

# CHAPTER I

## INTRODUCTION

### A. Background

This thesis attempt to investigate the reasons of Prime Minister David Cameron holding in/out referendum about the United Kingdom membership in European Union. There must be certain factors why the Prime Minister David Cameron give a promise about referendum. That is why in this thesis, the writer will examine about the factors that become reasons of Prime Minister David Cameron give a promise about referendum.

The United Kingdom is an island nation that consist of England, Scotland, Wales, and Northern Ireland. As a big country, United Kingdom has strong economy and even becomes 8th of the biggest Gross Domestic Product (GDP) in the world. This big economy is supported by the fact that the UK is the first country which use industrialism as its source of income.

On May 11, 2010 David Cameron was elected as the new Prime Minister of the UK to replace the before one, Gordon Brown, who come from Labor party. Prime Minister David Cameron itself comes from Conservative party in the UK which also as known as the Liberal party. The different background between Prime Minister David Cameron and Gordon Brown make them having different policy mainly in economy and politics of the UK.

As the new Prime Minister and also the youngest Prime Minister in the UK, Prime Minister David Cameron should face the political problem and also economic challenges. The big international issue came when Prime Minister David Cameron said that he will held referendum about the UK's membership in the European Union in the end of 2017 in his campaign speech before the election. Even after he has been chosen as the new Prime Minister, there is an issue that referendum will be held earlier in 2016. This issue becomes very controversy since the UK has important role in European Union's economy.

Actually, the referendum issue is not the first time happen in the UK. Prime Minister David Cameron is not the first person who suggest that he will hold the referendum in/out the UK's membership of European Union. According to a timeline posted in BBC website, after the UK joined the European Economic Community (EEC) on January 1, 1973 there were a lot of pros and cons about the UK's membership in EEC itself.

It started on January 23, 1974 the leader of Labor party, Harold Wilson who won the election in 1974 promised that the UK will have the in or out referendum about the UK's membership in European Union (at the time the name was European Economic Community), whether the UK will remain or leave from European Union. On June 6, 1975 the result of the referendum was 67% votes wanted the UK to stay in European Union. At the time, Harold Wilson had succeed in renegotiation with EEC in gained concession on EEC the budget, on the Common Agricultural Policy and on food imports from Commonwealth

countries.<sup>1</sup> In 2004, the Prime Minister who came from Labor party Tony Blair said that there will be a referendum that will be held in European Constitution Treaty but does not name a date for the poll.

In the next year, the Labor, Conservative, and Liberal Democrats party were proposed a referendum about whether they will ratify the EU Constitution in their general election manifesto or not but the proposal was rejected by the France and Netherland. In 2007, European Commission proposed the replacement treaty which it will be Lisbon treaty, at the time Labor party said that it will be another document so that referendum was not needed while in the other side, Prime Minister David Cameron give “cast-iron guarantee” after he said that it will be hard for doing referendum in the treaty so he will give referendum if he was elected in the election. In 2008, the UK ratified Lisbon treaty without any referendum.

The condition is getting worse since in 2010 the new eurosceptism member of Conservative Member Parliaments were elected as Parliament. In 2011, there was a petition which has purpose for referendum of the UK membership in European Union that signed by 100.000 peoples in Downing Street after there several events there were a motion of referendum but it was defeated in the House of Common by 483 votes to 111 however Tory party still support for referendum.

Until on January 22, 2013 there was a speech of Prime Minister David Cameron which said that he will do referendum (negotiation about UK-

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<sup>1</sup> <http://imperialglobalexeter.com/2015/06/05/in-wilsons-shadow-why-the-1975-europe-referendum-still-matters/> accessed in October 27th, 2015

EU's relations) if the Conservative wins the next election in 2015. Here is the citation of Prime Minister David Cameron's speech about the referendum:

*"...I believe the best way to do this will be in a new treaty so I add my voice to those who are already calling for this. My strong preference is to enact these changes for the entire EU, not just for Britain. But if there is no appetite for a new treaty for us all then of course Britain should be ready to address the changes we need in a negotiation with our European partners. The next Conservative manifesto in 2015 will ask for a mandate from the British people for a Conservative government to negotiate a new settlement with our European partners in the next parliament. It will be a relationship with the single market at its heart. And when we have negotiated that new settlement, we will give the British people a referendum with a very simple in or out choice. To stay in the EU on these new terms, or come out altogether.*

*It will be an in-out referendum. Legislation will be drafted before the next election. And if a Conservative government is elected we will introduce the enabling legislation immediately and pass it by the end of that year. And we will complete this negotiation and hold this referendum within the first half of the next parliament...."*

- Prime Minister David Cameron<sup>2</sup>

Then, in January 2015 in a television show, Prime Minister David Cameron asked by Andrew Marr about the referendum. Here is his answer:

*"Absolutely, the referendum must take place before the end of 2017."*

Then he continued,

*"If we could do that earlier, I'd be delighted, if we could deliver on this referendum then the sooner I can deliver on it the better."*

- Prime Minister David Cameron<sup>3</sup>

Further, in May 8, 2015 the Conservative party won the election, they said that they promise to hold referendum in the end of 2017.<sup>4</sup>

There are a lot of the people reactions towards the decision made by Prime Minister David Cameron about the UK's membership in European Union. Some people think that this a new chance to the UK to get better future mainly in the economic future. On the other side, some people also think that the decision made by Prime Minister David Cameron only repeat the history of Harold Wilson who had done an in or out referendum in 1975. This kind of different thinking of the UK's future has made the different side of choices about the UK's membership itself. That is why there are the pros and cons side.

