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On the Economics of Euroscepticism.

M.B.S. Thesis

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Statutory Declaration

I hereby declare that I have written this thesis on my own, without anyone else's help. I have also, to the best of my knowledge, acknowledged the sources of all passages and ideas used, and have placed in quotation marks all quotes used verbatim. I have used no other sources or aids than those indicated.

This thesis contains words.

Hugo Whately, Berlin,

Contents

Introduct	ion	l
- Part	1: The Field and the Approach.	3
- <u>1 ai t</u>	1. The Field and the Approach.	
	 1 1 The Field: Manifestos 	3
	1.1 The Field: Manifestos1.2 The Approach: Content Analysis	5
- <u>Part</u>	2: The Criteria for the Axes.	10
	 2.1 Establishing the economics axis 	10
	• 2.1.1 Introduction	
	• 2.1.2 Theoretical basis	11
	• 2.1.3 The broad distinction: liberal-social	14
	• 2.1.4 Taxation and regulation as analytic choices	19
	 2.2 Establishing the eurosceptic axis 	23
	• 2.2.1 Introduction	23
	• 2.2.2 Theoretical basis	24
	• 2.2.3 The 'Island Story' of Britain	25
- Part	3: The Construction of the Chart.	34
	Table 1: The Seven Political Parties	
	Table 2: Economics Axis	38
	• Table 3: Euroscpetic Axis	38
	• Table 4: Final Index Scores	40
	• Figure 1: The Party Positioning	41
	Figure 2: The Conceptual Chart	42
- Part	4: Reading the Chart.	43
	4.1 Introduction	43
	 4.2 The Four Minor Parties 	44
	 4.3 The Three Main Parties 	49
	• 4.3.1 The Conservative Party	50
	• 4.3.2 The Labour Party	52
	• 4.3.3 The Liberal Democrat Party	54
	• 4.3.4 On the Economics of Euroscepticism.	57
- <u>Part</u>	5: Implications and Limitations.	59
	• 5.1 Implications	59
	• 5.2 Limitations	63
<u>Conclusio</u>	n	67
	endix I	69
	endix II	71
- App	endix III	73
- Bibl	iography	75

Introduction

The title 'On the economics of euroscepticism' points to a suspicion – perhaps a hypothesis – that euroscepticism as a political project is implicitly linked to liberal economics. That is, economic policies that favor low taxes and low regulation of private sector business. The aim of this essay is to investigate this suspicion by setting up a conceptual chart on which to map the policy positions of the political parties in the UK general election of May 2005. This will permit an analysis of the relationship between the parties' policies, and of whether euroscepticism can reasonably be associated with a particular brand of economic policy; whether euroscepticism can be said to have its own economics. The proposed chart will have two bisecting axes, or 'sliding scales'; an economics axis, and an axis of euroscepticism. This chart will allow for a reading of the relationship between types of economic policy advocated by the parties – from the liberal to the more socially inclined - as against their attitudes towards Europe – from the pro to the sceptic. Reading this chart will allow for an appraisal of the suspicion that the economics of euroscepticism is implicitly liberal.

A number of tasks are implied in the creation of such a conceptual chart. Firstly, a field of enquiry needs to be established. This can be framed in terms of a question: 'how can we know what political parties think?' I will argue that manifestos are a legitimate source of knowledge regarding party policy, and I will then use them as the source supplying data for this investigation. The second task implied is to extract information from that field of enquiry. I will argue that content analysis is a suitable technique for doing this because it allows for non-numerical data to be categorized and compared systematically. This leads into the third implied task: to organize the information gathered in a meaningful way. To address this third task the theoretical bases for the two axes of the proposed conceptual chart need to be established. Only once these three tasks have been addressed will the conceptual chart be able to provide a crop of conclusions that can be read off and presented as having their own authority.

There are five main parts to this essay. In Part 1 I will engage with the first two tasks treating them respectively as 'the field of enquiry' and 'the approach toward that field of enquiry': In Part 1.1 I will look at the theoretical basis for using manifestos as a source of party policy, and in Part 1.2 I will look at the methodologies of content analysis and their application here. In Part 2 I will establish the criteria for the axes of the chart: I will look at the theoretical basis for establishing a sliding scale of economic policy in 2.1, and of euroscepticism in 2.2. Parts 1 and 2 will thus be devoted to establishing the methodological and theoretical foundations on which the proposed conceptual chart is based.

In Part 3 I will present this chart, and give a transparent account of its construction. In Part 4 I will then proceed to read it, and to look at the positioning of the national political parties in relation to one another when they are categorized in this way. Further to this, I will then move towards drawing some conclusions 'on the economics of euroscepticism.' In Part 5 I will move cautiously beyond the conclusions derived from the conceptual chart to look at some of the implications these conclusions might have for British society at large. Further to this I will turn to look at some limitations to the content analysis research, and at some of the methodological problems encountered and negotiated in the construction of the conceptual chart.

Part 1: the field and the approach.

1.1 The field: Manifestos.

Recent work on establishing the actual positions of political parties and ideologies they stand for has been done by Taggart (1998), Taggart and Szcerbiak (2002), and Baker, Gamble, Seawright and Randall (2002).

In their work on pan-European euroscepticism Taggart and Szczerbiak (2002) assess the political stance of the parties they study referring not to policy documents published, or to the statements of politicians in the media or academia, or to any primary literature. This is their position with regards to data collection methodology: "The data presented here has been gathered over an extensive period and has drawn on our own research into particular cases, countries and parties. We have also relied extensively on expert evaluation as to the position of certain parties...We have not...sought to quantify expert evaluations but have attempted to develop our own nominal categorisation on the basis of correspondence with them." In order to establish the political stance of the parties they studied, the authors read secondary literature and commentaries on the parties, and then wrote to the authors of these works, and asked them what they thought.

With the precedent set for personal correspondence, Professor Taggart was sent an email at Sussex University where he works, and his reply serves as an additional source for the current investigation. On the question of how to establish what a political party actually stands for he said "We used national experts to give us an appraisal of party positions." He also pointed out that despite their limitations, there is a role for manifesto analysis:

3

¹ Taggart P and Szcerzbiak A, 2002 <u>The Party Politics of Euroscepticism in EU Member and Candidate States.</u>:5

² See Appendix I; 'Personal Correspondence.'

"There is a huge debate about manifesto analysis. Personally I am pretty sceptical as parties often are pretty bland about what they say, but there is a use for them."

Baker *et al* (2002) follow a very different kind of methodology to Taggart and Szczerbiak. They use interview-based techniques involving systematic questioning of MPs from all the parties in Westminster. Through restricted response categories – 'strongly agree,' 'strongly disagree,' or 'neither' – they were able to quantify their results in comparable forms. This method produces quite nuanced results; for example the relative strength of factional disagreements within parties is explicitly revealed. It also shows that the unifying message projected in election manifestos is misleading as to the disparate ideological composition of the parties.

Despite the limitations to such a technique shown up by the work of Baker *et al*, and expressed by Taggart, I would argue that taking manifestos at face value does have its own merits. Firstly, as policy statements released and promoted in the run up to elections they are later referred to for holding politicians to account if or when they renege on pre-election promises. Secondly, though they may paper over divisions within parties, they do more clearly indicate divisions between parties, as they try to offer to the electorate clearly defined visions of their own unique version of Britain's political future.

If manifestos do not tell the whole truth, they do tell part of it. Using manifestos as a source of party policy may have its limitations, but it is systematic in its approach, it gives a snap shot of a fixed moment in time, and it yields up results which tell a useful story about the way that parties differentiate themselves from each other in the heat of pre-election competition. Thus the peculiarity of manifesto analysis – that it gives the impression of a single unifying message – is actually more appropriate to the aims of the current investigation than would be the methods of Baker *et al*, for the focus here is on the differences between parties, and not within them.

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³ ibid

⁴ Baker D, Gamble A, Seawright D and Randall N, 2002 <u>Elite Party Based Euroscepticism in the UK: A Case of Fractured Consensus and Asymmetrical Attitudes</u>

By the same reasoning Taggart and Szczerbiak's method (2002) of defining party stances through secondary analyses by expert authors is not appropriate to the aims of the current investigation. The problem with their approach is that they are forced to change as new statements, debates and policy initiatives emerge from the parties over time: though they are not legally binding manifestos do at least provide a vision of aspirations and concerns at a still point in time. Manifesto publication is one of the few events in the political calendar when parties get to mark out their own territory and their own distinctive vision, and it is this key factor that manifesto analysis – and the current investigation - focuses on: not differences within parties, or of parties over time, but on differences between the various parties which inhabit the political landscape in Britain.

Thus for the purposes of the current investigation the authoritative source to be used for establishing the political positioning of each political party will be the same for each party: their May 2005 general election manifesto. All the manifestos are published in full on the BBC 'election 2005' website⁶ and it is from this source that the current investigation accesses all of them.

1.2 The approach: Content Analysis.

With the field of enquiry established as a bounded and finite area of text, the next task is to set out the methodology for approaching the field of enquiry in order to extract data from it. Because the data to be analyzed is non-numerical, the technique to be used to analyse and classify the manifesto texts is known, academically, as content analysis. *The International Encyclopedia of the Social and Behavioral Sciences* defines content analysis as "a class of techniques for mapping symbolic data into a data matrix suitable

⁵ Besides, both of these possible alternative methodologies discussed above are beyond the financial means of this essay for they benefited from two substantial government ESRC grants.

⁶ BBC, 02/05/05. "Election 2005. Compare Policies at-a-glance." http://news.bbc.co.uk/1/hi/uk_politics/vote_2005/issues/default.stm_Last checked 17/08/05

for statistical analysis."⁷ The aim is "the mapping of non-numeric artifacts into a matrix of statistically manipulable symbols."⁸ Thus does the nature of content analysis fit with the aims of the current investigation: to organize and analyse textually encoded data into meaningful (and transparently constructed) indexes which can be plotted against each other on bisecting axes.

The point is made in the *Encyclopedia* that there are various ways to do content analysis, and that there is no particular hierarchy of merit between them. But this is no matter, according to S Thomas, who points out that "what makes content analysis 'objective' is that, as much as possible, the researcher is obliged to make public the basis for the sampling and analytic choices." The difference between the basis for sampling and the analytic choices is crucial here. In Part 1.1 a basis was established for taking manifestos as a sample of official party positions, but the analytic choices to be employed have yet to be addressed. This will be done in Parts 2.1 and 2.2 where the criteria for defining the various kinds of euroscepticism and economic policy will bet set out and refined into particular conceptual terms. But first the methodological issues surrounding content analysis need to be more closely explored in order to make clear the guidelines followed in the course of the current investigation.

The methodological problems involved in systematic text analysis have been addressed by K Krippendorf in his *Content Analysis*. *An Introduction to its Methodology*. For Krippendorf content analysis is a scientific research technique, a tool, for approaching texts and extracting meaning from them. In order for the method to be credible, it is crucial that the inferences made are both "replicable and valid." These two requirements, being at the heart of any 'instrument of science,' are the basic foundations on which the researcher must build their methodology: to achieve validity a technique must be replicable. To be replicable the methodology must be made explicit so that

Social and Behavioral Sciences. Vol 4, p.2697-2702. Elsevier, UK: 2697

8 Roberts: 2697

⁷Roberts CW, 2001 Content Analysis. In Smelster and Baltes (eds) 2001 International Encyclopedia of the

⁹ Thomas S, 1994. Artifactual Study in the Analysis of Culture: a defense of Content Analysis in a Postmodern Age. In Communication Research, Vol 21 No.6, December 1994, p.683-697. Sage, UK: 694 ¹⁰ Krippendorf, K. 2004 Content Analysis: An Introduction to its Methodology 2nd edition, Sage, California: 21

others, if they wish, can test it by repeating it. If the researcher designs their project so as to be explicitly both replicable and valid, then they are practicing content analysis at its best.

This said, in comments buried deep in his tome Krippendorf notes wryly that "content analysts are known to invent ingenious devices to obtain apparently valid inferences" and at the same time "the beginning and end of a content analysis mark but an arbitrary segment in time." The endeavors of the content analyst are further bruised by the inherent multiplicity of meanings texts can have to different readers: "under these circumstances, the claim to have analyzed THE content of communication reflects and untenable position."

So, in employing content analysis as a research tool, there is a risk of drawing conclusions which may be at once arbitrary, (dis)ingenuous and untenable. Krippendorf's answers to these pit-falls lies in his original definition of content analysis as resting on replicability and validity. Explicitness and openness with regard to methodology are key: "a content analyst is obligated to make everything transparent." The credibility of the current investigation will thus depend both on the design of the methodology and the explanation of that design in order to render it (a) believable, and (b) replicable elsewhere.

If it is the qualities of reliability and validity that Krippendorf emphasizes, then RP Weber zooms in more on the practical steps to be taken to actually analyse the content of a text. He identifies eight steps to follow in creating a 'coding scheme.' Like Krippendorf he admits that researchers will mostly need to design and implement their own schemes but he does provide a basic framework for this: (1) Defining the recording

¹² ibid:169

¹¹ ibid:180

¹³ ibid:22

¹⁴ ibid:180

units. - the six options he gives are Word, Word Sense, Sentence, Theme, Paragraph and Whole Text. (2) Define the categories. 15

In this respect Weber points out two hurdles that need to be crossed: on the one hand checking that any one recording unit cannot be classified simultaneously in two or more categories, and on the other that the broadness of the categories themselves is appropriate to the texts studied. Depending on the texts, "a category defined as 'concern with economic matters' may have many entries. For some purposes, however, it may make sense to use much more narrow or specific categories, such as Inflation, Tax, Budget, Trade, Agriculture and so on."16 The subsequent six steps Weber outlines are concerned with testing and revising coding procedures, and are more relevant to studies where a number of researchers are employed to do the work, and where their uniform accuracy is a paramount concern. But the current investigation engages only one investigator, and it will suffice to bear in mind the warning that "Human coders are subject to fatigue and are likely to make more mistakes as the coding continues." The message is clear: human error can only be countered through the maintenance of a state of alert vigilance on the part of the researcher, and through repetition, revision and re-checking.

