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http://en.wikipedia.org/wiki/Proposed_referendum_on_United_Kingdom_membership_of_the_European_Union

Proposed referendum on United Kingdom membership of the European Union

In January 2013, British Prime Minister David Cameron promised an "in/out" referendum on British membership of the European Union in 2017, after a period of renegotiation with the EU, if the Conservative Party wins an outright majority at the next general election in 2015.

Both Labour and the Liberal Democrats oppose the policy of guaranteeing a referendum in 2017, holding instead that a referendum should only be held if there is a further transfer of sovereignty to the European Union.

Since 2010, polls have indicated that the UK public is divided on the question, with opposition peaking in November 2012 at 56% compared to 30% who wanted to remain and support peaking in 2013. The largest ever poll (20,000) showed the public to be split on the issue, with 41% in favour of withdrawal, 41% in favour of membership, and 18% undecided. However, when asked how they would vote if Britain renegotiates its terms with the EU, and the government says British interests are better protected, a wide majority of over 50% said they would vote to stay.

While no state has ever withdrawn from the EU, Greenland, part of the Danish Realm, voted to leave the EU's predecessor, the European Economic Community (EEC), in 1985, and Algeria left upon independence in 1962, having been a part of France until then. The first United Kingdom European Communities membership referendum, 1975 endorsed the continuation of the UK's membership.

In January 2013, British Prime Minister David Cameron said that if elected in the 2015 General Election, a Conservative government would negotiate new agreements with the European Union and would then hold a referendum on whether to remain in or to leave the EU. Political leaders in the EU criticized the possibility of British renegotiation of its membership of the Union and publicly supported Britain's continued membership. Public polls in France and Germany favoured a British exit. The Obama administration has warned against a British exit from the European Union, arguing that it would reduce the British "voice" in the EU, which was not in the best interest of the United States.

Cameron had previously rejected a referendum on Britain's EU membership, but suggested the possibility of a future referendum to ensure the UK's position within an evolving EU has the "full-hearted support of the British people". The Labour Party say they do not support a referendum

at the current time, but have not ruled it out for the future. The Liberal Democrats have said they do not support an in/out referendum because it is within Britain's interests to remain a member. The UK Independence Party, the British National Party, the Green Party of England and Wales, and the Respect Party all support a referendum.

Former Chancellor of the Exchequer and member of the House of Lords Nigel Lawson called for the UK to leave the EU in an article for *The Times* in May 2013. He said the move would be a "wake-up call" to businesses, and would allow "great exporting opportunities to the developing world, especially Asia." Prime Minister David Cameron has been facing calls from backbenchers to hold a referendum on EU membership before the 2015 General Election after the UK Independence Party's success in the 2013 county council elections.

Doubts have been raised as to whether a referendum can settle the long-running arguments and tensions the issue of Europe causes in UK politics. According to some analysis the European question in British politics is too multifaceted to be settled by a single in-out vote. As a think tank report analysing proposals for an in-out referendum made clear: "Settling the European question and bringing stability to Britain's relations with the EU – whether in or outside the EU – will require comprehensive, longer-term changes, which a referendum can help trigger but in no way guarantee."

No member state has ever left the European Union. The United Kingdom voted to remain a member of the European Communities in a 1975 referendum. Three former territories of EU member states have withdrawn from the EU (or its predecessors): Algeria (1962), Greenland (1985) and Saint Barthélemy (2012) with the latter two becoming Overseas Countries and Territories of the European Union.

Before the Treaty of Lisbon entered into force on 1 December 2009, no provision in the treaties or law of the European Union outlined the ability of a member state to voluntarily withdraw from the EU.

The Treaty establishing a Constitution for Europe provided that any member could voluntarily leave the Union of its own accord but this treaty was never ratified. However the voluntary withdrawal clause survived into the Lisbon Treaty as Article 50 TEU.

This new provision formalised the procedure by stating that a member state may notify the European Council that it wishes to withdraw, upon which withdrawal negotiations begin. If no other agreement is reached the treaty ceases to apply to the withdrawing state two years after such notification.

The remaining members of the EU would also need to undertake negotiations to manage the changes to the EU's budgets, voting allocations and policies brought about by the withdrawal of a member state.

