

On January 22, 2013 British Prime Minister David Cameron announced a referendum on whether the UK should stay or leave the European Union. The immediate cause was the rise of eurosceptic MP's in the Conservative Party as well as the increase in support for the UK Independence Party. The longer term cause can be traced to the Eurozone crisis, which was interpreted as evidence that the country did not belong inside an EU that was putting in place a number of centralizing instruments that many Britons find unpalatable. The Eurozone crisis has also produced a sense of vindication among eurosceptics: in the debate on whether the UK should join the euro that took place in the late nineties, many euro sceptics opposed the common currency because they believed that it would be harmful to economically weaker countries, and would lead to a level of centralization that might challenge parliamentary sovereignty. These arguments helped them to win the debate on the merits of the common currency which ultimately prevented Britain from adopting the euro.

This paper will revisit Britain's decision to not enter the Eurozone, presenting new evidence in the form of British parliamentary debates, a media analysis of a sample of articles published in the pro-euro press, and interviews I conducted with three prominent members of the British elite: Lord Howard Flight, a currency specialist and eurosceptic who is leading a campaign for the UK to leave the EU; Lord Giles Radice, a noted euro-enthusiast who has written extensively on British-EU relations and who has campaigned for establishing closer ties between them; and Philip Stephens, a pro-European columnist for the *Financial Times*, the paper that is read daily by much of the British establishment.

Most works on British identity and Europe focus mainly on what is said or explicitly expressed in the press and other spheres of political communication. However, in measuring manifestations of identity in a nations political discourse, what is *not* said is often more important than what is (Hawkins 2012, p. 565). Accordingly, the analytical strategy of this paper will be to analyze the unsaid elements of political discourse in Britain, specifically from the pro-euro side of the debate on the European Monetary Union. The method will be to compare Britain with Italy, which, in its approach to the euro, was, in many ways, on the opposite side of the spectrum. In the late nineties, the vast majority of Italians, both elites and non-elites, were in favour of entering the euro. In Britain, in contrast, the majority were opposed. The final section will present both materialist and ideational arguments that are relevant to this case study and will sustain that the latter is more consistent with the evidence.

Identities and Debates

One of the key features of Britain's approach to Europe is the tendency to avoid frank discussion of the political features of European integration (Philip 1992, p. 184). This may reflect the wish to avoid a painful political reality (Haseler 1996, p. 55), the weight of history (Young 1998, p. 1) and the belief in the essential superiority of Britain's democratic and parliamentary traditions (Wallace 1991, p. 70) compared to those present in Europe.

Avoiding talk of the political aspects is visible in the House of Commons debates on the euro that will now be examined. On October 27, 1997, Gordon Brown conveyed a statement about the government's policy on the EMU. He stated, inaccurately, "that the essential decision on whether to enter is economic" (Gordon Brown, House of Commons Debate, Oct 27, 1997). The phrases "British economic interest" or "economic benefits" are mentioned four times in the speech; the substantive political dimensions are not mentioned even once. The only political aspect mentioned in the debate is the ambiguous condition on "whether there are constitutional