On a more general note Weber, who was writing in 1985 (though his theoretical and critical remarks remain relevant) warns against unnecessary employment of new technologies to aid content analysis. "Given the ubiquity of computers" he warns, "the danger of mindless content analysis will also increase." In this he is in agreement with Krippendorf, and he holds that "there is no single 'right way' to do content analysis. Instead, each investigator must judge what methods are appropriate for his/her substantive problem."19

In surveying the critical remarks of Krippendorf and Weber, a number of issues have come to the fore. We could talk of these in terms of dangers, and of opportunities. The

¹⁵ Weber, RP. 1985 Basic Content Analysis. Sage, USA: 21

¹⁶ ibid:23

¹⁶ ibid:24 18 ibid:69 19 ibid

opportunities for deeper readings of texts through systematic and methodologically explicit analysis are very real, provided that the technique used is transparently replicable and valid, and employs well defined units and categories. But dangers lurk: the (potentially) fatigued and (quite possibly) disingenuous content analyst risks undertaking work which is at once mindless, arbitrary and essentially untenable. Having raised these issues and discussed them, it is hoped that these charges will be avoided in the content analysis project which follows, and that the investigation gains a credibility born of transparency.

Part 2. The Criteria for the axes

2.1 Establishing the economics axis.

2.1.1 Introduction

It is my intention here to establish a sliding scale of economic policy programs with the more liberally inclined and the more socially inclined set at opposing ends. In order to establish the sliding scale of economic policy variation that will form the economic axis of my intended conceptual map, I will focus on two core policy areas: tax, and regulation. These two areas of policy making are, I will argue, indicative of the inclinations of a policy program as a whole: a low tax, deregulated economy can be characterized as more liberal, and a higher taxation program with more state regulation can be characterized as more social.

There are various factors to take account of in a characterization of economic policy programs, and I will structure my argument accordingly. But the first thing to reemphasise here is that as this assessment of party policy positions is restricted to the text of their 2005 General Election manifestos, questions of how and why the manifestos say what they say, as well as their inherent limitations, are questions beyond the scope of this discussion: manifesto texts are taken, for what they are worth, at face value.

2.1.2 Theoretical Basis

First of all we need to talk about the theoretical basis for using a sliding scale to characterize economic policy programs. In talking of them as socially and liberally inclined, I would argue that the use of a sliding scale is appropriate to two realities: on one hand the interconnected nature of national economies, and on the other the variations in the kinds and political contexts of capitalism practiced globally.²⁰

It is widely held that the global economic order has come to be dominated by various species of liberal capitalism; this is the reality of globalisation.²¹ But what is important about this here is the variety of species. Capitalism can be done in different ways in different parts of the world. As Gordon Brown put it in conversation with Timothy Garton Ash, "the US has enterprise but not fairness, Europe has fairness but not enterprise."²² On the basis of this remark by the Chancellor of the UK Exchequer we can say that it is not the nature of capitalism which shapes economic policy. Rather, other factors such as national cultural forms and political and ideological histories need to be taken into account. However, we need to ask whether it is more appropriate to separate them into absolute categories, implying that they are discrete and impermeable categories, or on a more flexible sliding scale, implying that they are more like indicators of trends and tendencies which blur into each other.

I would argue for the latter: any vision of *the* economic policy program that will carry growth of the British economy steadily on into the twenty first century will have to take account of the reality of Britain's integration into the larger global economy: More than half of British trade is with the EU.²³ Three million British jobs depend on exports to the rest of the EU.²⁴ Roughly a third of foreign investment is in or from the USA.²⁵ There

²⁰ The author considers these to be commonly held common knowledge.

or of the so-called 'end of history.'

²² Garton Ash, T. 2004 Free World. Why a crisis of the West reveals the opportunity of our time. Penguin. London: 205

²³ Garton Ash:25

²⁴ Britain in Europe, 27/07/04. "e-News from Britain in Europe and the European Movement," www.britainineurope.org.uk/theissues/enews/enews-27-07-04. Last checked 25/05/05

are currently more than five hundred and fifty foreign banks operating within the square mile of the City of London.²⁶ According to the China Daily, one of China's most widely read daily newspapers, Britain was the biggest European investor in China in 2002: "By the end of 2002, the UK had invested in 3,406 projects in China, with US\$10.7 billion actually put into use, ranking the UK the largest investor among European Union members in China."²⁷

Clearly Britain's prosperity is interconnected with the fortunes of other nations, and the policies of other governments. The idea of national variations of capitalism must therefore be taken with a pinch of salt: national economies, such as those of the USA or the UK, are neither discrete not self-sufficient. Gordon Brown is free to work on stereotypical national (or supra-national in the case of the EU) economic profiles, but they have their limitations. How, for example, can a lack of enterprise explain the market dominance of the Helsinki based Nokia, or the recent expansion of the French based supermarket chain Carrefour into overseas markets? How can a lack of desire for fairness explain the imposition of steel import tariffs to protect US jobs, or the subsidies paid to US cotton farmers?

It is important to see that the legislative programs of sitting governments can shape the confidence and climate of business practice, and that the global market place for global trade does not, fundamentally, alter this fact. Thus there are degrees of emphasis that are open to parties to define the priorities of their vision.

²⁵ Garton Ash:25

²⁶ Law Firm Limited 2000-2004. "UK and City; The City of London." http://www.lawfirmuk.net/english/bcl.htm Last checked 25/05/05

²⁷ China Daily, 21/07/03. "Wen, Blair vow to strengthen bilateral ties."

http://www2.chinadaily.com.cn/en/doc/2003-07/21/content 246523.htm Last Checked 25/05/05

²⁸ Forbes, 08/08/05 "Nokia shares surge after Cisco report."

http://www.forbes.com/associatedpress/feeds/ap/2005/08/08/ap2175105.html

Last checked 14/08/05

²⁹ Bangkok Post, 19/07/05. "Carrefour looks for new business model."

http://archives.mybangkokpost.com/bkkarchives/frontstore/news_detail.html?aid=170966&textcat=Business%20News&type=a&key=carrefour&year=&click_page=1&search_cat=text&from=text_search_Last checked 19/08/05

³⁰ USA Today, 03/06/02. "Bush slaps tariffs on steel imports." By James Cox. http://www.usatoday.com/money/covers/2002-03-06-steel.htm Last checked 14/08/05

The Economist, edition April 30th 2004. "Unpicking Cotton Subsidies."

In their jointly edited Varieties of Capitalism, Hall and Soskice (2001) argue that attitudes to two core policy areas - tax and regulation - can be used to differentiate national political economies. They put business, or firms, at the center of their analysis. Their strategy is to compare national political economies by reference to the way in which firms resolve the difficulties they encounter in five spheres of activity: industrial relations, vocational training and education, corporate governance, inter-firm relations and their employees. These five areas of activity, they argue, are determined by the climate that the state creates: "Our premise" they declare, "is that many of the most important institutional structures – notably systems of labour market regulation, of education and training, and of corporate governance - depend on the presence of regulatory regimes that are the preserve of the nation-state."32

This is at the heart of their agenda; to relocate private sector actors at the center of comparative analysis of national political economies. This, they argue, leads them to a core distinction between two types of political economies; the liberal market economy, and the coordinated market economy. These two "constitute ideal types at the poles of a spectrum along which many nations can be arrayed."³³ In liberal market economies firms coordinate themselves according to the hierarchies generated by mutual interaction in the market place. In coordinated market economies on the other hand, firms rely more on collaborative, rather than competitive, relationships in order to build their own competencies for growth: here the fortunes of firms are not left entirely up to the fluctuations in supply and demand characteristic of competitive free markets, rather strategic interactions with other firms and other actors play a defining role in determining outcomes.

In an illustration of the differences between the two versions of political economy Britain is given as a typical liberal market model, and Germany as a coordinated market model. Looking within these two at the differences in corporate strategy in response to the same

³²Hall A and Soskice D. 2001 Varieties of Capitalism. The Institutional Foundations of Comparative Advantage. Oxford University Press: 4
33 Hall and Soskice: 8

economic shock – a rise in the value of their currencies, for example – exposes characteristic modes of behaviour: "British firms tend to pass the price increase along to customers in order to maintain their profitability, while German firms maintain their prices and accept lower returns in order to preserve market share."34 Such differences in behaviour in the private sector, they argue, come about due to differences in the political superstructure within which they operate.

It is their contention that "the institutional arrangements of a nation's political economy tend to push its firms toward particular kinds of corporate strategies."35 Thus one of the key factors in determining their characterization of market economies as liberal or coordinated is in the nature of the taxation and regulations regimes of the states in which firms operate. These categories – the liberal and the social – are not discrete or absolute categories – as illustrated here they can be organised and configured in different ways in differing national political contexts – and so, equally, it is appropriate to arrange different political parties along a scale of emphasis: this allows for a more nuanced view than a simple binary or bipolar opposition does, and is thus more appropriate to the aims of the current investigation. Thus the same criteria will be used here for establishing the sliding scale of economic policy on the proposed conceptual chart.

2.1.3 The broad distinction: liberal-social

Recent debates in Germany add weight to the liberal-social characterization. In April 2005 the head of the governing SPD party, Franz Munterfering, attacked the behaviour of certain financial firms for their alleged profit maximization strategies, describing them as 'swarms of locusts that descend on companies, strip them bare and then move on.' The substance and merit of his remarks and his (political) motivations are not the issue here: what is significant is the assumptions on which his views rest: In sparking a vigorous

³⁴ ibid:16 ³⁵ ibid: 17

debate about the pros and cons of various kinds capitalism Munterfering has exposed the perceived gap between the so-called 'Anglo-Saxon' capitalism, and the German. The aim of Germany's Social Democratic Party, the SPD, he declared, should be to define "how we in times of globalisation can continue to have a social market economy and not plunge into a pure market economy."³⁶ Munterfering argues that the social outcomes privileged by German capitalism are threatened by the profit-focussed 'pure market economics' of private equity firms whose practices originate in the Anglo-Saxon capitalist model.

The Economist, though it disagrees profoundly with Munterfering's 'scapegoating' of Germany's economic malaise, does share his analysis of differences in capitalism: the whole debate "has to do with the painful transition that Germany is making from a social market economy, in which firms and services were supposed, at least publicly, to be run by consensus for the 'general good,' to the starker mechanisms of the market and shareholder value."³⁷ The newspaper goes on to explicitly recognize the incurably european Munterfering's analysis of the varieties of capitalism that are practiced: on the one hand there is 'Germany's old style capitalism,' and on the other is the more successful Anglo-Saxon 'approach' or 'environment.'38

However, in order to get a much clearer idea of the kinds of attitudes found in manifestos which will indicate a more liberally or a more socially inclined policy program, we can now turn to the British economist Will Hutton's The World We're In (2002) - and the 'we' he talks of are the British. Hutton spends a lot of time comparing and contrasting European and American business practices, and in looking at the quality of their social outcomes he explicitly identifies Britain's past and its future with Europe.

Just to make Hutton's political agenda clear from the outset: "Europe is our [Britain's] continent" he says, "We share the same history and the same core values. The British

15

³⁶ FAZ Weekly, 06/05/05. "Capitalist attack stepped up" by William Pratt. published by the Frankfurter Allgemeine Zeitung GmbH Publishing Group.

37 The Economist, edition May 7th 2005. "German Capitalism. Special Report." ibid

approach to the social contract and the public realm lies much nearer to Europe than to the US, and while British capitalism is organised more along US principles than other EU countries, it has brought us scant advantage."³⁹ Thus does Britain's destiny lie "decisively with Europe" What pains Hutton is that though Britain is at heart European, the country is currently under the sway of American Conservative economic thinking.

It is relevant to spend some time here looking broadly at Hutton's economic analysis of European and American Conservative business practices for it reveals the deeper moral underpinnings of the opposing liberal and social policy models, and thus strengthens the discursive foundation for the economics axis of the proposed conceptual chart. The main question to ask of Hutton here is what exactly is this 'Conservative analysis', and what constitutes American-style business practice? The basic economic issue at stake is productivity. Business practice is judged by its ability to deliver increased productivity. How this is done however, is open to dispute, and this is where there is room for ideology. Economics is not without ideology, for there is no sure and certain formula for economic growth, merely strategies, hopeful ideas, and lessons from the past. Conservative ideology slips in here, and it holds that economic efficiency is all about "the permanent freedom to complete the most cost-effective contract and to move on to another if there is a better opportunity."

The idea is that binding and expensive contracts with a workforce or a sub-contractor serve only to inhibit firms' ability to shift quickly and efficiently to a new and cheaper configuration of workers and sub-contractors. Maximum productivity is achieved, runs the thinking, simply through the implementation of the most cost-effective configuration of technology and personnel. It is not just the allocation of resources that is crucial here, but also the freedom to re-allocate those resources in a cheaper way when economic circumstances change.⁴²

³⁹ Hutton, W. 2002 The World We're In. Little, Brown. London: 358

⁴⁰ ibid:16

⁴¹ ibid:222

⁴² Hutton 2002

In following these maxims, 'soft issues' – such as the history of the organization, the quality of its leadership, the security and life styles of its staff, the environmental impact, and so on – are only hurdles, or obstacles, and serve only to increase short term costs: the main aims have to be maximizing share-holder value and market flexibilities: The 'hard' message is that "productivity is about entrepreneurial freedom to cut deals independent of any consideration other than cost minimization and profit maximization."⁴³

In contrasting American Conservatism with European business practice and economic policy Hutton places the European notion of the social contract at the heart of his analysis of the 'European way.' He contrasts American Conservatism with the European brand of free market capitalism: essentially the European way privileges not short term share values, but rather longer term investment in social outcomes and product innovations. That is, we can look at the notion of a 'European capitalism' and its associated business practices as being different from the American version in terms of the social outcomes of these practices. The 'core European values' which underlie the practices of European capitalism and its accompanying social model offer an overall framework for securing outcomes on a public, and not just an economic, basis. This, for Hutton, is the crucial difference at the heart of the debate.

Hutton admits that Conservative ideas do in practice deliver a kind of reward. In the short term, stock ratings can be kept up to attract investors, and businesses can grow through taking over others and shifting their production and ownership bases. But, argues Hutton, productivity is about long-term growth, about investment in innovation, in committed staff, and precisely in these apparently peripheral 'soft' factors: The Organization for Economic Cooperation and Development (OECD) has, for example, established that "the heart of productivity growth is what happens inside the firm, and firms are human organizations."45 By ignoring these factors, this so called 'shorttermism' encounters its own ultimate emptiness, for, paradoxically and damagingly, "in

⁴³ ibid:222 ⁴⁴ ibid:2 ⁴⁵ ibid:222

the world created by conservative economists, innovation becomes more difficult."46 Without innovation a business cannot move forward into new markets and expand, it can only take over other competitors in an attempt to win their market share. This is where European business practice comes in.

