Government to negotiating a different relationship with the

⁸ Julie Smith, 'Gambling on Europe: David Cameron and the 2016 referendum', *British Politics*, Vol.13, No.1, (2018), p.3.

⁹ d'Ancona, pp.195-196.

¹⁰ Seldon and Snowden, p.166.

¹¹ Jason Farrell and Paul Goldsmith, *How to Lose a Referendum, The Definitive Story of Why the UK Voted for Brexit* (London: Backbite Publishing, 2017), p.228.

¹² Seldon and Snowden, p.167.

¹³ Cameron, For the Record, p.321.

¹⁴ Farrell and Goldsmith, pp. 228-229.

¹⁵ Cameron, *For the Record*, p.320.

¹⁶ Shipman, p.20.

EU and holding an in/out referendum.¹⁷ With Cameron's election victory in 2015, this strategy resulted in a renegotiation process and the referendum in June 2016.¹⁸

This essay will examine why and how Cameron decided to pursue a referendum. It will review the decision through a framework of four factors: the politics of the Conservative Party and UKIP, the EU policy issues, the personality of the PM and the process of the how the referendum decision was taken.

The Politics

For Clegg, the reason Cameron moved to a referendum commitment was to manage his divided party.¹⁹ Echoing Harold Wilson's 1975 European Community plebiscite, rather than a conversion to the merits of direct democracy, Cameron needed a mechanism to control an issue that was destabilising his party.²⁰ As early as October 2011 Cameron had 'faced 22 rebellions on Europe, involving 60 Tory backbenchers'.²¹ However, the pressure ratcheted upwards later in October when 81 Conservative MPs voted for a referendum in defiance of a three line whip. Both Cameron and William Hague, the Foreign Secretary, spoke forcefully against the motion in the House of Commons yet could not prevent a larger rebellion than anything seen during the Maastricht legislation in 1992.²²

Political pressure from Conservative MPs continued to grow. In June 2012 John Barron MP collected over 100 signatures from Conservative colleagues asking Cameron to commit to a referendum after the 2015 general election.²³ The PM publicly rejected this from Brussels

¹⁷ Smith, p.4.

¹⁸ Farrell and Goldsmith, p.329.

¹⁹ Nick Clegg, *Politics Between the Extremes* (London: Vintage, 2016), p.206.

²⁰ Peter Dorey, 'Towards Exit from the EU: the Conservative Party's Increasing Euroscepticism since the 1980s', *Politics and Governance*, Vol.5, No.2, (2017), p.32.

²¹ Tim Bale, *The Conservative Party from Thatcher to Cameron* (Cambridge: Polity Press, 2016), p.379.

²² Farrell and Goldsmith, pp.230-232.

²³ Ibid, pp.232-233.

which angered his critics and eroded his 'authority over the party'.²⁴ Pressure rose further in October 2012 when Conservative rebels united with Labour to defeat Cameron in Parliament over EU budget contributions.²⁵

The pressure on Cameron was illustrated by the fact that his referendum commitment outlined in the January 2013 Bloomberg speech did not placate his critics. For example, in May 2013, 114 Conservatives expressed regret over the absence of legislation in the Queen's Speech for a referendum.²⁶ Many still felt a 'sense of betrayal' over Cameron's perceived volte face over his Lisbon Treaty referendum pledge and wanted this commitment kept.²⁷

It has been argued that Conservative opinion contributed to an element of inevitability over Cameron's referendum pledge and its implementation after the 2015 election victory.²⁸ The pressure was so strong that without the commitment, the Conservative could have sought a new leader.²⁹ Cameron admitted that he rarely felt secure as leader and accepts that he did not do enough to manage the rift between the leadership and backbenches.³⁰ This argument is supported by the increasingly hard-line eurosceptic composition of the Conservative MPs following the 2010 election.³¹ Conservative dissatisfaction with Cameron's leadership was also fuelled by the Coalition with the Liberal Democrats and the socially liberal hue of policy, particularly over same sex marriage.³²

However, the degree of agency Cameron had in influencing events should not be underestimated. The view that alternative strategies were available is supported by the fact

²⁴ Shipman, p.9.

²⁵ Philip Cowley and Dennis Kavanagh, *The British General Election of 2015* (Basingstoke: Palgrave Macmillan, 2016), p.49.

²⁶ Farrell and Goldsmith, p.240.