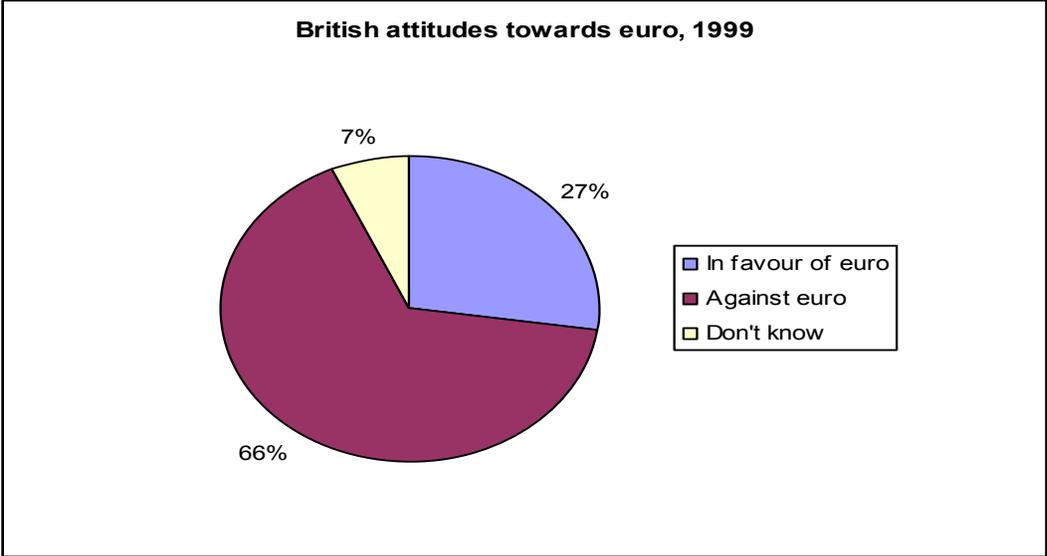
objections on the grounds of sovereignty”. The opposition Conservatives, who were more in tune with British public opinion, saw right through Mr. Brown’s attempt to obscure or ignore the political dimension of the EMU. In their response to Mr. Brown, they cite Treasury documents that say that “membership of the a single currency would mean centralization of financial markets” (which is exactly what is happening)...“and the centralization of taxing and borrowing powers” (the latter of which is happening)...as well as the “transfer of resources from prosperous countries to those that are handicapped by joining the single currency” (again, a prediction that has come to pass). Mr. Brown evaded answering these points. Rather than responding directly to the points that were cited in the Treasury documents, Mr. Brown accused the Conservatives of being divided on the question of whether “there is a constitutional bar to membership to the common currency”, and repeated his statement that the decision on whether Britain should join was essentially economic.

In the same debate, Gordon Brown defended the government’s position on the basis of the “five tests” that needed to be met if the UK was to join the common currency, which were the following:

- Whether there can be sustainable convergence between Britain and the economies of the single currency
- Whether there is sufficient flexibility to cope with economic change
- Whether the single currency will lead to an increase in investment
- Whether the single currency will have a positive impact on our financial services generally
- Lastly, whether it will lead to increases in employment.

All the tests are economic. Not one is political. The five tests were an attempt to frame the possibility of entering the euro in a way that would be palatable to the British public, which polls showed was overwhelmingly opposed to the single currency.

Figure 8.1



British attitudes towards the euro. Available at:

http://nesstar.esds.ac.uk/webview/index.jsp?object=http://nesstar.esds.ac.uk:80/obj/fVariable/4318_V368

By framing the decision as exclusively an economic one, Labour hoped to win over enough of the public to win a referendum. This strategy was evident in another debate that took place in the House of Commons on January 13, 1999. Here, supporters of the euro justify their arguments on the basis of the “British national economic interest.” Indeed, in the entire debate, this argument is expressed 6 times; the centralizing implications of the EMU were deliberately ignored. As in the previous debate, the opposition attacked the pro-euro MP’s for ignoring these implications. And rather than directly responding to a question on the centralizing implications of the euro, MP Louise Ellman replies that “the government has put jobs at the top of its agenda”.... “that European funding has supported 1100 jobs in Britain”....and that Britain’s “active participation in Europe will enable us to shape policies for the benefit of the people, jobs, and the generation of wealth” (House of Commons debate, Jan 13, 1999).

In the same debate, other pro-euro MP’s say that “it is our belief that the euro could be a huge advantage to Britain economically”....and that the euro “will be acceptable to the British people only in the context of a Europe which is seen to be open, accountable, democratic, and decentralized” (MP Malcolm Bruce – Liberal Democrat). When we unpack this statement, we notice many of the patterns mentioned above. First, there is the usual emphasis on the supposed economic advantages of the euro. Then this is qualified with the proviso that the euro will be acceptable in a Europe that must be open, accountable, democratic, and decentralized. The main problem with this statement is that the EMU implied *centralization, not decentralization*. In this regard, instructive is a conversation that took place between Kohl and Mitterrand on the merits of the common currency. Kohl said to Mitterrand that Europe could not embark on a common currency until there was a political unification. Mitterrand replied that “that would take forever to achieve, but that if there was a common currency it would force political integration and unification” (Lord Howard Flight, House of Lords Debate, Dec 1, 2011). In February of 2002, Gerhard Schroeder reminded the British of this when he told them that “European monetary union has to be complemented with political union — that was always the presumption of Europeans” (*Guardian*, April 10 2002).