Just as the last decades of the twentieth century – and so it looks, the first of the twenty first - have brought America economic growth and dominance in the post-Cold War world, so the themes of Conservatism have been vindicated by the relentless American ascendancy. But Europe, Hutton argues, is defined by a very different set of values. These are centered around sharing the fruits of a successful economy to create a successful society, countering inequalities of income and opportunity across social divisions, and the expression of social concerns and preferences through government and in the public realm. From these priorities follows the need for higher taxes, and more complex, rigorous and intrusive regulatory regimes.

In Hutton's view the European understanding of the role of the state is not that it should keep out of the lives of individuals in order to ensure their liberty, but rather to take an active role providing public services and in regulating business to ensure that societies' interests are safeguarded. The state here is not just a neutral referee watching others as they act out their ambitions, but rather it is an active player in the daily life of the nation: it is their to ensure a fair distribution of outcomes; here is a scenario where 'rights to' are privileged over 'liberty from.'

How do politicians go about legislating to create the right social conditions for such a social economics to thrive? For American Conservatism a robust and thriving economy is driven by an entrepreneurial self-help culture that involves the state stepping back from social programs which serve, in their view, only to legitimize an apathetic approach to work, or finding work.⁴⁷ According to this Conservatism there is a moral basis to society, but it is not to be found in the activities of the state. Indeed, an emphasis on the public

⁴⁶ ibid:224 ⁴⁷ ibid

realm and collective concerns is seen as obstructive to the prosperity delivered through What is central to the Conservative vision is "the total individual autonomy. responsibility of the individual to shoulder their own burdens and to exercise their rights alone and autonomously."48

This is both a political and an economic philosophy, for the belief that effective capitalism must be ungoverned – i.e. not regulated or taxed inhibitively – when followed through into the social realm, means that society itself must be submitted to the dictates of the market – the market being the force which governs business. This is a situation where low taxation is seen not as a miserly means of under-funding public services, but rather as a positive step away from state interference in the workings of the free market and the enterprise of individuals.⁴⁹ Low tax can thus be understood, from the Conservative view point, as a badge of morality; a sign that the interfering state is reducing itself in the interests of the freedom of its people. Here it is not the state which guarantees the freedom of people, but rather the absence of the state that is a sure sign that the people are free.

2.1.4 Taxation and regulation as analytic choices.

So we can see how a doctrine developed for the maximization of economic outcomes spills over into the political and social realm where it creates a distinct set of circumstances in society. We can see that this economic thinking spills over into politics, for it demands a classically Conservative small state, and a general stepping back from interference in the lives of citizens: low tax, and deregulation are characteristic here. The dominance of these ideas in the current US Republican administration – itself driven by highly influential and self-confessed 'neo-conservatives' like vice-President Cheney – is shown clearly by their recently published economic strategies: In April 2005 the

⁴⁸ ibid:6 ⁴⁹ ibid

International Herald Tribune editorial reports that the coming year's Republican budget blue-print to be passed in the US Congress "calls for generous tax cuts for investors, who hardly need more help, and for harsh spending cuts for the needy, who certainly do...the aim is to ensure that spending on Medicaid and other programs for the poor will be cut by \$17billion over five years..[whilst other provisions]...almost entirely benefit people who make more than \$200,000 a year."⁵⁰

The *Tribune* calls this budget a 'mean spirited' document lacking 'human kindness.'51 Yet underlying it is a Conservative doctrine advocating tax cuts and deregulation for those with the financial backing and confidence to take investment risks: thus such measures appear just and for the best.

Social dimensions - capabilities and outcomes - are critical in the European conception of organization, as is the need to balance the interests of all stakeholders, not just temporary stock owners, in order to achieve long term innovation, high performance from loyal staff, and high productivity. "Business organizations" Hutton says, "profit from the social and public infrastructure in which they are embedded and where they trade."52 Recognition of this means that business can operate in a way which does not see the public realm as an enemy, but rather as a partner. European conceptions of the public realm and a social contract between citizens, and between rulers and ruled, and the obligations of wealth and property to those less fortunate are actually threatened by the Conservative dogma that individual liberty is paramount. In the end, says Hutton, "the European conception of enterprise is underpinned by the same value system that underpins the establishment of the social contract."53

It is this idea of the social contract that is threatened by encroaching Conservative business practice, for it brings with it certain stresses and emphases. These include creating labour markets which are flexible like they are in America – in other words

⁵⁰ International Herald Tribune; editorial, 28/04/05.

⁵¹ ibid

⁵² Hutton 2002: 227 53 ibid:229

making it easier to fire people – on bringing a risk culture to financial markets – that is, encouraging short term speculative investment - and a more minimalist approach to taxation, welfare and regulation – which means trying to eliminate these things.

This is the nub of Hutton's argument: that the Conservative criticism of European ways is based on a moral stance. The European preference for public provision and welfare, for taxation and regulation "offends American Conservative's belief in individualism, liberty and self-reliance."54 Yet the European preferences, when turned into policies and institutions of the state, work to deliver high quality social outcomes that distinguish it from America, where 'the bottom half of the population are treated wretchedly'55, and also, in recent years, "have begun to give it an edge in the growth of productivity and innovation."56

It is his contention that American politics has come to be dominated by a peculiar brand of Conservatism that is anothema – in its unilateralism and its free market neo-liberalism - to the core values of secular European civilization. He associates American Conservatism with various trends: these include high incomes as just reward for individual enterprise, government tools of taxation and regulation having their legitimacy questioned, a narrowing scope for public endeavor and public space, a general increase in inequalities of income and opportunities across the range of American society and the spread of the notion that the poor are only poor because they do not work hard enough to seize opportunities.⁵⁷

Having looked at Hall and Soskice's characterization of the liberal market economies and the co-ordinated market economies where Britain is the more liberal and Germany the more social, and also at Hutton's characterization of the differences in political philosophy underlying his account of 'European style capitalism' and the American Conservative style, the case has been put forward for understanding differences in

⁵⁴ ibid:357

⁵⁵ Hutton:16 56 Hutton:357 57 Hutton:5

economic policy as differences in emphasis on a sliding scale. Taxation and regimes of regulation have surfaced as key analytical concepts indicating a more liberal or a more socially inclined trajectory, and within this the geo-political positioning of Britain has been questioned. However, the point of the current investigation is not to situate Britain on a sliding scale between Europe (as social) and America (as liberal) - although that would be interesting in itself – but this is an important issue, which cannot be ignored and it will be be discussed a little further in Part 5 in terms of the implications of the results of The variations in economic policy across national and the current investigation. continental boarders may be a central feature of the current early twentieth century geopolitical global power balance, but such issues are way beyond the scope of this essay. The point here is to see that positive and negative attitudes to taxation and regulation can reasonably be taken as indicating, respectively, a more social or a more liberal attitude to economic policy. They will thus be used in Part 3 as the key categories employed in the content analysis methodology for constructing the economics axis of the proposed conceptual chart.

2.2 Establishing the eurosceptic axis

2.2.1 Introduction

In this section I will set out the theoretical and methodological basis for establishing a sliding scale of euroscepticism on which Britain's political parties can be plotted in relation to each other. In order to do this I will first start with a broad brush approach to the telling of Britain's eurosceptic story. Though euroscepticism is by no means limited to Britain among EU member states (Taggart and Szczerbiak 2002), I would argue here that the euroscepticism expressed in party manifestos has its origins in a deep, if not prevalent, feature of British national identity: the so called 'island story' of Britain. Focussing on particular post-war events and personalities of the twentieth century – namely the EFTA, De Gaulle, EEC membership in 1972, Mrs Thatcher and the Maastricht Treaty – the discussion here will tour around the formative factors in the British eurosceptic's sense of rightful independence.

This brief excursion into history will bring the discussion up to the present day, and from there we will be able to zoom in on the theoretical and methodological techniques which will allow for a systematic consideration of the contemporary political arena. This is not to say that any of the parties' manifestos specifically reference any of the elements of the eurosceptic story – "look at what happened after we joined the EEC in 1972: economic crisis! Never again! We say NO to the Euro!" for example, is not quite the level of crassness found in the manifestos – but it would be hard to discount the connection between the cultural and historical evolution of national identity and the kinds of political visions set out in manifestos in the run up to General Elections. It is on the basis of this connection 58 that I will give a broader consideration of the history of euroscepticism before focussing on the specific procedures involved in establishing the sliding scale of euroscepticism in Part 3.

⁵⁸ Which is, however, contestable: Taggart and Szczerbiak 2002

2.2.2 Theoretical Basis

Clearly individual member states of the European Union have their own histories and experiences which inform their political preferences and national identities, and so the varieties of euroscepticism across Europe may well have different causes, origins and desired outcomes. In order to analyse and interpret such differences in a meaningful way Taggart and Szczerbiak (2002) have developed a theoretical approach based on a distinction between 'hard' and 'soft' euroscepticism. They treat hard euroscepticism as a principled opposition to the very idea of European integration leading to calls for full withdrawal of membership. Soft euroscepticism on the other hand covers those who oppose not the principle itself, but rather the current trajectory of the integration process, particular policies or institutional structures and decision-making processes. The soft eurosceptics have no fight with the idea of Europe, but rather with the current reality of it.

Though this may be a useful distinction to make in the pan-European context, in Britain it is not, and my discussion will focus exclusively on Britain. Therefore, despite the precedent, I will discard this theoretical approach: In Britain there is only one party – the UK Independence party - which defines itself wholly by principled opposition to and withdrawal from EU membership, that is, by hard euroscepticism. This theoretical approach would, in the British domestic context, merely place this one party in opposition to all the other parties whose stance on Europe is softer. This would hardly be helpful. Baker *et al* (2002), whose concerns are also solely within Britain do, on the other hand, find this hard/soft distinction useful, citing it as a basis for a two dimensional conceptual mapping of euroscepticism across Europe. They even put forward a possible third dimension, 'cloaked hard euroscepticism' as the hidden agenda within the factions of larger parties, but they differ from Taggart and Szczerbiak in terms of methodology.

Considerations of differences in kind between varieties of euroscepticism – ie like whether it is the very idea, or only a particular current policy of the EU which is opposed

- are not the focus of this discussion, and they are dealt with elsewhere.⁵⁹ Rather, the assumptions on which this essay is based allow for a different kind of approach. This approach accepts all varieties of euroscepticism regardless of differences in kind, and sets them under one overarching term 'euroscepticism.' This can then be conceptualized as a sliding scale of intensity of feeling: through their policy statements the different parties implicitly express more and less enthusiasm for the eurosceptic's 'island story' of Britain. This then is the theoretical basis of my approach: to assess the vigour of euroscepticism, not its nature.

2.2.3 The 'island story' of Britain.

Across Europe euroscepticism is a stable and visible sentiment running like a deep seam through a minority proportion of public opinion: The European Commission's 'Eurobarometer' of 2000/01 polled 13% of the population across member states as sceptics convinced that their county's EU membership was a bad thing.⁶⁰ Eurosceptic feelings in Britain, however, are arguably more intense than this. It is found daily in the pages of British newspapers, it can arouse passions, boredom and misunderstandings simultaneously, and it means a range of different things to different people. This stems partly from 'Europe' itself being such a divisive and at the same time ill-defined issue in public discourse. 'Europe' can refer to at least five different things: a geographical area, a Franco-German historical narrative, the parliamentary systems of the EU, the single currency, or the production of unnecessary paperwork and absurd vegetable-related regulations. It can also mean a way of conducting business or government, or even more nebulously a cultural 'way' of life – the 'European way,' as oppose to, say, the 'less subtle' American way, or even the more 'unique' British way.

⁵⁹ see Taggart and Szczerbiak 2002⁶⁰ Taggart and Szczerbiak: 2002

The meaning of euroscepticism is further complicated by the varieties of scepticism involved in the expression of reservations about the wisdom/complexity/influence/beauty/stupidity of 'Europe.' Is it any of these things, or all of them in varying degrees? Whatever the case, euroscepticism is a force to be reckoned with in British national identity, and by extension, in British politics: A Mori opinion poll conducted in February 2005 found 57% of respondents against membership of the single currency, and this figure only dropped to 55% if respondents were 'strongly urged by the government' to support the move. A similar poll conducted in 2004 just two months after the European Parliamentary elections found 80% of respondents could not name any of their MEPs. ⁶¹ These figures point to the existence of a significant eurosceptic constituency in Britain.

Representing this constituency on the political stage the strongest advocates of euroscepticism are the Conservative Party and the UK Independence Party. In his introduction to the Conservative Party Manifesto for the 2005 UK Parliamentary Elections the party leader Michael Howard promises that "we will settle our relationship with the EU by bringing powers back from Brussels to Britain." The Manifesto declares "We oppose the EU constitution…we also oppose giving up the valuable freedom which control of our own currency gives us. We will not join the Euro." They summarize their position as "no to the Euro and the EU constitution." The UKIP, who have ten MEPs despite being founded only in 1993, take a stronger line. They say of the EU "this alien system of government is bad for our economy, our self-respect and our prosperity... The EU is a one way street towards European government. It is undemocratic, corrupt and unreformable. The only way for Britain is the UKIP way: we must leave." Euroscepticism is not confined to these two parties – it is subscribed to with varying degrees of enthusiasm across the political spectrum – but these two are its firmest advocates.

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⁶¹ Mori, 28/02/05. "EMU Entry and EU Constitution" http://www.mori.com/polls/2005/citigroup-feb.shtml Last checked 14/08/05

⁶² Conservative Party Election Manifesto 2005.

http://news.bbc.co.uk/1/shared/bsp/hi/pdfs/11_04_05_conservative_manifesto.pdf Last checked 14/08/05 UK Independence Party Election Manifesto 2005.

http://news.bbc.co.uk/1/shared/bsp/hi/pdfs/UKIP uk manifesto.pdf Last checked 14/08/05

In the media it is common knowledge that particular newspapers take particular editorial lines. The Sun, The Times and The Sunday Times are owned by the Australian-American Rupert Murdoch, and until revelations in 2004 of his criminal activities, the Canadian-British Conrad Black owned the Daily Telegraph, the Sunday Telegraph and the Tory weekly The Spectator. Black and Murdoch are both self-confessed Eurosceptics – and the editorial lines of their newspapers express this. Garton Ash points out that if we take six daily papers, The Sun, Daily Mail, Daily Telegraph, The Times, Daily Express and Daily Star, all broadly Eurosceptic, we have a combined readership of 22.4 million. That is nearly three quarters of all newspaper readers getting a daily dose of euroscepticism.⁶⁴ For comparison, only about 8.4 million read the 'broadly Europhile' Daily Mirror, Guardian, Independent and Financial Times. 65 Perhaps the most memorable eurosceptic headline in recent times was printed by *The Sun* – the most popular paper in the country in May 2003 in response to the new EU constitution. Under the heading 'Save our Country' it hollered out to the masses "1588 – We saw off the Spanish, 1805 – We saw off the French, 1940 - we saw off the Germans, 2003 - Blair surrenders Britain to Europe."66

It is hard – and here unnecessary – to try to say whether these strands of euroscepticism in politics and in the media more reflect public opinion or form it, but either way they are part of Britain's on-going debate about what story it wishes to tell about itself. Since the decline of Britain as a world power this story has not been one of certainty, and certainly the relationship between Britain and the European Union has never been straight forward. Tony Blair, as a moderate pro-European, has characterized the UK-EU relationship as 'a history of opportunities missed in the name of illusions.' If the heartfelt sentiments of national identity can be written off as 'illusions' then Blair is right to characterize euroscepticism as such. But this view does not do justice to its rationality.