Should the United Kingdom withdraw from the European Union but remain in the European Economic Area or the European Free Trade Area, Britain would have to continue implementing

European Union Law relevant to the Internal market, but would no longer have the authority to influence its formation. The EEA agreement does not cover the following policy areas: common agriculture and fisheries policies, customs union, common trade policy, common foreign and security policy, direct and indirect taxation and justice and home affairs. Currently this is what is done by Norway, Iceland and Liechtenstein.

Around 1.4 million British nationals had exercised their right to freedom of movement to live, work or study in the European Union according to the British government. British citizens are currently able to study in EEA countries at the same cost as charged to their own citizens: this arrangement applies equally between EU states. Were Britain to leave the European Union and the European Economic Area, British citizens would lose these rights. The status of the Common Travel Area between a UK outside the EU and an Ireland continuing as a member remains to be clarified.

According to the European Commission the European single market brings between £30 billion to £90 billion into the British economy. It is unknown if Britain could negotiate a free trade agreement,¹ although the EU does have free trade agreements with Algeria, Colombia, Egypt, Mexico, Peru, South Africa and Tunisia, amongst others. The European trade commissioner Karel De Gucht told the British Broadcasting Corporation that Europe is "not a free lunch". However the United Kingdom has a substantial trade deficit with the European Union (UK buys more EU goods than vice versa).

Some of those in favour of a British withdrawal say Britain could try to create a Commonwealth Free Trade Area to make up money lost by leaving the single market. The idea of a series of bilateral free trade agreements, or even a full Commonwealth Free Trade Area was discussed at the 2005 Malta Commonwealth Heads of Government Meeting. It is often noted however that Britain trades more with Ireland than with all the leading developing countries combined, the so-called BRIC economics of Brazil, Russia, India and China (only one of which, India, is in the Commonwealth). Some of those opposed to a British withdrawal note that the British economy is most similar to other European economies as opposed to those in other countries.

Car manufacturers Ford and BMW have warned Prime Minister David Cameron against an EU exit, insisting it would be "devastating" for the British economy.

A February–March 2013 survey of 4,387 companies by business lobby group the British Chambers of Commerce found that 18 per cent of UK companies were in favour of entire withdrawal from the European Union, and that 33 per cent of businesses were in favour of withdrawal and negotiating a free-trade deal. 60 per cent said a withdrawal could "harm their business", while 23 per cent said that further integration would be "beneficial" for their company. On commenting on the survey, the groups General Director, John Longworth, said "These findings suggest that U.K. businesses increasingly feel that some sort of change to Britain's relationship with the EU is needed to boost our trading prospects."

In September 2013, a YouGov/Business for Britain survey of 1024 UK business leaders found that by 46% - 37%, British businesses said that the costs of the Single Market out-weigh the benefits of being in the EU, by 66% - 26%, businesses support a referendum on the EU, and by 56% - 23%, business leaders believe a meaningful change would require a treaty change, and would like to see Britain's relationship with the EU focused on trade.

In response to David Cameron's January 2013 speech on the EU, several countries submitted their views on the proposal and on the UK-EU relationship. The U.S. Obama administration expressed the belief that the United Kingdom is stronger in the European Union, and that the EU is stronger through having British membership. The German Defence Minister, Thomas de Maiziere, claimed that it would diminish British influence in NATO. French President Francois Hollande, in a speech to the European Parliament, said there could be no à la carte option for European membership. In response to British Foreign Secretary William Hague's review of EU competencies, the Japanese Government said "The Government of Japan...expects that the UK will maintain a strong voice and continue to play a major role in the EU". In July 2013, a letter from the Australian Foreign Minister Bob Carr said "Australia recognises the UK's strength and resilience and looks forward to seeing it continue as a leading economy and effective power. Strong effective membership of the EU contributes to this." The Swedish finance minister, Anders Borg, expressed that this was a serious matter, and that for Sweden the issue raised some concerns and could reorient the EU.

A report by Tim Oliver of the German Institute for International and Security Affairs noted that there has been little analysis of what a British withdrawal could mean for the EU. The report argues a UK withdrawal "has the potential to fundamentally change the EU and European integration. On the one hand, a withdrawal could tip the EU towards protectionism, exacerbate existing division, or unleash centrifugal forces leading to the EU's unravelling. Alternatively, the EU could free itself of its most awkward member, making the EU easier to lead and more effective."