It is not only the intentions of the euro’s designers and promoters that show the political and centralizing character of the monetary enterprise. It is also the structural logic of the common currency itself. The economic crisis that started in 2010 has made it clear that a currency union between such disparate economies and polities cannot function without the political apparatus of a real, central government. Indeed, it is for this reason that the Eurozone governments are beginning to put in place the organs and functions of a political union. They have de facto given the ECB the power to be a lender of last resort, although at the moment only for short term bonds; there are negotiations for a banking union that would give the ECB and the Commission the power to liquidate banks; there is the common bailout fund that has the authority to lend directly to governments in the primary bond market and to recapitalize banks. And there are discussions of the creation of euro-bonds and a deposit-insurance scheme, which would essentially socialize risk across the union. There was also talk of creating a Eurozone-

wide Ministry of Finance, which would parallel the US Treasury. EC president Manuel Barroso has recently declared the goal of a “federation of nation states”.

There was one political argument that was expressed in the House of Commons debates, although it did not receive as much attention as did the economic argument. That was the belief that Britain needed to enter in order to promote its “leadership of Europe”. For example, Malcolm Bruce, lamenting the government’s decision to not be part of the first round of eurozone countries, said that the “Government’s failure to come to terms with the euro will undermine the prospects for exercising British leadership in Europe” (House of Commons debate, Jan 29, 1999). Students of Britain’s role in the European project have recognized that this idea of “leadership” of Europe reflects traces of the imperial legacy and delusions of grandeur (Deighton 2001; Haseler 1996; Gowland, Turner and Wright 2010). In this narrative, Europe is a new platform through which Britain can reclaim its lost role of “great power.” This was especially evident in the discourse of the Blair government, which ostensibly tried to shift British public opinion towards a more pro-European direction. In the 1997 election manifesto, Labour explicitly says “we will give Britain leadership in Europe” (Deighton 2001, p. 311). But, as noted by Oliver Daddow (2007) in his analysis of Tony Blair’s discourse in the media, by evoking, explicitly and implicitly, Britain’s legacy as a world power he was also undermining the case he was trying to make for Europe. Blair did say that it was time for the British to overcome the legacy of Britain’s past and that the British should lose any lingering traces of imperial arrogance (p. 589). But his other rhetoric expresses pride for the reach and influence that the legacy gives to the country (p. 591). Delusions of British leadership of Europe or of Europe as a new platform from which Britain could reclaim its status as a world power sat uneasily with the pro-Europe discourse from the same government, and this incoherence undermined its goal to shift public opinion.

Another political argument in defence of entering was the notion that Britain would have more influence by being inside the euro. In another House of Commons debate (Oct 27, 1997), Sir Edward Heath, defending the government’s pro-euro position, states that the opposition’s “refusal to accept the common currency immediately” means that Britain “will lose all influence in the European Union.” This theme was particularly salient in the interviews that were conducted for this paper. In response to my question of what was the main argument in favour of entering the euro, Lord Radice told me that there “was a fear of being excluded and marginalized from the major decisions in Europe.” Philip Stephens of the Financial Times echoed this theme when he told me that closer ties with Europe are necessary to influence decisions on everything from the instability in the Balkans, to illegal immigration, and climate change. This “influence” argument sometimes took on a different hue, suggesting that, by integrating into Europe, Britain’s power would increase vis-à-vis other, non-European great powers. In the same interview, Mr. Stephens told me that at the White House he was told that “Britain was a much more useful ally [to the US] in Europe than out....and that China pays more attention to the UK than it otherwise would because it sees Britain as a free trade voice in Europe.” Radice voiced similar arguments in my interview with him, but with a much stronger focus on the increased influence with the US (Personal Interview, Lord Radice).