²⁷ Dorey, p.33.

²⁸ Helen Thompson, 'Inevitability and contingency: The political economy of Brexit', *The British Journal of Politics and International Relations*, Vol. 19, No.3, (2017), p.444.

 ²⁹ Craig Oliver, Unleashing Demons, the Inside Story of Brexit (London, Hodder & Stoughton, 2016), pp.9-10.
³⁰ Cameron, For the Record, pp.235-237, 249.

³¹ Lynch pp.194-195.

³² Bale, *The Conservative Party*, p.378.

that Osborne, his leading political strategist, was opposed to a referendum. He believed it risked splitting rather than uniting the Conservative Party and unleashing uncontrollable forces.³³ Instead, Osborne advocated a more pragmatic strategy of avoiding the issue whenever possible.³⁴

Another alternative would have been to confront his party over Europe, particularly at an early stage of Cameron's leadership. However, despite the modernising rhetoric, Cameron did not challenge Conservative opinion on Europe.³⁵ There was no attempt to pursue a Blair like 'Clause IV moment' choosing instead a 'big tent approach' to unify the party.³⁶ Emphasising unity above confrontation over Europe continued through to the EU referendum campaign when Cameron rejected calls for aggressive 'blue on blue' attacks, targeting the Leave campaigners.³⁷ This was in contrast to the ruthless anti-Clegg approach Cameron authorised during the Alternative Vote referendum in 2011.³⁸

However, having avoided confronting the issue early in his leadership, it is hard to see such a strategy subsequently succeeding.³⁹ When a high profile confrontation with his party on Europe was pursued, in the October 2011 House of Commons vote, Kate Fall, Cameron's Deputy Chief of Staff, judged it to be a serious error that inflamed rather than defused opinion.⁴⁰ Without a willingness to confront his party, Cameron had to 'feed the crocodiles' until Conservative opinion favouring a referendum became overwhelming.⁴¹

³³ Shipman pp.3-4.

³⁴ Ibid, p.4.

³⁵ Bale, *The Conservative Party*, p.432.

³⁶ Ibid, p.428.

³⁷ Cameron, For the Record, p.671.

³⁸ d'Ancona pp.81-85.

³⁹ Steve Richards, *The Prime Ministers, Reflections on Leadership from Wilson to Johnson* (London: Atlantic Books, 2019), p.343.

⁴⁰ Kate Fall, *The Gatekeeper* (London: HarperCollins, 2020), p.252.

⁴¹ George Parker and Alex Barker, 'How Brexit spelled the end to Cameron's career', *Financial Times*, 23 June 2016, <u>https://www.ft.com/content/4b0222f0-317c-11e6-bda0-04585c31b153</u>. Accessed 3 April 2021.

Pressure from Cameron's party over Europe was augmented by the rise of UKIP.⁴² Having received only three percent of the vote in the 2010 General Election, UKIP strengthened its position, coming second in the 2012 Rotherham and Middlesbrough by-elections. Nationally, Lord Ashworth's polling suggested that 1 in 10 Conservative voters were being lost to UKIP.⁴³ In late 2012, opinion polls placed UKIP in third place ahead of the Liberal Democrats, who traditionally benefitted from protest votes.⁴⁴

At the local level, UKIP 'made impressive gains' in the 2013 - 2014 council elections and polled ahead of both Conservative and Labour Party at the European Parliament elections in 2014.⁴⁵ Later that year, two Conservative MPs defected to UKIP, resigned their seats and won the resultant by-elections. This success undermined Conservative morale amongst MPs and local party activists, with UKIP voicing what the Conservatives base wished to hear.⁴⁶

Although it can therefore be argued that the electoral threat of UKIP played a part in Cameron referendum decision, care must be taken with the timeline and causality. At the point that he moved towards favouring a referendum in 2012, UKIP was yet to become a significant electoral threat.⁴⁷ Similarly, Fall argues that the commitment was not made 'to appease UKIP'⁴⁸. This is supported by the fact that at that time, immigration, not Europe was the primary concern of UKIP voters.⁴⁹ Furthermore, the commitment to the referendum in 2013 can be seen as increasing the electoral saliency of Europe, rather than defusing it,⁵⁰ with UKIP's popularity increasing *after* the announcement.⁵¹

⁴² Oliver, p.9.