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⁶⁴ Garton Ash:31-32

⁶⁵ Garton Ash:265

⁶⁶ Garton Ash: 29-30

⁶⁷ The Guardian, 25/11/01. - "Learn to love the Euro, Chancellor." Leader. http://observer.guardian.co.uk/leaders/story/0,6903,605564,00.html Last checked 14/08/05

The British have for some centuries successfully – see *The Sun* headline above - nurtured a robust sense of their own uniqueness and independence, and this has derived from a particular experience of history. There is nothing mysterious or incomprehensible about the eurosceptic seam in British public opinion, for the eurosceptic's view of history is hardly esoteric. It is based on an interpretation of historical events which justifies hostility to the institutions of European government. Even when expressed in trashy sensationalist terms to sell newspapers or to stir apathetic voters it is in its higher form a reasonably pragmatic position, and it derives from natural perceptions of real events experienced at a popular level. It is not just about indiscriminate suspicion of foreigners, but rather about a deep sense of British identity forged through historical experience.

There are various events and personalities that have played their role in this 'island story' of Britain, and these can be traced way back to the traditions of English Common Law developing in the reign of Henry II, to the signing of Magna Carta in 1215, through the founding of parliament and the Civil War to the Bill of Rights in 1688. However, the most important chapters to the story to mention here are those of the post-war twentieth century. I will look at the founding of the EFTA, De Gaulle, EEC membership in 1972, Margaret Thatcher and the Maastricht Treaty. There can be little doubt that all these factors are defined by the legacy of Churchill's leadership through World War II. The influence of Churchill in the story of Britain's self-image cannot be over-stated. As Garton Ash puts it, "all British foreign policy since 1940 has been footnotes to Churchill." But the current discussion will not dwell on Churchill. It is taken as a given that his ghost dwells in the background to each assertion of British greatness. It is on the post-WWII Britain that the current discussion will concentrate.

We could probably look back as far as Waterloo and Trafalgar to trace British disdain for European statehood, and this may be the origins of British euroscepticism's deeper strains, but the hard evidence is to be found in the aftermath of World War II. In 1950 Britain was not interested in joining the European Coal and Steel Community (ECSC) set

⁶⁸ Garton Ash:18

⁶⁹ Garton Ash:36

up under the Schuman Plan for 'the six' – France, West Germany, Italy, Belgium, Netherlands and Luxembourg. Instead the preference was to set up its own economic trading area known as the European Free Trade Area (EFTA) in 1959. This attempt to affirm British sovereignty through leadership was never a match for the emerging EEC – with which the USA preferred to trade – and, in the end, Britain left the EFTA when it joined the EEC in 1973. This illustrates that Britain did not see itself on a level footing with EEC members. Britain was different. Britain at this stage had been profoundly affected by the war-time personality of Churchill, and it was hard to argue that his brand of British patriotism had not been vindicated by military victory. Churchill had turned Britain's deepest calamity – standing alone in 1940 after the fall of France – into its 'finest hour.' The association of independence with glory has gained the currency of legend in British identity, and it informs euroscepticism to this day.

A change in approach, if not in outcome, came with Harold Macmillan. He tried to groom the electorate for EEC membership, and in 1961 applied for British membership. His decision was less out of personal enthusiasm or commitment to the European Project – he called it a 'grim choice'⁷¹ - than out of clear recognition that the balance of powers had changed since Churchill's heady days. Richard Weight cites three main factors influencing Macmillan at the time: firstly that the Americans were broadly in favour of a united Europe. Secondly that the British economy was looking weaker than it had in the boom of the 1950s, and thirdly that the EEC itself was proving a resounding economic success.⁷² Such a recognition of economic imperative can hardly be construed as a change of heart among the political elite, but it could have signaled a new and more sympathetic approach to the continent. But it was not to be.

In 1963 De Gaulle's 'non' to Britain's EEC membership application was not only a blow to British pride and a cause of renewed Franco-phobia, but it also served to reinvigorate

⁷⁰ ibid:32

⁷¹ Garton Ash: 35 72 Weight: 326

Churchillian posturing. A second attempt by the Wilson Government in 1967 was similarly rebuffed.⁷³

Where Britain and France has been united in war time, in peace power struggles took over: De Gaulle saw British membership of the EEC as a 'Trojan horse', for undesirable American influence. There was, importantly, alongside British euroscepticism, some European British-scepticism to take into account in the continuation of Churchillian pride. Subsequent euroscepticism was a natural reaction of hurt pride and hurt feelings to the experience of exclusion. Kenneth Morgan encapsulates the sentiments of the time and of the present - concisely: "it cannot be said that the British showed any overwhelming sense of grief at this failure to be admitted to an alien institution which would mean dearer food, a diminution of Commonwealth links, and a threat to national sovereignty."⁷⁵ Unlike the setting up of the EFTA – which I cited as evidence of preexisting euroscepticism – De Gaulle's 'non' was more a cause of its renewal.

The most pro-European Prime Minister the UK has ever had was Edward Heath. ⁷⁶ With De Gaulle dead, he took Britain into the EEC with the European Communities Act of 1972. However, there is little evidence that Britain had evolved into a newly pro-European nation. A poll in 1970 showed only 19% favoring entry.⁷⁷ But Heath was facing dire economic circumstances, and with the aide of "the biggest state publicity campaign since the war,"⁷⁸ he got his way with public support. This was arguably the low-ebb of euroscepticism, because Britain was rapidly earning its reputation as the 'sick man' of Europe, and EEC membership was presented as a cure to the nation's ills. But Britain at the time was facing economic crisis with the pound devalued, high inflation, high unemployment - together known as 'stagflation' which was baffling Keynesian economists – ruinously high oil prices and mass industrial action. In such a poorly state

⁷³ The facts on which these comments are based are understood to be common knowledge.

⁷⁴ Weight:353

⁷⁵ Morgan K, 2001 Oxford History of Britain. OUP, Oxford: 645

The Daily Telegraph, 18/07/05. "Sir Edward Heath dies at 89" by F Govan and R Allegne. http://www.telegraph.co.uk/news/main.jhtml?xml=/news/2005/07/18/dba1801.xml&sSheet=/portal/2005/0 7/18/ixportal.html Last checked 13/08/05 Weight:476

⁷⁸ Weight: 477

EEC membership seemed like a path to stability. But it is what came after Heath that is critical for an assessment of euroscepticism: The Labour Government of Harold Wilson which followed Heath's Conservatives in 1974 was committed to reversing Heath's integrations, and for re-negotiating many of the provisions of membership. In March of 1975 he even managed to win a small rebate in Britian's budgetary contribution.⁷⁹

In retrospect Heath's decision on EEC entry seems more like the deed of a 'sick man' than the rational decision of a healthy and committed prospective member. 80 As such the events of the early 1970s illustrate less the reversal of euroscepticism than the recognition of the need for an antidote to domestic economic crisis. People wanted a cure for Britain, but they did not explicitly want Europe. The fact that Heath took Britain into Europe is not evidence of fading euroscepticism. Instead I would argue that subsequent developments actually served to re-enforce suspicions for the situation got worse as the decade wore on, with oil prices quadrupling and further crippling industrial action. Britain's economic crisis was not cured by EEC membership, and the Labour party recognized it when they followed him into government, but they too failed to bring a halt to the decline. Britain had to wait for Mrs Thatcher for its fortunes to change.

Britain's profound scepticism about the European project was deepened in the Thatcher era, and this coincided with Britain's return to prosperity. It is evidence of the pragmatic streak in British thinking that where in the early 1970s the 'sick man' of Europe sought EEC membership as a solution to domestic strife, now the reverse argument was employed: 'Why would a prosperous and powerful nation want to join a club of less prosperous, less powerful nations?' was a fairly typical line of thinking from the time. It was embodied by Thatcher when she famously 'asked for her money back' in the form of a £1,000 million rebate of the UK's contributions to the European budget in 1980 and 1984.⁸¹ The image of 'stand-alone Britain' which took on the institutions of Europe was

⁷⁹ Weight:511

⁸⁰ The fact that 67.2% of a respectable 64.5% referendum turnout were in favour of Britain's EEC membership in June 1975 shows only that 67.2% feared dramatic change - if the referendum had been held before membership had been accepted, the chances are that 67.2% would have registered their opposition. (figures cited in Weight:512.)
81 Weight:637

complemented by the experience of the Falklands war, which was an opportunity for many politicians, diplomats and newspaper editors to air their Churchillian views. Thatcher herself took the lead in this, announcing after victory that "Those who believed that our decline was irresversible..those who feared that Britain was no longer the nation that had built an Empire and ruled a quarter of the world. Well, they were wrong...This generation can match their fathers and grandfathers ability, in courage and in resolution..[etc]"

Here we have two sides to the eurosceptic coin. On the one side we have hostility to Europe, and on the other we have a harking back to Britain's own imperial past: In the light of such a history it seems entirely reasonable for the leader of the UKIP to point out that for 2.6million people to vote UKIP in the 2004 Euro-elections was "an immense expression of confidence in an independent Britain." The notion of an 'independent Britain' is the logical conclusion of euroscepticism, and it was something Mrs Thatcher used to her advantage: the snap General Election she called after victory in the Falklands was a landslide for her eurosceptic pro-Britain Conservative party. Contemporary euroscepticism has strong roots in the legacy she left.

Thatcher was certainly the most euro-phobic Prime Minister the UK has had, and her isolationism was in various ways continued by Major. Major however was more a victim of circumstance than an instigator of euroscepticism, for the humiliating withdrawal from the ERM in 1992 confirmed in the mind's of many that the destiny of the pound was absolutely not in Europe. The Major approach is typified by his desire to opt out of two of the central clauses of the Maastricht treaty – that is, on Economic Union and the Social Chapter. Major faced a deeply divided Tory party at home most of whom felt that even these hard won concessions were not enough. The infighting in the Tory party rose to self-destructive levels, and yet the Treaty was still ratified in Parliament. The episode is

⁸² Weight: 624

⁸³ UK Independence Party Election Manifesto 2005.

http://news.bbc.co.uk/1/shared/bsp/hi/pdfs/UKIP_uk_manifesto.pdf Last checked 14/08/05 The Guardian, 21/05/04. - "Tory U-Turn on Social Chapter." Press Association. http://www.guardian.co.uk/eu/story/0,7369,1222151,00.html Last checked 15/08/05

emblematic: Britain's relationship with the institutions of Europe has been a history of ambiguity, scepticism and reluctance.

There are various reasons for this that can be traced, but the memory of victory and national military success casts a long shadow: once a great empire, and twice victor in world war. The British people have never had cause to distrust or to closely scrutinize and question the legitimacy of the institutions of their own government in the way that history has forced the Germans and the French to do. Parliament in Westminster is felt to have brought glory on its people, not ruin, oppression or shame. The subsequent reluctance to give up national sovereignty – aside from whether EU membership engenders this loss or not – then makes sense. National pride, and this history of ambiguity, scepticism and reluctance have in contemporary discourse become political doctrine for those who claim euroscepticism as a virtue and a legitimate vision of Britain's future.

The telling of the 'island story' of Britain clearly shows that policy attitudes towards Europe change, develop and fluctuate over time: no absolute pro or sceptic position has ever emerged over time to define the British approach. Broadly speaking, different Prime Ministers have had different visions of Britain's national destiny, and the events of successive decades have forced reactions and decisions at the highest executive level that have charted out Britain's history of European integration as a unique, peculiar and winding path. Such vicissitudes are well reflected in the diversity of political parties in Britain. There are no simple or absolute positions, but rather there are varying degrees of euroscepticism expressed in various ways. To assess this reality in an appropriate way it is thus reasonable to apply a 'sliding scale' of euroscepticism which does not confine political parties to one view or another, but allows them instead to be placed in relation to each other according to the vigour of the euroscepticism they express. This is the theoretical basis used in Part 3 of the current investigation as a foundation for the eurosceptic axis of the proposed conceptual chart.

Part 3. The construction of the chart.

The stated aim of this investigation is to build a particular picture of the national political landscape in the UK. Thus not all the parties which field candidates or which may have won seats need to be considered here. The BBC lists nineteen different parties in its 'full national scoreboard'⁸⁵ for the May 2005 election but many of these parties are regional in outlook, or only local. The four parties of the province of Northern Ireland – the DUP, the SDLP, Sinn Fein and the UUP – do not have a UK-wide agenda, and so will not be considered here. This same exclusion applies to the regional nationalist parties the SNP and Plaid Cymru, as well as to the Scottish Socialists, the Scottish Greens, and the locally orientated Independent Kidderminster Hospital party.

These parties may or may not have won seats, but to consider only those parties which won seats in Westminster would be to submit to the characteristics of the UK 'first past the post' parliamentary system. To do so would lead to the same anomalies here as there are characteristically and currently in parliament: for example, though the Respect Party won the constituency of Bethnal Green and Bow, and the UKIP won no seats, Respect won only 0.3% of the whole national vote, whereas the UKIP won 2.2% If the current investigation is to give due consideration to the political parties which matter to the national electorate then alternative criteria need to be used. To consider only those parties which won seats is to exclude other relatively more popular minor parties and hence to give as distorted a picture of the landscape of political representation in the UK as the 'first past the post' system does. 88

Thus even though the UKIP, Green and BNP parties did not win seats they will be considered in the current investigation because of their relative electoral popularity and success: they each won at least 0.7% of the popular vote nationwide. The BNP won

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⁸⁵ BBC, 24/06/05. "Full National Scoreboard." http://news.bbc.co.uk/1/shared/vote2005/html/scoreboard.stm Last checked 14/08/05

⁸⁶ As D Kavanagh says in his "Political Parties" (2004) "the disproportional effects of the Westminster electoral system have prevented the other parties" (i.e. those other than the main three) votes being reflected in a large number of seats." (Kavanagh, 2004:283)

⁸⁷ BBC, 24/06/05. "Full National Scoreboard."