To get the other side of the story, I posed this influence argument to the eurosceptic Lord Howard Flight. He was particularly cynical about the idea that, by establishing closer ties to Europe the UK can increase its influence in the US: “there has been pressure from the US for the UK to be a member of the EU and remain a member *on the grounds that we can help argue the US’s case in Europe* (emphasis mine)....it is clear that America will always act in its interest

whether it is in our interest or not.” Real influence, eurosceptics believe, comes from having a dynamic and growing economy. In this sense, they argue, the EU reduces the UK’s influence, because “being part of the EU is damaging this economy...it is increasingly expensive, not only our own contributions but also the extra cost of food [which results from the CAP]...and we import damaging regulatory constraints on our economy from Europe...mature economies [like the UK] if they want to compete, must remove these regulations.” In order to increase the UK’s influence, therefore, Lord Flight believes that it would be better to establish free trade relationships and closer ties with the Commonwealth countries, because they have better growth prospects than does Europe. Lord Flight also told me that the vast majority of British agree with him, because, in his words, “they can see what a f*****g mess Europe is.”

The UK, Italy, and the Euro

The Guardian and La Repubblica

The tabloid press in Britain explicitly makes reference to elements of Britain’s identity that are clearly anti-European (Deighton 2001; Gowland, Turner and Wright 2010, p. 242; Taverne 2000, p. 15). The strategy in this section, in contrast, is mainly to extract elements of this identity from the pro-euro, high-brow press. Accordingly, a sample of 48 articles from the *Guardian* was collected that were published between May 1998 and December 2002. The criterion for selection was that the article discussed the eurozone in the context of Britain; any article that discussed any dimension of the eurozone in a way that was divorced from British-EU relations was excluded. They were coded with a simple scheme to detect the presence and frequency of the following meanings: support or opposition for Britain’s entry into the euro, reasons for support, and whether there were counterarguments present. This sample of the *Guardian* will be compared with a sample of 48 articles that were published in *La Repubblica* in Italy in the same period. *La Repubblica* was selected because it is broadly similar to the *Guardian*, in the sense that it is of the centre-left and relatively high-brow. As will be shown below, an analysis of the differences between these two papers will shed more light on the character of the pro-euro narratives that took place in Britain in the period 1998-2002.

Figure 8.2

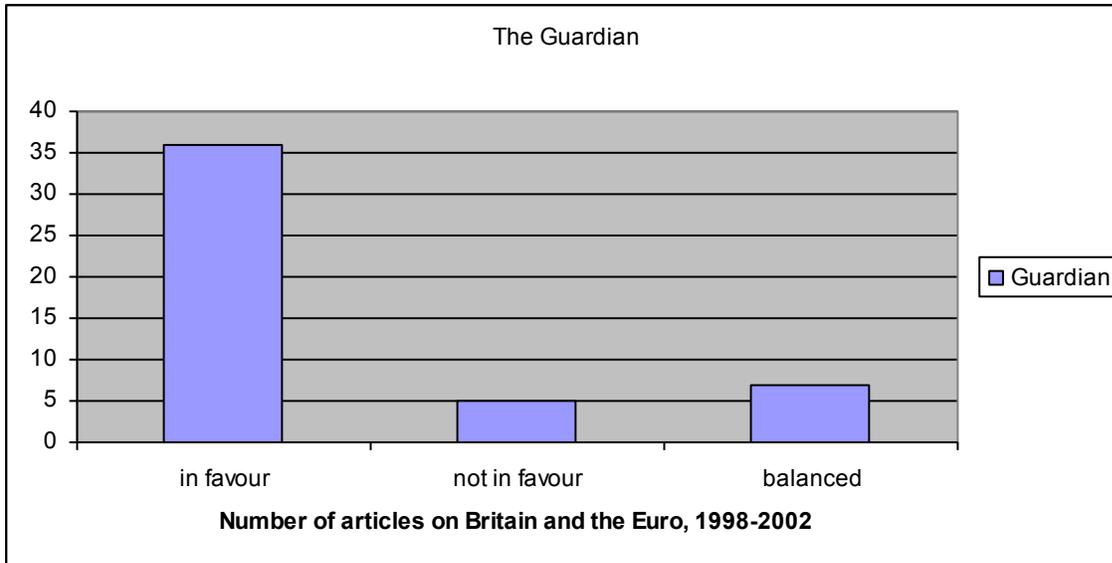


Figure 8.2 shows that the *Guardian* was a very pro-euro paper, as the vast majority of articles were in favour of British entry. Only five articles were opposed, and many of these articles were written by Labourites who were opposed for technical reasons rather than the generalized eurosceptic sentiments that many Conservatives are known to possess. Around seven articles were balanced, in the sense that they provided both sides of the argument without giving extra-space or salience to either the pro or anti side of the debate.