⁴³ Tim Bale, 'Who leads and who follows? The symbiotic relationship between UKIP and the Conservatives – and populism and Euroscepticism', *Politics*, Vol.38, No. 3, (2018), p. 273.

⁴⁴ Shipman, p.10.

⁴⁵ Cowley and Kavanagh, p.18.

⁴⁶ Fall, *The Gatekeeper*, p.257-258.

⁴⁷ Cameron, For the Record, p.407.

⁴⁸ Fall, *The Gatekeeper*, p.257.

⁴⁹ Cowley and Kavanagh, p.53.

⁵⁰ Farrell and Goldsmith, p.243.

⁵¹ Ibid, p.234.

However, two important counter points need to be considered. First, following advice from his pollster, Andrew Cooper, there is evidence that Cameron was *anticipating* the increasing electoral success of UKIP, particularly in the 2014 European Parliament election. This, it was argued, would lead to irresistible pressure for a referendum. Cameron, therefore, wanted to announce on his own terms and move ahead of the issue.⁵² Secondly, although not having an immediate effect, the referendum pledge helped the Conservatives squeeze UKIP vote in the 2015 General Election. Their supporters were targeted with the message that only a Conservative majority would lead to a referendum, a tactic used ruthlessly 'under the radar' via 'social media, direct mail, phone calls and canvassing'.⁵³

EU Policy Pressure

In addition to the political pressure, there were also EU policy considerations that persuaded Cameron of the merits of using a referendum to reposition the UK 'in the shifting geometry of Europe'.⁵⁴ This perceived policy need to recalibrate the relationship with Europe emerged just 18 months after the Coalition discussions that concluded Europe was unlikely to be a significant issue.⁵⁵

The events of the autumn of 2011 are particularly important in explaining Cameron's policy motivations for a referendum. The financial crisis in Europe was creating an existential crisis for the euro and to underpin the currency, the EU were proposing tighter financial services regulation and financial support for the weakest eurozone countries.⁵⁶ Despite the UK being outside the eurozone, the package could have had significant effects on the UK's financial services sector, a major part of the economy.⁵⁷ At the December 2011 summit, Cameron

⁵² Shipman, p.10.

⁵³ Cowley and Kavanagh, p.55.

⁵⁴ d'Ancona, p.253.

⁵⁵ Cameron, *For the Record*, p.320.

⁵⁶ Ivan Rogers, 'The Inside Story of how David Cameron drove Britain to Brexit', Hertford College, Oxford, Lecture, 25 November, 2017 <u>https://www.prospectmagazine.co.uk/politics/the-inside-story-of-how-david-cameron-drove-britain-to-brexit</u>. Accessed 13 April 2021.

⁵⁷ Fall, *The Gatekeeper*, p.252.

attempted to agree a package of safeguards for the UK but this was rejected by other members. However, his negotiating position of threatening a veto and preventing the use of the EU institutions to support any measures, was circumvented by a legal mechanism enabling the EU to proceed without a Treaty change and therefore without his support.⁵⁸

Although, his attempted veto gained enthusiastic support from his backbenchers, illustrated by the traditional desk banging at the backbench 1922 meeting, Cameron's team believed there was a structural weakness in their position.⁵⁹ Britain, in Cameron's view, was in danger of being dominated by an 'integrationist core' of eurozone countries. Their interests revolved around the single currency rather than the single market and their economic crises were accelerating this process.⁶⁰ A further weakness had also become apparent: Angela Merkel, the German Chancellor, could not be relied on to support the UK position against the interests of the eurozone countries.⁶¹

These events fundamentally changed Cameron's outlook and as early as January 2012 he talked on his private tapes, recorded with Daniel Finkelstein, that Britain's relationship with the EU would need to be redrawn and put to a referendum.⁶² He believed that the EU emphasis on the primacy of the eurozone had implications for the UK that could not be controlled. There were therefore 'developing fault lines' in Britain's membership that would have to be addressed.⁶³ Without reform, the UK's position of being in the single market but out of the single currency was difficult to maintain.⁶⁴ Cameron therefore started to consider a

- ⁵⁹ Fall, p.253.
- ⁶⁰ Cameron, *For the Record*, pp.400-401.
- ⁶¹ Fall, *The Gatekeeper*, p.253.
- ⁶² Cameron, For the Record, pp.339-340.
- ⁶³ Rogers.