⁸⁸ ibid: 283-289

0.7%, the Green Party won 1.0% and the UKIP won 2.2%⁸⁹ Their policies may be considered distasteful, insubstantial or too narrowly focussed to a majority of voters, but in order to counter the tendency of the 'first past the post' to stifle minority voices these groups need to be considered here:⁹⁰ the concern here is not to give a national voice to regional parties – it has already been said that parties with such sub-national agendas will not be considered here – but rather to give voice to minority political groups whose agenda actually is nationwide in outlook. To consider these political voices gives a useful indication of where voters turn to when they are suitably unimpressed or dissatisfied with the main three political organizations in the country.

Thus the criteria adopted for consideration of the parties in the current investigation is three-fold: parties will be considered if they (a) are nationwide, not regional or local, in outlook, and either (b) that they won one or more seats in Westminster, or (c) that they won at least 0.7% of the national popular vote. Seven political parties fit these conditions: The Conservative Party, The Labour Party, The Liberal Democrat Party, The UK Independence Party, The Green Party, The British National Party and the Respect Party. See Table 1.

Table 1: The Seven Political Parties. 91

	Percentage of national	
	vote	seats won

⁸⁹ BBC, 24/06/05. "Full National Scoreboard."

⁹⁰ Kavanagh: 283

⁹¹ BBC, 24/06/05. "Full National Scoreboard."

The Conservative	8,785,941	32.30%	198
Party			
The Labour Party	9,556,618	35.30%	356
The Liberal	5,985,414	22.10%	62
Democrats			
UK Independence	605,973	2.20%	0
Party			
Green Party	257,695	1.00%	0
British National Party	192,746	0.70%	0
Respect Party	68,094	0.30%	1
Total	25,448,397	93.80%	616
National total	27,132,327		646
National remainder not considered here	1,683,930		30

The content analysis technique for textual interpretation requires access to the text of the manifestos of these parties, and they are all available on-line through the BBC website. Having established in parts 2.1 and 2.2 the key concepts to consider in assessing both the economic policy and euroscepticism the occurrences of them in the manifesto texts is central: the 'pdf' format of the manifesto texts online allows for quick and reliable word search and count functions. Thus the method for assessing the party positions with regard to the criteria identified ran as follows.

For economic policy, occurrences of each of the terms tax, taxes, taxation, regulation and regulations were recorded according to whether a positive, negative or neutral stance toward them was expressed at the point in the text where they occurred. The results were then recorded in tables. (Due to their number and volume they are included as Appendix II to avoid disrupting the text.)

For euroscepticism, occurrences of the terms Europe, European Union and EU – since these are the most common names used in political discourse – were recorded again according to whether a positive, negative or neutral stance toward them was expressed at the point in the text where they occurred. These results were then also recorded in tables.

36

⁹² BBC, 02/05/05. "Election 2005. Compare Policies at-a-glance." http://news.bbc.co.uk/1/hi/uk_politics/vote_2005/issues/default.stm_Last checked 17/08/05

(Again due to their number and volume they are included as Appendix III to avoid disrupting the text.) The total results for the two sets of seven tables were then aggregated into two more comprehensive tables which give an overall picture of the territory considered: *Table 2* gives the results for economics, and *Table 3* for euroscepticism. In these two tables all figures were converted into percentages to allow for meaningful cross-referencing and comparison within each table, although not between them.

Table 2: Economics axis;

Record of references to the terms tax, taxes, taxation, regulation and regulation in 2005 General Election manifestos.

	Total	Positive		Negative		Neutral		Index	Index
	references	reference	es; %	reference	es; %	references	; %	1*	2*
Conservative	33	5	15	27	81.8	1	3	-65	70

Labour	42	9	21.4	28	66.7	4	9.5	-36	55
Liberal Democrat	83	25	30.1	56	67.5	2	2.4	-34	40
Green	79	68	86.1	9	11.4	2	2.5	77	-72
UKIP	58	8	13.8	37	63.8	13	22.4	-28	72
BNP	95	41	43.2	47	49.5	7	7.4	1	14
Respect	33	28	84.8	5	15.2	0	0	70	70

Table 3: Euroscepticism axis;

Record of references to the terms Europe, EU and European Union in 2005 General Election Manifestos.

	Total references	Posi referenc		Nega reference		Neut referenc		Index 1*	Index 2*
Conservative	15	2	13.3	6	40	7	46.6	20	67
Labour	42	17	40.5	7	16.7	18	42.9	67	19
Liberal Democrat	30	13	43.3	6	20	11	36.6	60	13
Green	94	2	2.1	67	71.2	25	26.6	-43	96
UKIP	27	9	33.3	10	37	8	29.6	26	33
BNP	53	0	0	34	64.1	19	35.8	-28	100
Respect	28	6	21.4	12	42.9	10	35.7	14	57

^{*} For both tables indices 1 and 2 are derived from two formulas:

- Index 1: (% positive references + % neutral references) % negative references.
 - Or; (P+Nu)-N
- Index 2: (% negative references + % neutral references) % positive references.
 - Or; (N+Nu)-P

At this point emerges the main methodological problem faced in the research: if there were no neutral references expressed by the parties it would be easy simply either to subtract the percentage of positive references from the percentage of negative references – or vice versa – in order to arrive at a single calibrated scale on which to plot the parties. But the percentage of neutral references, since they were significant in number, needs to be factored in. The choice here was whether to use the neutral references in conjunction with the positive or with the negative references. The two possible outcomes of the two choices is reflected in the columns in Tables 1 and 2 labeled 'Index 1' and 'Index 2.'

In both tables Index 1 considers neutral references as in essence positive: the figure is arrived at through adding together the total positive (P) and total neutral (Nu) references and then subtracting from that figure the total negative (N) references. This can be expressed in the formula

Hugo Whately

$$(P+Nu) - N = Index 1$$

Index 2 however, considers neutral references to be negative: In this case the figure is arrived at through adding together the total negative (N) and the total neutral (Nu) references, and then subtracting from that figure the total positive (P) references. The can be expressed in the formula

$$(N+Nu)-P=Index 2$$

Both indexes have their merits and characteristics, but the aims of the current investigation need to be kept in mind, and can help to solve the question of which index to adopt for the proposed conceptual chart. In the case of euroscepticism it is the vigour of the euroscepticism which is being assessed, and simply its nature: the theoretical approach set out in Part 2.2.2 made it clear that the current investigation accepts all varieties of euroscepticism regardless of their differences in kind, and sets them under the simple and over-arching term 'euroscepticism.' This can then be conceptualized as a sliding scale of intensity of feeling. Thus the vigour of euroscepticism can be more clearly assessed when the unenthusiastic – i.e. the neutral – references are considered as negative.

In the case of economics there is a different logic to apply to arrive at the opposite result. Calls for reform in the manifesto text were considered as negative references to the category in question because to do so expresses an implicit dissatisfaction with the status quo: thus do neutral references have to be considered as positive here because they imply a lack of desire to change the status quo – the implication being that the party in question finds the current status quo agreeable and sympathetic to their agenda: if a party does not want to change something, it follows that it must be because they like it, or are content that their purposes are served as is. Thus for the economics axis it is appropriate to plot the positioning of the parties according to Index 1.

Thus the positioning of the seven political parties plotted on the conceptual chart (figure 1) is calibrated on the economics axis according to Index 1, and on the eurosceptic axis according to Index 2. *Table 4* gives the final figures by which the positioning of the seven parties is plotted. In terms of these figures, a negative score on the economics axis indicates a more liberally inclined economic policy agenda, and a higher positive score indicates a more socially inclined agenda. The calibration is different for the eurosceptic axis, where a lower score indicates a more positive attitude to Europe, and a higher score indicates a greater degree of scepticism.

Table 4: Final Index Scores

	Economics axis - Index 1	Eurosceptic axis - Index 2
The Conservative	-65	67
Party		
The Labour Party	-36	19
The Liberal	-34	13
Democrats		
The Green Party	77	96
UK Independence	-28	33
Party		
British National Party	1	100
Respect Party	70	57

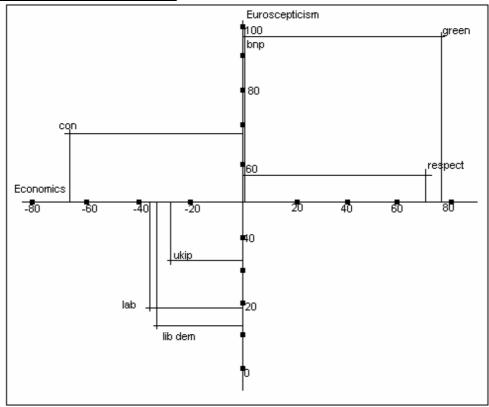


Figure 1: The Party Positioning

KEY to figure 1 and figure 2:

con = The Conservative Party

lab = The Labour Party

libdem = The Liberal Democrat Party

ukip = The UK Independence Party

bnp = The British National Party

green = The Green Party

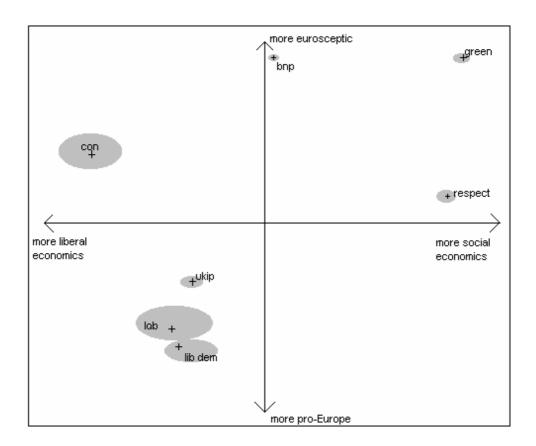
respect = Respect Party

The relative size of the different parties is not represented proportionally on the conceptual chart figure 1 as that information is not reflected in the methodology used to arrive at the results configuration portrayed: this said, to ignore their relative size might appear a little strange, and thus in figure 2, though not in figure 1 the three main parties -The Conservative Party, The Labour Party and the Liberal Democrats which together account for 89.5%, or 24,310,826 votes⁹³ - are indicated as proportionally larger than are the four smaller parties - the UKIP, the Green Party, the BNP and Respect - which together account for just 4.3%, or 1,137,571 votes.⁹⁴

 ⁹³ BBC, 24/06/05. "Full National Scoreboard."
 ⁹⁴ BBC, 24/06/05. "Full National Scoreboard."

Figure 2 is a more user-friendly version of figure 1. It is based on exactly the same spatial positioning data, yet with all numerical indicators removed from the axes, it can now be read and interpreted as the conceptual chart that was originally intended.

Figure 2: The Conceptual Chart



Part 4. Reading the chart.

4.1 Introduction

The conceptual chart, *figure 2*, can only be read in terms of the methodological parameters which created it. It cannot make sense in real terms – that is according to any reference points outside of the techniques and procedures applied in its creation. The fact that the Liberal Democrat party scores '-34' for its economic policy, or that the Respect party scores '57' for its attitude towards Europe is meaningless outside of this current investigation. However, because the same strict research criteria were applied to each the seven party manifestos in a disinterested and rigorous way, meaningful statements can be made about the relationship between the parties when they are positioned on these axes. This is the nature of the conceptual chart here, and it is also the reason for removing the precise numerical data which indicates the spatial positioning of the parties. The positioning of the parties, and their scores on the axes is not itself useful information. What is useful here is the differences and relationships between the parties in relation to each other which the chart reveals.

Thus, on the basis of *figure 2* as a conceptual chart which provides a particular perspective on the relationships between parties, a broad brush description can now be given of the political landscape in the UK. (As it was at the time of the May 2005 election.) Then the interpretation can zoom in to a closer scrutiny of the positioning of the parties in relation to each other. In the course of this closer analysis references can then be made more broadly to statements made in the manifestos themselves. In this way the results of the current investigation can be explained, corroborated and reinforced, and set into a broader context.

4.2 The Four Minor Parties.

Figure 2 shows that the four minor parties, the UK Independence Party, the Green Party, Respect and the British National Party are spread out far apart from each other. All four minor parties are chasing niche political constituencies: this explains the distance between them shown by figure 2. When the vast majority of votes cast go to the three main parties, those who do not vote for them must by necessity hold views which are too extreme to be catered for by the mainstream. What this chart shows is that those extreme political views are separated from each other by the configuration of political parties in the UK. The nationalism of the BNP has little in common with the environmentalist concerns of the Green Party, and neither of these two are anywhere close to the anti-Iraq, anti-Blair agenda of Respect. None of these three in turn identifies at all closely with the withdrawal from the political institutions of the EU favored by the UKIP.

On the whole there is little common ground between the minor parties in terms of their economic policy or their attitudes to Europe. However, on closer inspection two particular convergences do emerge: Firstly between the Greens and the BNP on the eurosceptic axis, and secondly between Respect and the Greens on the economics axis.

Firstly the Greens and the BNP, whilst far apart in their economic outlook, are similarly extreme in their euroscepticism. By the results of the current investigation they are the two most eurosceptic parties operating in the UK. The non-existent possibility of either party ever having to test their manifesto policies in government permits them to depart from the realism that the bigger parties have to maintain, and their extremism needs to be understood in this context.

However, what is interesting here is the clear depth of euroscepticism felt. The limited breadth of these parties' appeal is indicated by their limited electoral success, but the conclusion to draw here is that the minority who do vote for them are sufficiently alienated from the mainstream that they are prepared to subscribe to two extremely

eurosceptic policy agendas. If parties can be seen as giving public voice to the sentiments of those who vote for them, then the BNP and the Green Party constituent supporters have their euroscepticism in common.

It is a little surprising that the UKIP appears as the least eurosceptic of these four, but this perhaps reflects their more realistic approach to the realities of the UK's trade relations with European countries. The UKIP's outright hostility to the political institutions of the EU is tempered by their acceptance of and enthusiasm for increased trade relations with Europe. For example, in the introduction to their manifesto the first paragraph reads "Why the UK must leave the EU: The European Union is not just a trading arrangement. It is a political project designed to take control of all the main functions of government." Yet this hostility to the institutions of the EU is balanced by a more realist position on trade policies:

"When the UK leaves the EU, we can be confident of being able to continue trading with our European neighbours, hence there is no question of threats to the three million UK jobs that are associated with exports to the EU. We consistently buy more from EU countries than we sell them so it would not be in their interests to disrupt trade – they will still want to sell us their wine and cars. UKIP's preferred arrangement is for our EU trade to be conducted under bilateral trade agreements, similar to the agreements that the EU has reached with Switzerland and many other non-EU countries."