Table 8A

Support for, and opposition to, the euro, 1998-2002			
	In favour	Not in favour	Balanced
The Guardian	36	5	7
La Repubblica	38	0	10

Table 8A shows that the *Guardian* and *La Repubblica* were broadly similar in their positions on the euro vis-à-vis their home countries. In the same period, most of the articles published in *La Repubblica* endorsed Italy’s entry into the common currency. A similar number of articles were evenly balanced. Interestingly, *not one* article in *La Repubblica* in that period was opposed. The reason is that in Italy, unlike the UK, in the late nineties and even in the immediate post euro-period there was a consensus — among both the centre-left and centre-right, elites and non-elites — that the country belonged in the euro. There were some critical voices, but they were found on the extremes of the ideological spectrum. Most main-stream political forces, and especially those on the centre-left, were unambiguously and often uncritically in favour of entering. This can be seen in the Table 8B:

Table 8B

Counterarguments	
Present	Absent

The Guardian	31	12
La Repubblica	14	30

All the articles were coded for the absence or presence of counterarguments, and Table 8B shows that the differences between the two papers are significant. Most of the pieces in the *Guardian* presented at least one counterargument even if the writer was in favour of the euro. While the reverse is true for *La Repubblica*: the vast majority were uncritically in favour of Italy's entering the common currency. This difference reflects, at least in part, some of the political dynamics of the two countries. It was the centre-left government led by Romano Prodi who brought Italy into the EMU, and *La Repubblica* was solidly in favour of both the Prodi government and the euro. Meanwhile, although the Labour government was in principle in favour of entering, there were divisions within the party, and many were opposed. Indeed, a few of the anti-euro pieces published in the *Guardian* displayed in Tables 8A and 8B were written by Labour MP's. One can imagine that these divisions played themselves out in the media in the form of more balanced arguments.

Table 8C

	General Reasons for Support	
	Political	Economic
The Guardian	12	24
La Repubblica	17	20

Table 8D

	Specific Reasons for Support		
	European Integration	Jobs and Trade	More Influence
The Guardian	0	18	12
La Repubblica	17	16	0

Tables 8C and 8D look at some of the reasons for support for the euro. The results of Table 8C show that the majority of arguments in favour of the euro published in the *Guardian* were in favour for economic reasons. This follows the pattern that was found in the House of Commons debates on the euro, where economic arguments dominated over political ones. The opposite is true in Italy, where most of the arguments in favour were political in character. Table 8D shows the kinds of economic and political arguments that were presented. For both, economic reasons mostly referred to more jobs and trading opportunities. But their political arguments were very different. *All* of the political arguments in *La Repubblica* were in favour for reasons of European integration. In contrast, in the *Guardian*, the word "integration" was never even used even though that is precisely what the eurozone was. When referring to this dimension of the

eurozone, more anodyne words like “closer ties” and “partnership” and “co-operation” were used. And, as Table 8D shows, their political arguments were mostly about increasing Britain’s influence in the international system, not only in Europe but with great powers like the US and China. This fits the pattern that was observed in the other sources of evidence above, namely, ignoring the political dimensions of the euro. Curious about this pattern, I asked Lord Radice, who, as a pro-Europe Labourite, shares many of the positions of the editorial staff of the *Guardian*, why papers like the *Guardian* seemed to ignore the political dimensions of the euro:

Me: Were the pro-euro media dishonest about the [political dimensions of] euro?

Radice: They were sceptical of political union. The Dutch and French referendums showed scepticism towards political union and so I did not believe that it [the euro] would lead to political union...political union, especially from Germany, was mostly high-blown talk. For me it means a Stability and Growth Pact that works and is respected. It does not mean federalism, and I would not endorse federalism.