⁵⁸ Thompson, p.446.

⁶⁴ Cameron, For the Record, p.xix.

referendum strategy to drive a change in the UK's relationship with Europe a year before the January 2013 announcement.⁶⁵

Cameron's approach of 'reform, renegotiate and referendum' was codified in the much anticipated Bloomberg speech.⁶⁶ This set out the case for continued UK membership but only on the basis of 'fundamental, far reaching change'. A future Conservative Government would seek ambitious changes to the terms of UK membership, and on completion of this process a referendum would then be held on an in/out basis.⁶⁷ It was a negotiating strategy that John Major, the former PM, endorsed arguing a new basis for membership and a popular mandate were necessary.⁶⁸ Immigration was not identified in the speech as an area for EU reform so should not be seen as a reason for Cameron's initial decision to propose a referendum.⁶⁹ However, there was a major strategic difficulty with Cameron's renegotiation and referendum strategy.⁷⁰ It was assumed in the Bloomberg speech that the EU would need to pursue Treaty amendments to deal with further eurozone requirements and that without the UK's agreement the required Treaty changes could not be made.⁷¹ This veto power, it was argued, would provide the leverage Cameron needed to ensure Britain got a 'grand new bargain' with the EU.⁷² However, it become apparent at the end of 2014 that the assumption was incorrect and that the EU would not pursue a new Treaty because of ratification risks arising from referenda in member state countries. Without a new Treaty, the scope for achieving

significant reform was constrained.⁷³ In the meantime, in response to growing concerns over

 ⁶⁵ David Runciman and Helen Thompson, 'Cameron's Referendum', *Talking Politics podcast 193*, 3 October 2019, <u>https://www.talkingpoliticspodcast.com/blog/2019/193-camerons-referendum</u>. Accessed 2 April, 2021.
⁶⁶ David Cameron, 'EU Speech at Bloomberg', Gov.UK, 23 January 2013

https://www.gov.uk/government/speeches/eu-speech-at-bloomberg. Accessed 15 April 2015. ⁶⁷ Seldon and Snowden, p.266.

⁶⁸ Ibid, p.267.

⁶⁹ Shipman, p.12.

⁷⁰ Thompson, p.443.

⁷¹ Runciman and Thompson.

⁷² Shipman, p.12.

⁷³ Farrell and Goldsmith, p.326.

immigration, Cameron increased expectations of the degree of change his negotiation would deliver and in 2014 claimed he would 'not take no for an answer' in restricting immigration.⁷⁴ Therefore, even before negotiations started a gap emerged between the rhetoric about what was politically necessary to win a referendum and what was achievable within a non-Treaty based negotiation. This was reflected in an uncharacteristic tensions between Cameron's political team and his officials leading on the European discussions such Ivan Rogers, Britain's Ambassador to the EU and Tom Scholar, the PM's EU civil service adviser.⁷⁵ The former wanted to push for change beyond the existing 'tramlines of EU law';⁷⁶ the latter advised that Merkel in particular would never countenance restrictions to the EU principle of freedom of movement.⁷⁷

In retrospect Cameron's political advisers believe that they could have been bolder in their use of the referendum in negotiations, particularly on free movement.⁷⁸ They could also have walked away from negotiations in an attempt to secure further concessions before calling the referendum in 2017 as Lynton Crosby, Cameron's election adviser advocated.⁷⁹ Rogers, however, believes that the deal had already been pushed to the limit.⁸⁰

Nevertheless, it can be argued that the decision to hold the referendum was vindicated as a negotiating device as the concessions Cameron achieved from the EU were not insubstantial.⁸¹ Reforms were agreed in the area of sovereignty (ever closer union), protection for non-Eurozone countries, competiveness and some restrictions on migration benefits.⁸² But

⁷⁴ Ibid, p.327.

⁷⁵ Shipman, p.16.

⁷⁶ Ibid, p.595.

⁷⁷ Fall, *The Gatekeeper*, pp.266-267.

⁷⁸ Shipman, p.595.

⁷⁹ Seldon and Snowden, p.546.

⁸⁰ Rogers.

⁸¹ Ibid.