The BNP and the Green Parties – with little hope of ever having their manifesto policies hammered out on the anvil of executive power – can afford to be less realistic. This perhaps explains their close alignment on the eurosceptic axis. They take a more populist eurosceptic stance towards both the political institutions and also the current trading arrangements that the UK has with the EU. The BNP calls leaving the European Union the "sine qua non" and declare that

⁹⁵ UK Independence Party Election Manifesto 2005.
http://news.bbc.co.uk/1/shared/bsp/hi/pdfs/UKIP_uk_manifesto.pdf Last checked 14/08/05
⁹⁶ ibid

⁹⁷ British National Party Election Manifesto 2005.

"The European Union is an aspiring super state which would deprive the British people of their right to democratic self-government, subject us to alien rule in the interest of a bureaucracy which has no loyalty to the United Kingdom and bring about the eventual liquidation of Britain as a nation and a people." ⁹⁸

The Green Party tend to take a similarly pugnacious view of the UK's relationship with Europe, and even talk of the EMU in conspiratorial terms:

"The massive expansion in world trade is at the heart of economic globalisation. Such trade puts power in the hands of unaccountable trans-national corporations at the expense of elected national governments...Greens will work internationally to reverse the process of economic globalisation...The single EU currency is a tool of this economic globalisation and we will therefore oppose the UK's entry to the euro"

Between the extremes shown on the eurosceptic axis in *figure 2* of the UKIP on one hand and the BNP and the Greens on the other is Respect. Respect's more centrist positioning on European affairs can perhaps be understood as part of a strategy to be taken seriously as a balance against the party leader's (and only MP's) practically single issue campaigning strategy: opposition to both the war in Iraq and to Tony Blair's Premiership. The opening paragraph of the Respect manifesto reads "Blair persists in stridently defending the invasion of Iraq despite the absence of weapons of mass-destruction and the disastrous consequences of the war in Iraq today..." With the Iraq war dominating the Respect agenda, what few references there are to European affairs tend to be quite moderate, centrist and understated: Respect's radicalism is confined to its opposition to the Blair-Iraq foreign policy configuration.

http://news.bbc.co.uk/1/shared/bsp/hi/pdfs/BNP_uk_manifesto.pdf Last checked 14/08/05

⁹⁸ ibid

⁹⁹ Respect Election Manifesto 2005.

The second convergence to note is that between the Green Party and Respect on the economics axis. Like the BNP and the Greens on the eurosceptic axis, the Greens and Respect are similarly aligned on the economics axis. Both parties, though they do not share the same level of euroscepticism, do advocate an economic policy agenda which is far more socially inclined than any of the other parties considered. It follows that the mainstream parties do not cater to these two niche constituencies: the environmentalist and the anti-war. It also follows that these two constituencies have in common a strong desire for a more socially focussed economic policy program. Perhaps in these two peripheral parties the old socialists of the twentieth century now find their refuge in twenty-first century Britain. These two convergences, between the BNP and the Green's euroscepticism and between the Green's and Respect's more socially inclined economic policy agenda bear closer scrutiny in their manifestos.

The language used by both the Green Party and by Respect is redolent of the old language of socialism. Both parties aspire to re-establishing the public ownership of key national industries, and the Greens go so far as to talk of real wealth redistribution. Respect heads up its manifesto with a clear economic agenda: "End privatization – bring public services back into public ownership." 100 It goes on to declare:

"We believe that there is an alternative to imperialist war, unfettered global capitalism, and the rule of the market. We aim for a society where wealth is used to meet the needs of the people, not the profits of corporations...We stand for the extension of public ownership into the key sectors of the economy including bringing the public utilities such as the railways, water, gas and electricity services back into public ownership."101

The Greens have similar views.

"The Green Party will..rebuild the welfare state through the introduction of universal benefits based on the notion of citizenship... These provisions will work

¹⁰⁰ ibid

¹⁰¹ Respect Election Manifesto 2005.

alongside our policies on wealth redistribution and a more progressive income tax to increase social equality...we will return the railways and the tube system, including both track and operations, to public ownership." 102

At this stage the results shown on figure 2 can be taken a little further in light of other polices put forward in the manifestos. The convergence noted between the Greens and Respect can be used as a gateway through which to view other possible convergences. In this respect it is revealing to note the degree to which the two parties share each other's core beliefs. The fact that Respect puts the environment as the second issue on its agenda indicates its closeness to the Green perspective: "The effects of global warming and climate change are spiraling out of control. It is one of the most serious challenges facing our planet today." The degree on convergence between the two on the anti-Iraq war stance of Respect is less pronounced however.

Where Respect's environmental agenda is high on its list on concerns to address, Iraq is not so central a feature of the Green Party manifesto: "A Green government would not have gone to war in Iraq. Such an act was against international law and lack the support of the UN. It was a profoundly misjudged act of foreign policy which has killed thousands, reduced Iraq to chaos, and left the UK dangerously exposed to global terrorism." This is statement certainly constitutes an unequivocal condemnation of the Iraq war, but the difference here is the prominence of its expression in the manifesto text. It is not second on the Green agenda. It is not central to the Green campaign. In fact the statement is buried in a paragraph which discusses broader issues of foreign policy and international institutions, and does not focus on Iraq at all.

From this brief analysis of the configuration of the four minor parties' inter-relationships displayed at figure 2, we can draw a few conclusions: according to the research criteria of the current investigation, the UKIP is the most economically liberal of the four parties considered. By contrast the Green Party and Respect are the most economically socially

¹⁰² Green Party Election Manifesto 2005.

http://news.bbc.co.uk/1/shared/bsp/hi/pdfs/GRN_uk_manifesto.pdf Last checked 14/08/05 Respect Election Manifesto 2005.

¹⁰⁴ Green Party Election Manifesto 2005.

inclined, and the BNP figure in the middle ground. The most eurosceptic are the BNP and the Greens, Respect occupies the middle ground, and the most pro-European are the UKIP. This final point regarding the UKIP is an anomaly that has been noted and interrogated briefly – withdrawal from the institutions of the EU being the raison d'être and founding myth of the UKIP – but it needs some further comment and explanation: this will be done in Part 5.1.

4.3 The Three Main Parties.

Having described some of the periphery of the political landscape in the UK and drawn some conclusions regarding the relationships between the four minor parties considered in the content analysis research, we can now move on to consider the three main political parties in the UK. These are The Conservative Party, The Labour Party and the Liberal Democrats. Based on the results of the manifesto content analysis displayed in *figure 2* the mainstream of the British political landscape can be described in the following terms:

The Conservative Party is the most eurosceptic and the most economically liberal of the three main parties in Britain. The Liberal Democrats are the most pro-European and the most economically socially inclined of the three main parties. The Labour Party is positioned between the Conservatives and the Liberal Democrats, but is much closer to the relatively pro-Europe and social economics of the Liberal Democrats than the more liberal economics and euroscepticism of the Conservative Party.

The Conservative Party is significantly more sceptical about Europe than either the Labour Party or the Liberal Democrats. In this the Liberal Democrats are the most pro-European party in their manifesto policy statements. The Labour Party is much closer to the Liberal Democrats in their attitudes towards Europe. On the issue of Europe the political gulf between the Conservative Party on one hand and the Labour Party and the Liberal Democrats on the other is gapingly evident.

This gap between the Conservative attitudes towards Europe and the Labour and Liberal Democrat attitudes towards Europe is a larger gap than that between the Conservative economics and the economics of the Labour Party and the Liberal Democrats. Thus in comparison to the differences over Europe, the three main parties are relatively more closely grouped in terms of their economics. Within this grouping however the Conservatives are the most Liberally inclined, and the Liberal Democrats are the most socially inclined. The Labour Party occupies the center ground between them, but is politically much closer to the more socially inclined Liberal Democrats.

4.3.1 The Conservative Party.

The euroscepticism and the liberal economics of the Conservative Party are well illustrated in the policy statements made in their manifesto. The front cover of their manifesto lists six policy concerns which formed the core of their election campaign. These were 'More Police, cleaner hospitals, Lower Taxes, school discipline, controlled immigration, and Accountability" ¹⁰⁵ and were framed by the legend "Are you thinking what we're thinking? Its time for action." Lower taxes is listed here as the third highest concern on the Conservative policy agenda. This said, the first topic addressed in the manifesto text is headed "Value for money and lower taxes." "We will lower taxes" says the manifesto, because "lower taxes promote enterprise and growth. But they also promote the right values...we believe that lower taxes help families build their financial independence and security." Such a position on taxation is redolent of Hutton's (2002)

¹⁰⁵ Conservative Party Election Manifesto 2005.

http://news.bbc.co.uk/1/shared/bsp/hi/pdfs/11 04 05 conservative manifesto.pdf Last checked 14/08/05

¹⁰⁷ ibid 108 ibid

characterization of the American Conservative notion outlined in Part 2.1.3 that taxation is itself morally suspect, and not conducive to the autonomous and responsible development of the moral character of citizens. 109

The Conservative policy statements regarding regulations reinforces this characterization of Conservative economic policy as liberal. "As well as keeping taxes low, we must reduce the burdens on business through regulation...We will set regulatory budgets for each department, capping and then cutting the cost of the regulations that they can introduce in any one year." This first section of the Conservative Party manifesto is summed up in a little box headed "Low taxes" which gives five bullet points: "Value for Money. A lower tax economy. Support for saving, dignity for pensioners. Less regulation. A stable economy with low interest rates."111 The results for the economics axis shown on figure 2 are thus consistent with the policy statements and priorities given in the text of the Conservative Party manifesto itself.

In terms of euroscepticism the text of the Conservative manifesto also corroborates the findings shown in *figure 2*. In his opening personal message as Conservative Party leader Michael Howard says "We will settle our relationship with the European Union by bringing back powers from Brussels to Britain." In the final section of the manifesto text, tellingly dealt with under the heading 'Accountability' the Conservative position on Europe is spelt out in no uncertain terms:

"We will co-operate with all those who wish to see the EU evolve in a more flexible, liberal and decentralized direction. We oppose the EU constitution and would give the British people the chance to reject its provisions in a referendum within six months of the general election...We will not join the Euro...We will

¹⁰⁹ Hutton 2002:6

¹¹⁰ Conservative Party Election Manifesto 2005.

http://news.bbc.co.uk/1/shared/bsp/hi/pdfs/11_04_05_conservative_manifesto.pdf Last checked 14/08/05 ibid ibid

ensure that Britain once again leads the fight for a deregulated Europe by negotiating the restoration of our opt-out from the Social Chapter."¹¹³

Although this clear euroscepticism is balanced by some more moderate language – for example "we will also build on the success of enlargement, making Europe more diverse by working to bring in more nations, including Turkey...We value Britain's membership of the European Union, but our horizons extend much further" – it is clear that the Conservative Party does see itself as generally an economically liberal party with outspokenly eurosceptic views.

4.3.2 The Labour Party.

The Labour Party's attitudes both to economic policy and to Europe expressed in its manifesto for the May 2005 general election also reflect the results shown in *figure 2*. Regarding Europe, the Labour position is boldly stated:

"We are proud of Britain's EU membership and of the strong position Britain has achieved within Europe. British membership of the EU brings jobs, trade and prosperity; it boosts environmental standards, social protection and international clout. Since 1997 we have gone from marginal players, often ignored, to leaders in the European Union. Working hard with Labour MEP's, we are determined to remain leaders. Outside the EU, or on its margins, we would unquestionably be weaker and more vulnerable."

This positioning is very different from that of the Conservative Party's overt scepticism, and the distance between the two parties on the issue of Europe is clear. *Figure 2* suggests that the two parties are a little closer together on their economic policies, but the

¹¹³ ibid

¹¹⁴ ibid

distance between them remains apparent. Again we can look to the manifesto text for more evidence of this. The first of their nine chapter manifesto is devoted to economic policy, and its heading is "Rising prosperity in an opportunity society." They claim that "We are winning the argument that economic dynamism and social justice go hand in hand ",116

The Labour vision of the role of taxation is quite different from the Conservative vision: "Labour believes tax policy should continue to be governed by the health of the public finances, the requirement for public investment and the needs of families, business and the environment."¹¹⁷ Here taxation is not itself something undesirable or morally suspect. Here taxation is seen as a tool for achieving socially responsible ends. Conservative position is that low taxes will leave people with more money to spend looking after themselves, the Labour position is that well designed – and probably higher - taxes will give the government more revenue to spend looking after the needs of the people. The two parties thus have quite different views of the role of the state and of the tools it can use in managing the finances of the country for the good of its people.

The Labour attitude to regulation adds weight to this difference. In relation to the establishment of a pan-European single market in services – the EU services directive – the Labour position is that "We will protect our employment standards. In developing the directive we will want to avoid any undermining of our regulatory framework." 118 This is sending out a clear signal that regulations can in themselves be used to achieve particular social ends: Where the Conservatives talk of the 'burden on regulation' and promise simply 'less regulation', as key to their policy agenda, the Labour Party here takes quite a different view.

http://news.bbc.co.uk/1/shared/bsp/hi/pdfs/13_04_05_labour_manifesto.pdf Last checked 14/08/05 ibid

¹¹⁵ Labour Party Election Manifesto 2005.

¹¹⁷ ibid

¹¹⁹ Conservative Party Election Manifesto 2005.

The positioning of the Labour Party in *figure 2* as more economically social can be explained in terms of its cautious enthusiasm for taxation and regulation as tools for achieving social outcomes. This position is complemented by their explicit enthusiasm for Europe and for Britain's place in it.

4.3.3 The Liberal Democrats

Figure 2 reveals one of the key features of the Liberal Democrat party, and perhaps gives and explanation of the Party's limited electoral success: it is very close to the Labour Party. Figure 2 only gives information in terms of economics policy and attitudes to Europe, yet the positioning of the Liberal Democrats is clear: the party does not hold entirely its own territory. All the other parties considered are fairly spread out in figure 2, except for the Liberal Democrats and The Labour Party. This has the unfortunate result that voters who sympathize with that particular configuration of pro-Europeanism and more socially inclined economics than that which the Conservative Party offer have been attracted to the Labour Party, and the Liberal Democrats have not benefited from their close proximity: the Labour Party is in government, and the Liberal Democrats are not. This is perhaps the most revealing story that figure 2 has to tell.