Lord Radice is one of Britain’s most enthusiastic supporters of Europe. He has written many pro-Europe books, campaigned for pro-Europe causes, and defended the pro-euro case in the British Parliament. And yet his conception of political union is simply a “Stability and Growth Pact that works and is respected.” This represents a significant difference with Italy, where much of the pro-euro forces were in favour because they endorsed the euro as a step towards a federal union. As mentioned above, the euro, in both the intentions of its designers and in its structural logic, would lead to a centralization of power. In other European countries this was not only recognized; it was welcomed, especially in Germany and Italy. Recent events are leading to the creation of federal structures in the Eurozone because it is recognized to be essential for the euro to survive. Thus Lord Radice’s conception of a eurozone with a minimalist vision of political union perhaps represents the tendency shown in the parliamentary debates and media sources to ignore or minimize the real political implications of integrationist measures like the euro.

Analysis

Some have pointed out that the UK’s strategy towards Europe from when it initially joined in 1973 is in fact a conservative strategy to preserve the core elements of the British state and its relation to international order. Gifford (2008) highlights that, contrary to popular belief, euroscepticism is a-ideological in character. Even the nominally pro-euro Labour party continues to assert Britain’s essential differences with Europe (Geddes 2006). This cross-party euroscepticism takes the form of promoting the economic dimensions of the project, such as opening up Europe to the free-movement of capital, while restricting the political dimensions in order to prevent the formation of a political unit that could challenge US hegemony. This is illustrated, according to Gifford, when the British promote closer ties with Europe in order to preserve the “special relationship” with the US. This adds up to an attempt to manage its imperial decline by establishing its authority in a neo-liberal international order led by the US (Gifford 2008; Wallace 1991). According to this argument, a deeper political union in Europe would not only challenge the US in the international system; it would also promote and strengthen the social democratic, corporatist political economy that reigns supreme in Europe. In

this sense, promoting European disunity would help to preserve the US neo-liberal model of political economy.

There were also conservative elements in Italy's policy towards Europe, although in the domestic realm more than the international one. Italy's euro-enthusiasm in the late -nineties was, in many ways, superficial, because it underplayed the painful and politically unpopular reforms that were and are necessary for the country to stay in the euro. In Italian political discourse, Europe, and by extension the euro, were associated with "protection" and "strength" in the face of the pressures of globalization. Indeed, this was one of Prodi's framing devices (Moro 2011, p. 131) in his pro-euro political discourse. But for many Italians, this was interpreted to mean the "protection" (i.e., conservation) of core elements of the political economy that were resistant to change and that needed to change in order to compete in a globalized world (Della Sala 2012; Giurlando 2012). Subsequent events provided evidence for this interpretation of Italy's approach to the euro. First, governments in the post-euro period were unable to enact many of the necessary reforms because they were politically unpopular, even though these reforms were a necessary corollary of being in a common currency without the tool of devaluation. It took an unelected government led by Mario Monti to implement many of these reforms, and consequently support for the euro, and for Monti, has plummeted. This suggests that many Italians' support for the euro was not based on the substantive aspects of membership to the common currency, which implied painful changes to their way of life; rather, many supported the euro because they wanted "protection" from globalization. In other words, they wanted continuity through change.

However, in both the UK and Italy there were, and are, those who desired real, substantive reforms and who supported the euro for this reason. Many Labourites supported the euro because they hoped that closer ties with Europe would help transform Britain's liberal political economy into Germany's corporatist model. This belief was expressed in the Lords debates, which in many ways were more honest and frank than were the debates in the House of Commons:

The noble Lord, Lord Heseltine, recently said that he had favoured the UK joining the euro because it would make us more like Germany. I believe that he was right, and he could still be right if the euro survives the present crisis (Lord Monks, House of Lords Debate, Dec 1, 2011).