⁸² Farrell and Goldsmith, pp.332-338.

whatever the merits of the package, it could not support the weight of expectation, and as a result, hardly featured in the referendum campaign.⁸³

Personality of the Prime Minister

It can be argued that Cameron's approach to his premiership, rooted in his outlook and personality, played a part in his referendum decision. For Finkelstein he was a less tactical and pragmatic PM than often portrayed.⁸⁴ Two aspects will be considered: an appetite for risk based on confidence in his own political abilities and his tendency to want to settle and resolve issues.

Underpinning the referendum decision was Cameron's belief in his own leadership abilities that would 'extract a favourable settlement' from the 27 other EU members and 'sell any deal to the British electorate'.⁸⁵ His 'natural self-confidence' was reinforced by a perception that so many of his high risks initiatives had been vindicated.⁸⁶ He had a 'taste for big bold gambles' for example, contesting the Conservative leadership at the age of 39, establishing a Coalition after the 2010 General Election, and calling, fighting and winning two referenda (on the alternative vote and Scottish Independence).⁸⁷ Of all the modern PMs, Richards sees Cameron as having the highest appetite for risk.⁸⁸

Cameron claims in his memoires that he was never confident that winning a referendum would be straightforward.⁸⁹ However, there is compelling evidence to suggest this is deploying a degree of hindsight. Michael Gove, at the time Education Secretary, wrote to

⁸³ Rogers.

⁸⁴ Daniel Finkelstein, 'Gambler Cameron's luck was doomed to run out', *The Times*, 13 September, 2016, <u>https://www.thetimes.co.uk/article/gambler-cameron-was-bound-to-lose-in-the-end-lqbvs3q8g</u>. Accessed 10 April 2021.

 ⁸⁵ Nathaniel Copsey and Tim Haughton, 'Farewell Britannia? 'Issue Capture' and the Politics of David Cameron's 2013 EU Referendum Pledge', *Journal of Common Market Studies*, Vol.52, (2014), p.87.
⁸⁶ Bale, *The Conservative Party*, p.436.

⁸⁷ Finkelstein.

 $^{^{\}circ\circ}$ FINKEISTEIN.

⁸⁸ Richards, p.341.

⁸⁹ Cameron, For the Record, p.399.

Cameron setting out his opposition to a referendum only to be told, 'Don't worry, I know what I'm doing'.⁹⁰ Clegg commented on a 'breezy confidence' to win an in/out option.⁹¹ Similarly in 2014 Cameron told Herman Van Rompuy, former President of the European Council, that he believed he could easily win.⁹²

Cameron's confidence in the result would also account for not pressing for more favourable ground rules for the plebiscite, such as extending the vote to those between the ages of 16 and 17 as had been the case with the Scottish Independence Referendum.⁹³ This self-assurance was also displayed with his mistaken view that he could convince Gove and Boris Johnson, Mayor of London, to support his deal.⁹⁴

It can also be argued that when it came to difficult issues, Cameron 'didn't dodge. He tried to grapple and resolve'.⁹⁵ In this regard, Cameron believed that he mirrored Margaret Thatcher's style.⁹⁶ However, this can be seen as misreading the more pragmatic aspects to her premiership in terms of the way she picked her battles.⁹⁷ This approach meant that once Europe became a more significant issue than originally envisaged, Cameron believed 'in confronting this issue – shaping it, leading the debate'.⁹⁸ Cameron argued that in the past 'politicians had kicked this can down the road' by not having a referendum, particularly over the Lisbon Treaty.⁹⁹ As a result, Cameron believed that the EU's 'wafer thin' legitimacy in the UK had to be addressed.¹⁰⁰

⁹⁰ Shipman, p.11.

⁹¹ Farrell and Goldsmith, p.235.

⁹² Parker and Barker.

⁹³ Smith, p.8.

⁹⁴ Fall, *The Gatekeeper*, pp.282-284.

⁹⁵ Ibid, p.313.

⁹⁶ Cameron, For the Record, p.417.

⁹⁷ Copsey and Haughton, p.83.

⁹⁸ Cameron, EU Speech at Bloomberg.

⁹⁹ Cameron, For the Record, p.408.

¹⁰⁰Cameron, EU Speech at Bloomberg.

It can be argued that this drive to resolve Britain's status and legitimacy within the EU been exaggerated as Cameron was not committed to a referendum. He did not expect to win the 2015 election outright and in Coalition discussion process, he would be prepared to give up his referendum and renegotiation commitment.¹⁰¹ Bale, however, argues that this is categorically not the case and is supported by Cameron's account.¹⁰² Overall, there is therefore a good case that Cameron's appetite for risk and determination to confront issues, help explain his decision. However, there is an important qualification: he was applying this approach to reforming the EU rather than his own party.