Where the Labour Party declares "British membership of the EU brings jobs, trade and prosperity; it boosts environmental standards, social protection and international clout." The Liberal Democrat position sounds rather similar: "Membership of the EU has been hugely important for British jobs, environmental protection, equality of rights, and Britain's place in the world." The priorities listed here echo each other very closely. The same is true in relation to the two parties' positions on reform of the EU: Where the Labour Party emphasizes reform in Europe, especially economic reform, the

¹²⁰ Labour Party Election Manifesto 2005.

Liberal Democrat Party Election Manifesto 2005. http://news.bbc.co.uk/1/shared/bsp/hi/pdfs/LD_uk_manifesto.pdf_Last_checked 14/08/05

Liberal Democrats too declare that they "want Britain to be at the center of a liberalized, reformed European Union." 122 Both parties are enthusiastic about Europe, but both think it could be organised and run more effectively.

The question of Euro membership is perhaps where the two parties differ most in their policy on Europe. The Labour party are more reserved:

"On the euro, we maintain our common-sense policy. The determining facto underpinning any government decision is the national economic interest and weather the case for joining is clear and unambiguous. The five economic tests must be met before any decision to join can be made. If the Government were to recommend joining, it would be put to a vote in Parliament and a referendum of the British people."123

The Liberal Democrats cut right through such careful language, and take an overtly more positive view of euro-membership: "Liberal Democrats believe that Britain should work to create the right economic conditions to join the euro (subject to a referendum) in order to safeguard investment in the UK and reduce the cost and risk of trade with the rest of Europe." This difference explains the positioning of the Liberal Democrats in *figure 2*: they are only marginally more pro-European than Labour.

Clearly there are some smaller differences of emphasis in the visions that the two parties set out, but they remain close. Yet with the Labour party winning 356 Westminster seats and the Liberal Democrats only 62^{125} the Labour Party are not threatened by the political proximity of the Liberal Democrats. Rather it is the Liberal Democrats who are failing to win seats. The positioning of the Liberal Democrats on the economics axis of *figure 2* is as marginally more socially inclined than the Labour Party. When we look at what is actually said in the manifesto text we can see that this is a careful and purposeful piece of political positioning: in his opening statement the party leader Charles Kennedy says "it

¹²² ibid

¹²³ Labour Party Election Manifesto 2005.

Liberal Democrat Party Election Manifesto 2005.
 BBC, 24/06/05. "Full National Scoreboard."

is a privilege at this election to be leading the most socially progressive party in British politics." ¹²⁶

However, we need to look very closely to see just where the Liberal Democrats are more socially inclined, and where more liberally inclined. In relation to regulation their position is closer to the Conservative antipathy than the Labour enthusiasm. It is only in their taxation plans that the Liberal Democrats really win back their 'socially progressive' ground.

Regarding regulation, the Conservative Party says "we must reduce the burdens on business through regulation." The Liberal Democrat position is similarly focussed on freeing up businesses, large and small, unlike the Labour emphasis on using regulation to protect social outcomes: "We will cut back the cost of business rates for small business. We will use 'sunset clauses' to prevent unnecessary regulations imposing a burden on business long after their usefulness has passed." Indeed this is a position they emphasize: "Cut the red tape that stops businesses from growing" is one of the main headings in the text of their manifesto. They go on to say "Liberal Democrats will slash the red tape, bureaucracy and overregulation that are holding British businesses – especially small businesses – back."

However it is in their tax policies that the Liberal Democrats regain the social ground. They do not see taxation as morally suspect as the Conservatives do, and they go further than the Labour Party in their enthusiasm for it: "At the heart of our programme is a determination to achieve a fairer and more straightforward tax system which delivers the social priorities we believe that people want." This points the way to one of their most unusual policies, a tax rise for the rich:

¹²⁶ Liberal Democrat Party Election Manifesto 2005.

¹²⁷ Conservative Party Election Manifesto 2005.

¹²⁸ Liberal Democrat Party Election Manifesto 2005.

¹²⁹ ibid

¹³⁰ ibid

¹³¹ ibid

"Liberal Democrats will make the tax system fairer and simpler. As a first step towards reducing tax paid by low earners, we will axe the unfair Council Tax and replace it with a Local Income Tax based on people's ability to pay. This will cut the typical household's tax bill by over £450. To pay for our policies of abolishing student top-up fees, ending elderly and disables people needing to pay for their care, and cutting Council Tax, the richest one per cent of the population will pay 50% tax (up from 41%) on that part of their income over £100,000 per year." 132

This clear policy of taxing the rich to pay for the needs of the poor is really the only economic policy feature of the Liberal Democrats' manifesto which explains how they are positioned on *figure 2* in relation to Labour. They may be keen on deregulation in the private sector but, unlike the Conservatives, they are not keen on cutting back on government's social responsibilities. This ideological configuration puts them very close to the Labour Party. It is only their bold position on tax rises for the wealthy – which is talk the Labour Party studiously avoids – that gives them the more socially inclined position on the economics axis of *figure 2*, and which explains their leader Charles Kennedy's claim that they are 'the most socially progressive party in British politics.'

4.3.4 On the economics of euroscepticism.

Having looked closely at the political parties' relationships with one another as indicated by the results of the content analysis displayed in *figure 2*, and as reflected in their manifesto declarations, we can now turn to look at the question of 'the economics of euroscepticism' and make a few careful and well-founded remarks.

In general, for voters favoring the major parties, those of more eurosceptic leaning will be drawn to the Conservative Party which itself is the most economically liberal party on the

¹³² ibid

spectrum. Thus we can legitimately say that a vote for euroscepticism here is a vote for a more liberal economic policy package. That is, having a more sceptical approach to both taxation and regulation as tool for the government to use in the interests of its citizens. By contrast, voters of more pro-European sentiment will be drawn to either of the closely aligned Labour or Liberal Democrat parties. In this respect a pro-European vote is a vote for a more socially inclined economic policy program. That is, a positive approach to taxation and regulation of the private sector in the pursuit of social outcomes.

If there is a connection to be made between economic policy and euroscepticism, if euroscepticism can be said to have its own economics, then it is this: In the May 2005 UK general election manifestos euroscepticism carried with it an implicit affiliation to liberal economics. By the same token more pro-European policies carried with them the promises of a more socially inclined economic policy program.

Part 5: Implications and limitations

In Part 5 I will conclude by looking at some of the implications suggested by the research results, and then at some limitations to the research and some of the methodological problems encountered and negotiated.

Implications. 5.1

In this section there is a chance to look at one of the main possible implications of the content analysis research carried out on the May 2005 general election manifestos. It would be unreasonable to make sweeping conclusions at this stage – for Part 5.2 will go on to discuss some of the limitations to the research carried out – but it remains important to draw attention to an area where the conclusions reached here might have some further application, and where further research might need to be done.

In Part 2.1.4, in discussing the theoretical basis for using taxation and regulation as key indicators of economic policy, reference was made briefly to some larger issues concerning the place of Britain in the larger geo-political environment. This warrants further discussion here because of the implications of the general conclusions of the investigation that euroscepticism carries with it an implicit affiliation to liberal economics. The arguments of Hall and Soskice (2001) on one hand and of Hutton (2002) on the other both point, in different ways, to the geo-political positioning of Britain in a larger global economic picture. Hall and Soskice define Britain as more liberal than Germany¹³³ and Hutton defines Europe more generally as more social than America.¹³⁴ Within this Hutton identifies Britain's cultural and political heritage more closely with Europe, and its economic policy more closely with American Conservatism. ¹³⁵ This

¹³³ Hall and Soskice:16

¹³⁴ Hutton:2 135 ibid:358

illustrates one of the main dilemmas of British foreign policy: whether to associate more closely with Europe, or with America. Though such larger issues are beyond the scope of this discussion, there are implications in this which are crucial for the current investigation.

Hutton contends that in the realm of economic policy Britain is 'in the American embrace.'136 His point is that the British political elite look to America for a lead on matters of economic policy. With a particular brand of Conservatism on the ascendancy in America the inevitable result, Hutton believes, is that Britain adopts the same liberal economic policies that the Conservatives in America advocate. Perhaps the most telling evidence for Hutton of Britain's continued embrace of American practice is in the McKinsey report. Commissioned in 1997 just after the New Labour election victory to investigate productivity, it starts "with the unashamed and explicit view that the benchmark economy is the US, and that the puzzle for Britain is how to import more American best practice." ¹³⁷ Conservative analysis, Hutton says, "infects the entire economic and consultancy establishment."138

The problem for Hutton is that European concerns for social outcomes are secondary, in the Conservative mind, to giving free-reign to those with financial means to further the interests of business. This they can do through relentless cost-cutting, outsourcing and raising of stock values. The logic of Conservatism demands a competitive commercial environment, which is fair enough, but the system in practice thrives on inequality. Clearly a free market system incentivises individuals willing to innovate and take risks, but this has a flip side: not everyone wins. Not only this, but in a society where opportunity, wealth and education are unevenly distributed, most cannot even begin to take part in this great competition to get ahead. Where is the social outcome in a successful business environment which rewards those at the top whilst the conditions of the majority at the bottom hardly change?

¹³⁶ ibid:3 137 ibid:221 138 ibid:221

The issues of poverty and inequality are closely interrelated here, and in looking at these areas not covered by Hutton we can here get some corroboration for his argument. The figures are telling. It is well known that the long era of Conservative rule from 1979 brought unprecedented economic inequalities to Britain, and the Child Poverty Action Group confirm this: in their March 2004 publication "Poverty: the facts" they point out that "the HBAI¹³⁹ statistics show that in 2002/03, 12.4million people in Great Britain (22% of the population) were living in households with incomes below 60% of the median after housing costs. This contrasts to the figure in 1979 when 7.1million (13% of the population) were." ¹⁴⁰

The continuation of these trends in more recent years of Labour rule is confirmed by a report entitled "Wealth distribution - the evidence" published by the Center for Assetbased welfare at the Institute for Public Policy Research. The report, published in 2002, found that the last two decades have seen a general, and considerable, increase in wealth. The total value of personal wealth in Britain in 1999 was £2,752billion. In 1979 the figure was under £500billion. However, though wealth has increased, people have not benefited equally: In 1999 93% of all wealth was held by the top 50% of the population. In the same year the top 10% of the population owned over half of personal wealth. Between 1998 and 1999 the top 1% of the population increased their share of personal wealth from 17% to 23%. 141

The picture is clear: fewer and fewer people own more and more of the wealth. On a broader scale, continues the IPPR report, currently the top 2.4million households own assets worth about £1,300billion, while the bottom 12million households own assets of £150million. The fortunes of those at the very bottom of the scale have declined as assetexclusion – people with no wealth at all – has increased. The number of households without any assets at all has doubled from 5% to 10% between 1979 and 1996. For those

^{139 &#}x27;HBAI' stands for 'Households Below Average Income.'

¹⁴⁰ Child Poverty Action Group, March 2004. "Poverty: The Facts. Summary."

http://www.cpag.org.uk/publications/extracts/PtheF5_update_summary.pdf Last checked 14/08/05 Institute for Public Policy Research, September 2002. "Wealth Distribution- the evidence." By Will Paxton. http://www.ippr.org.uk/uploadedFiles/projects/Wealth%20Distribution.pdf Last checked 14/08/05

aged 20 to 34 the percentage with no assets has doubled from 10% to 20%. 31% of households in the lowest ten percent have no assets at all. 142

This is the situation: whilst some people – a small number – are doing very well indeed, most are not. Executive pay is a case in point: In July 2001 Management Today reported that Chief Executives in the UK were remunerated "more handsomely than other European countries, so that in 1999 and 2000 executive pay rose by 29% to an average annual salary of £509,000 compared to £382,000 in France, and £295,000 in Germany. Meanwhile ordinary worker's pay was the lowest of the same countries."¹⁴³ The fact that New Labour have done little to alter these trends towards unequal distribution of economic outcomes is confirmed by the Institute for Fiscal Studies. In their report, published in March 2005, entitled "Poverty and Inequality in Britain: 2005" they found that "despite a large package of redistributive measures, the net effect of seven years of Labour government is to leave inequality effectively unchanged."144

The point of these discussions is to see that when we turn to the issues of poverty and inequality the social consequences of political and ideological shifts are thrown into sharp relief: the further Britain falls into the American embrace, the further social and economic inequalities increase.

Without intending to simplify arguments, to conflate issues or to make an unreasonable leap of imagination, it seems that the conclusions of the current investigation can be viewed in terms of the social consequences of euroscepticism: if we accept Hutton's argument that liberal economics worsens the financial standing of those at the bottom of the hierarchy of personal financial resources, then it is not totally unrealistic to see a further connection: if euroscepticism is implicitly associated with liberal economics then euroscepticism is also implicitly associated with increasing incomes inequalities in

¹⁴³ Hutton:219

Last checked 14/08/05

¹⁴² Institute for Public Policy Research, September 2002.

¹⁴⁴ Institute for Fiscal Studies, March 2005. "Poverty and Inequality in Britain: 2005." By M Brewer, A Goodman, J Shaw and A Shephard. http://www.ifs.org.uk/comms/summ_comm99.pdf">http://www.ifs.org.uk/comms/summ_comm99.pdf

society at large. In this, without wishing to push the point to far, in British politics more euroscepticism means more poverty.

5.2 Limitations.

The conceptual chart, *figure 2*, contains an anomaly. In Part 2.2.2 it was argued that the theoretical distinction between 'hard' and 'soft' euroscepticism¹⁴⁵ could be discarded when considering only British political parties because only one party in Britain actually defines itself wholly by principled opposition to and withdrawal from EU membership: the UK Independence Party. However, by the results in *figure 2* the UKIP is by no means the only or the most eurosceptic party operating in Britain. In Part 2.2.3 it was argued that the UKIP is more eurosceptic than the Conservative Party, and quotes were drawn from their respective manifestos in order to back this up:

In his introduction to the Conservative Party Manifesto for the 2005 UK Parliamentary Elections the party leader Michael Howard promises that "we will settle our relationship with the EU by bringing powers back from Brussels to Britain." The Manifesto declares "We oppose the EU constitution...we also oppose giving up the valuable freedom which control of our own currency gives us. We will not join the Euro." They summarize their position as "no to the Euro and the EU constitution." The UKIP, who have ten MEPs despite being founded only in 1993, take a stronger line. They say of the EU "this alien system of government is bad for our economy, our self-respect and our prosperity...The EU is a one way street towards European government. It is undemocratic, corrupt and unreformable. The only way for Britain is the UKIP way: we must leave."