This level of frankness would be unlikely in the House of Commons because it would be politically damaging. It challenges the belief, held by many, in the UK's essential superiority vis-à-vis other European countries, including Germany. It also undermines the Blair government's narrative that joining the euro would give Britain "leadership" of Europe; for hoping that Britain would become more German is an admission of Britain's lower status compared to Germany. It would also challenge popular narratives held by the masses that equate Britain's relations with the EU with the struggles that took place in World War Two, when the UK was the free and democratic country that was fighting the evil Germany and its plans to rule the continent. But for some pro-euro reformers, the association of "Europe" with "Germany" was positive because, by joining the EMU, Britain would become more like Germany. In this sense, for some elements on the centre-left Europe was a device to promote domestic ends. This attitude actually preceded the euro; many Conservatives in the sixties and seventies supported Europe because they believed it could help prevent some of the socialist reforms of Labour (Holmes 1996); meanwhile, many

Labourites in the eighties supported Europe because they believed it would be an effective defence against some of the right-wing reforms being enacted by Thatcher (Philip 1992, p. 192; Haseler 2000).

This strategy was certainly present among some reformers in Italy in the run-up to the euro. Many supported the euro because, they hoped, Europe would promote their own domestic objectives. For instance, many on the left wanted to consolidate the social democratic model of political economy in the face of globalizing pressures. On the right, in contrast, there were (and are) elements who see the EU as a defense and promotion of free trade, competitive and liberal (in the European sense) markets that would be potentially undermined by the left and their union supporters.

The problem for the reformers in both Italy and the UK who wanted to use Europe to promote their domestic ends is that the evidence shows that domestic structures are very resilient even in the face of Europeanizing pressures (Bache and Jordan 2006, p. 13; Baimbridge and Whyman 2008, p. 158). This is particularly the case in Italy. Entering the EMU, many hoped, would transform the country. But despite being in the EMU for 12 years, the country continues to display many of the problems that have served to relegate it to second-class status in Europe: high levels of corruption and tax evasion, a divided and ineffective political class, low levels of productivity and innovation, low economic growth, low employment, and inefficient public services. The reason is that many interests have a stake in preserving the status quo, and they can use their political power, through the democratic process, to preserve their preferred political-economic structures. In fact, as was highlighted above, many domestic interests endorse Europe precisely because they want to prevent change, or rather because they desire protection from the change-inducing pressures of economic globalization.

The Ideational Approach

Discussions of British identity usually start with Britain's imperial past. In Britain Empire became part of national identity, and gave a sense of esteem and superiority. There were even narratives, created in the Victorian era, about features of the British that supposedly made their global empire inevitable (Stephens 2004). The country had a difficult time adapting to the reality of the loss of empire. Even as late as 1964, when the reality of imperial decline was evident to most, the newly elected Labour leader Harold Wilson said "we are a world power, and a world influence, or we are nothing (Radici 1992, p 20). The country eventually accepted the reality of its second-rate status when it joined the European Community in 1973. This event, not coincidentally, was perceived as a lowering, not a raising, of the country's status and self-esteem (Jaregui 1999). But although the British largely accepted the reality of imperial decline, the evasive and misleading political discourse mentioned above suggests an unwillingness, perhaps an unconscious one but no less real for that, to completely relegate its imperial status to the dustbin of history and to come to terms with the reality of its actual status in the international system.

In Italy, in contrast, there is no recent history of empire comparable to Britain's that provided a sense of national esteem and superiority. Indeed, national status in Italy is perceived to be closely associated with how "European" the country is. And so closer European integration is associated with higher collective esteem for the nation. It is partly for this reason that large sections of Italy's political class openly endorse a political/federal union. In addition, in the

country's political and non-political discourse, adding the suffix "Europe" before an object implies that it is better than the alternative which is not "European" (as in a "European budget", a hospital of "European" quality, etc). This is because the meme "Europe" implies normality, progress, and modernization. Majorities feel "European" and have no conflict reconciling their national and European identities (Isernia 2005). This contrasts with the UK, where only a minority 'feels' European (Worcester 2000, p. 59).