The Process

To address *how* the referendum decision was taken, it is important to unpick two phases of the process. First, how during the Coalition Cameron committed a future Conservative Government to a referendum. And secondly, how decisions over the referendum were made during the majority Cameron Government that oversaw the renegotiations process and the final decisions about the referendum.

Cameron's January 2013 announced of an intent to hold a European referendum if the Conservative's won the 2015 election, was not Coalition policy but a political announcement given explicitly as party leader.¹⁰³ As such it reflected the growing tensions within the Coalition following Cameron's use of the veto at the December 2011 summit and a harder line on European issues during 2012.¹⁰⁴ Hints of a policy change in gestation emerged in June 2012 when Cameron argued in the *Sunday Telegraph* that he was not opposed to a

¹⁰¹ Michael Portillo, 'Cameron's blunder and the Conservative Party Leadership', *Portland Blog*, 8 July 2016, <u>https://portland-communications.com/uk-politics/camerons-blunder-and-the-conservative-party-leadership/</u>. Accessed 21 April 2021.

¹⁰² Bale, *The Conservative Party*, p.436.

¹⁰³ Smith, p.4.

¹⁰⁴ Seldon and Snowden, p.178.

referendum but only when the time was right and when Britain's relationship with Europe had been redefined.¹⁰⁵ William Hague, the Foreign Secretary, also confirmed that there was a strong argument for a referendum as other EU countries moved to closer union as a result of the Eurozone crisis.¹⁰⁶

According to Fall, the decision to hold a referendum 'emerged' during 2012 after extensive political discussions amongst the Cameron's closest political confidents; as a Conservative matter the decision was taken outside the Coalition framework with no formal papers.¹⁰⁷ There was therefore an informality about the decision process that initially involved a small number of Cameron and his team, including Hague, Osborne and Ed Llewellyn, Cameron's Chief of Staff.¹⁰⁸ However, Cameron denies the decision was taken at a pizza restaurant at Chicago Airport before flying back from the NATO summit in May 2012.¹⁰⁹ Further discussion took place before and over the summer recess with the group widened to include Oliver Letwin, Minister of State for Government Policy. Osborne remained sceptical of the developing strategy.¹¹⁰ In deferring too readily to Cameron on the referendum, it can be argued that the Chancellor did not provide the optimum degree of challenge to the PM required for good decision making.¹¹¹

In November 2012 Llewellyn started drafting what would become the 2013 Bloomberg speech.¹¹² As discussion of the speech proceeded it became clear to Cameron's inner circle

 ¹⁰⁵ David Cameron, 'We need to be clear about the best way of getting what is best for Britain', *Sunday Telegraph*, 30 June 2012, <u>https://www.telegraph.co.uk/news/politics/david-cameron/9367479/David-Cameron-We-need-to-be-clear-about-the-best-way-of-getting-what-is-best-for-Britain.html.</u> Accessed 22 April 2021.
¹⁰⁶ BBC, 'David Cameron 'prepared to consider EU referendum', *BBC News*, 1 July 2012. https://www.bbc.co.uk/news/uk-politics-18663389. Accessed 10 April 2021.

¹⁰⁷ Kate Fall, 'History of the Prime Minister 1979-2016 Seminar', *Kings College, London*, 5 March 2021.

¹⁰⁸ Seldon and Snowden, p.258.

¹⁰⁹ Cameron, For the Record, p.409.

¹¹⁰ Seldon and Snowden, p. 260.

¹¹¹ John Rentoul, 'The thing which Tony and Gordon were really good at was stopping each other doing stupid things', *The Independent*, 25 February 2020, <u>https://www.bbc.co.uk/news/uk-politics-18663389</u>. Accessed 20 April 2021.