¹⁴⁵ advocated by Taggart and Szczerbiak (2002)

¹⁴⁶ Conservative Party Election Manifesto 2005.

¹⁴⁷UK Independence Party Election Manifesto 2005.

Figure 2 however, puts the Conservative Party further along the eurosceptic axis than UKIP. It could be argued, following on from this, that the positioning of all the parties in figure 2 is suspect, but this is not necessarily the case. The positioning of the other six parties considered on figure 2 fits with both the statements they make in their manifestos, and also with a common sense view of the parties. The positioning of the other six parties is neither particularly surprising nor particularly controversial. The positioning of the UKIP, on the other hand, is something of an anomaly.

It is beyond the scope of this essay to try to verify the positioning of the UKIP through applying alternative classificatory criteria – such as those advocated by either Taggart and Szczerbiak (2002) or Baker *et al* (2002) – since this would require more space, more funds, and more research. Instead, explanations for the positioning of the UKIP can be sought in two places: either in the nature of the UKIP's own manifesto, or in the research criteria employed in the content analysis procedures.

It would be somewhat presumptuous to explain the anomalous positioning of the UKIP in terms of inconsistencies in their own manifesto, but perhaps the whole debate which surrounds manifesto analysis – the debate mentioned by Taggart in his personal correspondence included as Appendix I – can be referenced here: Manifestos are not necessarily coherent or realistic. If the positioning of the UKIP on *figure 2* is accepted as legitimate, then the discrepancy between what UKIP says about itself and what the content analysis of the current investigation says about it can be explained in terms of the nature of manifestos. The implication is that the sound-bite messages which political parties such as the UKIP – whose basic message is a clear and emotive: 'no to Europe' – are at odds with the more subtle realities contained within the details of their policy program. Manifestos, in this interpretation, do not tell the truth about the parties who write them, rather they distill more complex policy packages into simpler and more readily consumable slogans, and in the course of this process the nuances of variation and flexibility in the details of the policy programs are lost.

However, the breadth and depth of the debate about the credibility of manifestos is beyond the scope of this essay: as stated at the outset, manifesto texts are taken, for what they are worth, at face value. A further development of the current investigation at a later date would certainly have to factor in these concerns, but for the time being this current discussion can now turn to the other possible explanation of the UKIP anomaly. This alternative explanation is that the critical concepts employed in the content analysis research were at fault.

In considering this we need to refer back to the theoretical discussions addressed in Part 1.2. S Thomas pointed out that "what makes content analysis 'objective' is that, as much as possible, the researcher is obliged to make public the basis for the sampling and analytic choices." The distinction Thomas makes between the basis for sampling and the analytic choices reflects the current dilemma faced here: if the basis for sampling is accepted – that using manifestos as a source of party policy is legitimate – then we are left with questions over the analytic choices. In this case the analytic choices employed to assess the vigour of the UKIP's euroscepticism were 'Europe,' 'EU' and 'European Union.' The stated justification for this was that these are the three most commonly used terms in political and popular discourse.

Weber's advice on checking the viability of a content analysis project is to repeat the process to eliminate the possibility of human error, and then to revise the coding procedures. It is in the coding procedures that perhaps an explanation of the UKIP anomaly can be found. In revising coding procedures Weber recommends the use of "much more narrow or specific categories, such as Inflation, Tax, Budget, Trade, Agriculture and so on." However the problem here is not that the analytical categories employed are too broad or too narrow, but rather that they were sourced explicitly from current political discourse, and not from the manifestos themselves.

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¹⁴⁸ Thomas S, 1994. <u>Artifactual Study in the Analysis of Culture: a defense of Content Analysis in a Postmodern Age</u>. In *Communication Research*, Vol 21 No.6, December 1994, p.683-697. Sage, UK: 694 ibid:23

If we look to the manifesto texts then other possible analytical categories do emerge: these include particular issues of relevance to European affairs: the Euro, the EU Constitution and the Common Agricultural Policy are three of the most obvious. To use six rather than just three analytical categories might have placed the UKIP – and indeed all the other parties – in a less anomalous configuration. All the parties mention the Euro, the EU Constitution and the CAP, and to include them in the content analysis might have lead to more nuanced results. This narrowness of analytical choices might be cited as a flaw in the current investigation, and as an explanation of the surprising positioning of the UKIP. However, we need to bear in mind Krippendorf's caution that the endeavors of the content analyst are undermined by the inherent multiplicity of meanings texts can have to different readers: "under these circumstances, the claim to have analyzed THE content of communication reflects and untenable position." ¹⁵⁰ A different set of analytical categories would not necessarily mean a more truthful representation of the positioning of any of the political parties: rather, each set of analytical categories can be understood as containing its own limitations and distortions based on other even more subtle and nuanced exclusions.

¹⁵⁰ ibid:22

Conclusion

This essay was introduced by way of a suspicion that euroscepticism among the political parties in Britain is implicitly linked to liberal economic policy programs. The fact that the final results do confirm the intuition which prompted the investigation in the first place could be cited as a reason to suspect bias in the method: of course, the correlation between euroscepticism and economic policy is forced by the very fact of plotting them against each other on the two axes of a chart, but this is no reason to suspect the whole project.

It is impossible to know why each voter votes the way they do at an election, but it is clear that voters do face choices between parties. This whole investigation is really no more or less than the work of a curious voter driven by an enthusiastic scepticism into the details of party manifestos: to draw a correlation between euroscepticism and economic policy is no more or less than any voter does when they prioritize their own concerns (be they political or otherwise) and make their choice at the ballot box on election day. What this investigation has shown is that voters who buy into Britain's 'island story' and who are moved to vote for a party according to the vigor of its euroscepticism are also voting for a particular kind of economic policy. If Britain really is moving towards a three party politics of Conservative, Labour and Liberal Democrat voices¹⁵¹ then voters beware: a vote for euroscepticism is also a vote for more liberal economics.

This said, the methodology used has had its limitations: to use manifesto texts as a source of party policy is to engage in a whole debate about the very credibility of manifestos and their worth. (see Taggart in Appendix I, 'Personal Correspondence.') Furthermore, Content Analysis as a tool of textual interpretation has certain dangers and pit-falls associated with it. (Krippendorf 2004, and Weber 1985) On the theoretical side of the discussion, Hutton – whose ideas were referenced both in the building of the opposition between liberal and social economics and in the discussion of the possible

¹⁵¹ The Economist, edition March 31st 2005. "The Liberal Democrats: Charles Kennedy's Smart Act."

implications of the conclusions reached – has a particular political bias which is well-known, ¹⁵² and which could be cited as a cause to suspect the objectivity of the study as a whole. However, in a spirit of postmodernism perhaps these possible inherent weaknesses in the impartiality of this study should be seen in a less moralizing light: if all judgments and opinions are always made *from a place* – that is, rooted in a certain perspective according to the subject's own preconceived notions and prejudices - then to call bias a weakness is to imply that bias is not a inherent characteristic of *all* analysis *all of the time*. Yet bias is a real and unavoidable characteristic of all judgements and statements made – in fact we could say that bias in this sense is the true face of objectivity.

In light of these thoughts, transparency and explicit recognition of bias are tools for ensuring the credibility and integrity of academic work. Thus it is hoped that there is nothing hidden about this investigation's agenda, no secret prejudices at work subverting and shaping the conclusions reached. This essay was prompted by a suspicion, but with due care taken in method and in theory towards transparency, clarity, and the recognition that all used sources are themselves shrouded in the subjectivity of other authors, the work done here aspires to withstand the scrutinies of science, and to attain a credibility which may convince readers – if not voters – to be wary of the economics of euroscepticism.

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The Guardian, 18/05/02. "Friends across the water. *The World We're In* by Will Hutton." Review by Chris Patten. http://www.guardian.co.uk/Archive/Article/0,4273,4415477,00.html Last checked 14/08/05 Chris Patten is a former EU commissioner for external relations and a former chairman of the Conservative party.

Appendix I

Personal Correspondence

The following email was sent to Professor Taggart, and his reply is reproduced below.

Subject: Re: methodology enquiry From: hugo.whately@sjc-oxford.com Date: 23 May 2005 17:22 +0100

To: "Paul Taggart" p.a.taggart@sussex.ac.uk

Dear Professor Taggart

I am writing to you from the GrossBritannien Zentrum of the Humboldt Universität in Berlin. I hope you don't mind my writing to you, but I'm doing research on euroscepticism and economic policy in Britain, and i really want to ask you a couple of things that are bugging me.

I'm an english student on the Master of British Studies program here (operating on the premise that an outsider perspective will show me the role of Britain in Europe and the world more clearly) and i want to ask you if you think what i am writing is fair. in establishing my methodology and theoretical basis i refer to you article:

Taggart P and Szcerzbiak A, 2002 *The Party Politics of Euroscepticism in EU Member and Candidate States.* Paper prepared for the European Consortium for Political Research Joint Workshops, Turin, March 21-27, 2002.

My own method for establishing what each party's position on different issues is to look at their 2005 election manifesto. but i am puzzled by how you establish, for your working purposes, what exactly a party position is. do you look only at policy statements, or media commentaries, or personal correspondence with policy makers and politicians, or secondary academic literature? Do you do it in a systematic way?

By extension, to what extent do you think it is viable to rely solely and explicitly on published manifestos to assess a party's position on the European integration process?

I have argued that in the case of the first question your methods are unclear to the reader, and somewhat mysterious: when different views circulate within a party, how do you establish the offical line? On my second question i have argued that it is justifiable to use manifestos alone as long as they are all interpreted using the same criteria and methods, whilst acknowleging that they do not necessarily tell the whole story. What do you think?

I really hope you don't mind my writing to you, and i know you will be totally busy, but i would really appreaciate knowing your position on these things. If you reply i would also like to include your correspondence as an appendix. Can you recommend anyone who has published on the subject of manifesto interpretation? I really look forward to hearing from you, even if it is not for a while.

Many thanks

Appendix I (cont.)

Yours sincerely

Hugo Whately MBS Student GrossBritannien Zentrum Humboldt Universität Berlin

Subject: Re: methodology enquiry

From: "Paul Taggart" p.a.taggart@sussex.ac.uk

Date: Thu, May 26, 2005 9:33 am To: hugo.whately@sjc-oxford.com

Hugo

1. We used national experts to give us an appraisal of party positions.

- 2. There is a huge debate about manifesto analysis. Personally I am pretty sceptical as parties often are pretty bland about what they say but there is a use for them.
- 3. See, for e.g Mapping Policy Preferences: Estimates for Parties, Electors and Governments 1945-1998
 Ian Budge, Hans-Dieter Klingermann, Hans-Dieter Klingermann, Judith Bara (Editor), Eric Tanenbaum (Editor), Andrea Volkens (Editor)

Hope this helps

Paul

Paul Taggart
Professor of Politics
Editor, POLITICS (www.politicsjournal.com)
Co-Convenor, European Parties Elections and Referendums Network (EPERN)
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Appendix II
Results of content analysis for economics axis.

CONSERVATIVE PARTY	TOTAL references	Positive references	Negative references	Neutral references
Tax	12	2	9	1
Taxes	14	3	11	0
Taxation	2	0	2	0
Regulation	3	0	3	0
Regulations	2	0	2	0
Total	33	5	27	1

LABOUR PARTY	TOTAL references	Positive references	Negative references	Neutral references
Tax	31	4	25	1
Taxes	0	0	0	0
Taxation	3	1	1	1
Regulation	6	3	1	2
Regulations	2	1	1	0
Total	42	9	28	4

LIBERAL DEMOCRATS	TOTAL references	Positive references	Negative references	Neutral references
Tax	58	16	41	1
Taxes	17	8	9	0
Taxation	0	0	0	0
Regulation	4	0	3	1
Regulations	4	1	3	0
Total	83	25	56	2

UKIP	TOTAL references	Positive references	Negative references	Neutral references
Tax	33	5	19	9
Taxes	4	1	2	1
Taxation	8	1	4	3
Regulation	6	1	5	0
Regulations	7	0	7	0
Total	58	8	37	13

Appendix II (cont.)

GREEN PARTY	TOTAL references	Positive references	Negative references	Neutral references
Tax	57	47	9	1
Taxes	11	11	0	0
Taxation	11	10	0	1
Regulation	0	0	0	0
Regulations	0	0	0	0
Total	79	68	9	2

BNP	TOTAL	Positive	Negative	Neutral
	references	references	references	references
Tax	66	29	34	3
Taxes	15	7	4	4
Taxation	10	5	5	0
Regulation	0	0	0	0
Regulations	4	0	4	0
Total	95	41	47	7

RESPECT	TOTAL references	Positive references	Negative references	Neutral references
Tax	22	18	4	0
Taxes	3	3	0	0
Taxation	3	3	0	0
Regulation	3	3	0	0
Regulations	2	1	1	0
Total	33	28	5	0

Appendix III
Results of content analysis for euroscepticism axis.

CONSERVATIVE	TOTAL	Positive	Negative	Neutral
PARTY	references	references	references	references
Europe	5	1	1	3
EU	6	0	3	3
European Union	4	1	2	1
Total	15	2	6	7

LABOUR PARTY	TOTAL	Positive	Negative	Neutral
	references	references	references	references
Europe	19	5	3	11
EU	20	10	3	7
European Union	3	2	1	0
Total	42	17	7	18

LIBERAL DEMOCRATS	TOTAL references	Positive references	Negative references	Neutral references
Europe	12	6	2	4
EU	16	6	4	6
European Union	2	1	0	1
Total	30	13	6	11

UKIP	TOTAL	Positive	Negative	Neutral
	references	references	references	references
Europe	1	0	0	1
EU	84	2	60	22
European Union	9	0	7	2
Total	94	2	67	25

Appendix III (cont.)

GREEN	TOTAL	Positive	Negative	Neutral
PARTY	references	references	references	references
Europe	6	2	2	2
EU	19	7	6	6
European	2	0	2	0
Union				
Total	27	9	10	8

BNP	TOTAL	Positive	Negative	Neutral
	references	references	references	references
Europe	15	0	3	12
EU	26	0	20	6
European	12	0	11	1
Union				
Total	53	0	34	19

RESPECT	TOTAL references	Positive references	Negative references	Neutral references
Europe	13	5	5	3
EU	12	0	7	5
European Union	3	1	0	2
Total	28	6	12	10

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