Counterargument

A challenge to the ideational argument above comes from public opinion data from Britain. The argument on political identity assumes a certain stability and intensity of widely held views, beliefs, and feelings of a political community. But public opinion data suggest, according to some scholars, that British public opinion on the euro was more nuanced, superficial, and malleable, and that Tony Blair could have won a referendum on British entry into the euro. In June 1992, polls showed that the British were marginally in favour of Maastricht (54% to 46%). But after the humiliating exit of Britain from the ERM, public opinion shifted to 68% opposed, 38% in favour (Worcester 2000, p. 55). What is more, in July 1998, polls showed that 33% were in favour of the euro, and 50% were against, but when the question was repeated with the condition that the government strongly urged Britain's joining, the gap fell to a mere 7% (Berrington and Hague 2001, p. 74). Finally, the experience of the 1975 referendum demonstrated that, when a decision has to be made about Europe, many in Britain will act in ways that defy prediction. Before the referendum, polls showed that a solid majority were opposed to Britain's entry into the EC. But the results of the referendum showed that views can suddenly shift, as two thirds voted in favour of staying. One reason is that both the major parties, most industry, and the media were solidly in favour, and this impacted public opinion. This suggests two things: first, that we should be sceptical of the many polls that support the notion of British euroscepticism. Second, that even if these polls accurately reflect a snapshot of the public's views, it does not follow that these views reflect an independent, coherent, and settled judgement (Berrington and Hague 2001, p. 69); rather these eurosceptic views are very superficial and can be shifted by governments and other elements of the ruling class.

This argument has many problems. For example, the few polls that showed large support for Maastricht and the euro would, I argue, have been different had the question added the condition that the euro was a federalist project that would lead to a political union. That is, the British display support for the economic dimensions of the euro, but there is little evidence that they would have displayed the same level of support for the political dimensions, which are more important. A thought experiment will help to show why. Imagine for the moment that Blair had successfully brought Britain into the common currency. Had he done so, he would have obtained a seat at the table; the topic of discussion at the table, however, would be transfers to uncompetitive Southern European countries, Eurobonds, a banking union with a centralized regulator, and the creation of a eurozone minister with the power to override democracy and veto national budgets. Would the British consent to the euro had they been told that it could likely lead to these centralizing tendencies? Probably not. In fact the very idea of political union is unpalatable to most British citizens, even those who supposedly supported the euro. It follows that one must be sceptical of some of the pro-euro opinion polls cited in the previous paragraph, for the results of those polls would have been very different had the respondents been informed about the true political dimensions of the euro. Even the 1975 referendum must be understood in

this context. The pro-EC arguments were exclusively about promoting free trade in Europe, not about the vision of political union that other member-states aspired to, and this is one of the reasons that most supported British membership in 1975 (Philip 1992, p. 187; Personal Interview with Lord Flight).

Conclusions: the present Eurozone debt crisis

This paper has largely focused on Britain's approach to the euro, drawing on comparisons with Italy to highlight certain distinct features of the identity of the British nation and its impact on relations with Europe. Interestingly, in the past four years there has been a convergence between the two nations, with Italians becoming, like their British counterparts, increasingly eurosceptic. Polls taken in May 2012 show that 40% of Italians want to return to the lira (Telegraph May 30 2012). They blame the euro for many of the country's ills that have seemed to worsen in the past 12 years since the country entered.

Many British eurosceptics look at the troubles that Italians and other Southern European economies are facing and say "we told you so." And, in fact, reading the debates that took place in the late nineties, they did indeed predict that the project would not succeed. The vindication is palpable in British parliamentary debates:

I would remind those people that the euroskeptics warned of the dangers of joining or having a single currency...we were told that if we did not join, we would be sidelined...indeed, people like me were called unpatriotic because we believed that it would be inimical to British interests to join the single currency...we have been vindicated by events (House of Lords Debate, Feb 3, 2012, Lord Stoddart of Swindon)

The euroskeptic position provides the clearest example of the operations of British identity in its relationship with Europe. However, as this paper has argued, features of euroskepticism are present even among those on the nominally pro-euro side of the debate. The parliamentary debates, interviews, and media sample all illustrate the tendency to ignore the political and centralizing implications of the Europe generally and the euro specifically. The euroskeptic side, however, saw right through this attempt by the pro-euro forces to ignore these implications, helping them to win the debate and preventing Britain from entering.

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