¹¹² Fall, *The Gatekeeper*, p.255.

that the only referendum question worth pursuing was in/out.¹¹³ A narrower referendum might have satisfied his party but Cameron concluded only in/out would provide a strong negotiation position for the UK in seeking reform.¹¹⁴

Informal consultation on the speech focussed on three stakeholder groups. First, soundings were taken with European leaders, particularly Merkel. She advised that if the speech was to avoid alienating member states, it should be framed in terms EU change as a whole, not just special pleading for UK.¹¹⁵ Secondly, Llewellyn sought the views of Jeremy Heywood, Cabinet Secretary. Heywood in turn consulted his Permanent Secretary colleagues and wrote the PM a 'personal note', flagging a number of issues. While not questioning the political decision, he argued a referendum could only be won if immigration, welfare and issues around the European Court of Human Rights were addressed. Heywood considered this to be extremely difficult as the former was enshrined within the principle of free movement and the latter stood outside the EU remit.¹¹⁶ Cameron later accepted that the exclusion of immigration from the speech was a strategic error.¹¹⁷

Thirdly, Cameron consulted with key Conservative Ministers including Theresa May, Iain Duncan Smith and Ken Clarke. The latter was the most difficult of the conversations but Clarke did not consider resignation. Cameron then extended the discussion to Graham Brady, chair of the backbench 1922 Committee and tried to incorporate his suggestions.¹¹⁸ To ensure credibility Cameron believed that committing to an early referendum within a new Parliament

¹¹³ d'Ancona, p.256.

¹¹⁴ Cameron, *For the Record*, p.407.

¹¹⁵ d'Ancona, p.254.

¹¹⁶ Suzanne Heywood, *What Does Jeremy Think? Jeremy Heywood and the Making of Modern Britain* (London: William Collins, 2021), pp.390-392.

¹¹⁷ Cameron, *For the Record*, p.413.

¹¹⁸ Seldon and Snowden, p.265.

was important.¹¹⁹ Fall concluded that this extensive 'rolling of the pitch' was part of the speech's positive reception.¹²⁰

Until the 2015 election, Cameron's ability to prepare for any future renegotiations had been limited by Coalition policy which was not to have a referendum. Once Parliament was prorogued, however, civil service planning started on the options for a new Governments and with a Conservative majority, Cameron could then use the machinery of Government to develop the new policy.¹²¹ A joint committee of Ministers, political advisers and civil servants, chaired by Osborne was established. Then in November 2015, the new Cabinet agreed their recommended renegotiation framework covering 'financial protection, competitiveness...ever closer union, and... immigration.' ¹²² At this stage, the Cabinet remained united behind a policy of renegotiation before deciding the Government's referendum position.¹²³

Once the EU February 2016 negotiations had been completed, Cameron called a Cabinet meeting for Saturday 20 February. The meeting was asked to agree the package that had been negotiated, decide the referendum date and the position of the Government.¹²⁴ All Cabinet Ministers were asked to speak in turn determined by the Order of Precedence.¹²⁵ This denotes Ministerial rank but had not previously been used by Cameron.¹²⁶ Of the 24 Cabinet Ministers, six stated that they would not support the deal and would campaign to leave the EU.¹²⁷

¹¹⁹ Cameron, *For the Record*, p.411.

¹²⁰ Fall, *The Gatekeeper*, p.256.

¹²¹ Seldon and Snowden, p.544.

¹²² Fall, *The Gatekeeper*, p.272.

¹²³ Ibid, p.273.

¹²⁴ Cameron, *For the Record*, p.656.

¹²⁵ Heywood, p.447.

¹²⁶ Cameron, For the Record, p.656.

¹²⁷ Fall, *The Gatekeeper*, p.281.

The meeting was conducted on the basis that collective cabinet responsibility – the principle that Ministers should publicly support, or leave, the Government – would be suspended on the issue of EU membership.¹²⁸ This issue had been considered but not concluded, by Cameron and his inner team before Christmas 2015,¹²⁹ with advice from the Cabinet Secretary.¹³⁰ Again, Osborne was an outlier wanting collective responsibility to be maintained.¹³¹ A year previously Cameron had also supported this position, stating that there would be no suspension.¹³²

However, the issue was brought to a head in January 2015 following the threatened Cabinet resignation of Chris Grayling, Leader of the House, who wanted to campaign in favour of Brexit. This was prevented by Cameron assuring him that cabinet responsibility would be suspended.¹³³ In making this decision, Cameron was broadly following the constitutional model used by Wilson ahead of the 1975 European Referendum.¹³⁴ The decision was announced in Parliament and confirmed in a Personal Minute from the PM to all Ministerial colleagues, written in consultation with the Cabinet Secretary. It described how suspension would apply only after the Cabinet meeting that decided the Government's position, would not extend beyond the issue of EU membership EU and restricted the support civil that servants could provide to dissenting ministers on the issue.¹³⁵ It was subsequently discussed at Political Cabinet (not attended by officials) when Cameron described how the process

¹²⁸ Chris Malone, 'Cabinet Collective Responsibility: how it works and why it survives', *LSE Brexit Blog*, 21 June 2016, <u>https://blogs.lse.ac.uk/brexit/2016/06/21/cabinet-collective-responsibility-how-it-works-and-why-it-survives/</u>. Accessed 22 April, 2021.

¹²⁹ Fall, *The Gatekeeper*, p.273.

¹³⁰ Heywood, pp.442-443.

¹³¹ Fall, *The Gatekeeper*, p.173.

¹³² Laura Kuenssberg, 'What the two party leaders have in common' *BBC News*, 5 January 2016, https://www.bbc.co.uk/news/uk-politics-35239226. Accessed 23 April, 2021.

¹³³ Oliver, p.21.

 ¹³⁴ Peter, Riddell, 'Government and the EU Referendum', *Institute for Government*, 19 February, 2016, https://www.instituteforgovernment.org.uk/blog/government-and-eu-referendum. Accessed 23 April 2021.
¹³⁵ David Cameron, 'Letter from the Prime Minister', *Gov.UK*, 11 January 2016,

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/491181/EU_R eferendum_PM_Minute.pdf. Accessed 21 April 2021.

would operate. This meeting was attended by Boris Johnson, newly elected as an MP and Mayor of London until May 2016 although he was not a member of the full Cabinet.¹³⁶

Concluding reflections

Much of the analysis of the rationale for Cameron's referendum decision tends to focus on managing his party and the rise of UKIP.¹³⁷ Shipman even sees the decision as largely inevitable after the first major backbench rebellion in favour of a referendum in October 2011.¹³⁸ Whilst these pressures are important, this essay has argued that a fuller understanding of Cameron's referendum decision needs to include the policy rationale given the direction of the EU following the eurozone crisis.

Lynch has suggested that Gamble's distinction between the 'politics of support' and the 'politics of power' provides a useful framework to analyse these issues.¹³⁹ The former would include how Cameron managed his party, UKIP and the electorate over Europe; the latter would focus on the challenges of managing the European policy agenda. A successful PM would manage both and importantly the interrelationship between them. This helps us understand why in 2012 Cameron saw the chance to use the promise of a referendum to manage Conservative opinion, undermine UKIP *and* achieve a new European settlement.

However, whilst Lynch commented that this was a high risk strategy, he did not consider why Cameron was so attracted to it.¹⁴⁰ This can only be explained by looking at Cameron's style as PM, particularly his unusual risk appetite and his confidence to negotiate an attractive

¹³⁶ Oliver, pp.27-35.

¹³⁷ Copsey and Haughton, p.84.

¹³⁸ Shipman, p.7.

¹³⁹ Lynch, p.186, quoting Andrew Gamble, *The Free Economy and the Strong State. The Politics of Thatcherism* (London: Palgrave Macmillan, 1994), p.8.

¹⁴⁰ Lynch, p.186.

settlement, sell it to his party and win a referendum.¹⁴¹ The importance of this factor is borne out by the fact that Osborne, facing the same circumstances and challenges, argued for a different choice.

However, in addition to being high risk, there was a fundamental weakness in the policy: what was achievable through renegotiation would be insufficient for Cameron's critics and what was sufficient to win a referendum, particularly on restricting free movement, would be unacceptable to the EU.¹⁴² The dilemma arose because when Cameron decided on a referendum, he believed his negotiation position was stronger than it was.¹⁴³ This assumption was not sufficiently challenged because of *how* Cameron took the decision – there was a weakness in the informal, politically based, process that took place outside the Coalition machinery. As a result, of this misreading of the EU's need for a Treaty and intense political pressure, prospects of a fundamental, new settlement with Europe were talked up at a point when the chances of meaningful change were retreating.¹⁴⁴ It was this growing expectation gap that Cameron's referendum strategy simply could not bridge.¹⁴⁵

¹⁴¹ Finkelstein.

¹⁴² Smith, p.6

¹⁴³ Rogers.

¹⁴⁴ Fall *The Gatekeeper*, p.267.

¹⁴⁵ Cameron, For the Record, p.646.

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