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<sup>2</sup> <http://www.theguardian.com/politics/2013/jan/23/david-cameron-eu-speech-referendum> accessed in 11st October 2015

<sup>3</sup> <http://www.eureferendum.com/blogview.aspx?blogno=85394> accessed in 11st October 2015

<sup>4</sup> <http://www.bbc.com/news/uk-politics-15390884> accessed in 9th October 2015

The pros and cons about the UK's membership in European Union from the UK people also influence the doubt of the UK's participant in European Union. This is proved when in 1998, European Union announced that they will have the single currency named Euro (launched in 1 January 1999) but the UK itself rejected the policy. According some news, the refusal of the UK towards the policy of European Union because of the economic reasons. The UK's people is worried if they use Euro as their currency it will decreasing their economy. And some of them argue that the use of single currency Euro as one-size-fits-all monetary policy has failed in some states and even cause the monetary crisis. That is why the UK still use Pound sterling as their currency.<sup>5</sup>

Actually at the very beginning, the Conservative party which known as Tory party did not agree to use the single currency "Euro" in the UK as the Economic policy of European Union. Its different with Labor party which agree with the using of euro. And when there was a eurozone crisis that happened since the end of 2009 in several EU states (Greece, Ireland, Portugal, Spain and Cyprus)<sup>6</sup> and also give the impact to other member of European Union as domino effect, the UK become more anxious for European Union's future.

By this long history of pros and cons phenomenon about the UK's membership that happen in the UK, Prime Minister David Cameron has decided to give referendum to the UK's people to have choice whether they want to stay become European Union member of they can leave the membership of European

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<sup>5</sup> <http://www.telegraph.co.uk/finance/economics/11761926/Why-the-UK-must-never-join-the-euro.html> Accessed in October 27th, 2015

<sup>6</sup> [https://en.wikipedia.org/wiki/European\\_debt\\_crisis](https://en.wikipedia.org/wiki/European_debt_crisis) accessed in October 27th, 2015

Union itself in 2017 later.<sup>7</sup> Of Course, what Prime Minister David Cameron has to decide is should give the advantage for the UK, especially in economically.

Actually, there is no statement about what the Prime Minister of the UK demands about the in/out referendum. But, in the some news there were information about Prime Minister David Cameron has said that he would campaign for the UK to stay in European Union if European Union was able to reform, even though it will not get the support from his party, Tory party which decided stay neutral during the referendum.<sup>8</sup>

By this paper, the writer wants to examine about the reasons why Prime Minister David Cameron gives referendum towards the UK people, the writer sees that there must be a lot of reasons of Prime Minister David Cameron deciding that he will give referendum in the end of 2017. Since actually the UK has the important role inside of European Union that is why the giving promise of referendum by Prime Minister David Cameron in 2017 must be questioned about the reasons behind the decision of in/out referendum, because it seems like the UK find deadlock of its solutions and somehow it will also cause the deadlock of the UK-European Union's relations.

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<sup>7</sup> <http://www.antaraneews.com/berita/495080/konservatif-menang-pemilu-inggris-poundsterling-menguat-di-asia> Retrieved on 1st October 2015

<sup>8</sup> <http://www.euractiv.com/sections/uk-europe/uk-scientists-announce-stay-eu-campaign-318361> Retrieved on 28th October 2015

## **B. Research Question**

From the problem's background that has explained before, the question here is, "Why does Prime Minister David Cameron promise to hold referendum on the UK's membership in European Union?"

## **C. The Purpose of Research**

According the research question above, this research proposal has certain purposes:

1. *To investigate the main factors that influence the decision of Prime Minister David Cameron to hold referendum about the UK's membership in European Union in the end of 2017.*
2. *To investigate the reaction of other European Union other members when Prime Minister David Cameron decided to give a referendum about in/out the UK's membership in European Union.*

## **D. Theoretical Framework**

In the book *Essence of Decision: Explaining the Cuban Missile Crisis* (1971), Graham Allison describes that there are three models of foreign policy-making process where the first model is rational actor, the second model is organizational process model and the third is governmental (bureaucracy) politics model.



**Figure 1**  
**A Typology of Policymaking**

	DECISIONMAKERS			
	APE			
	Perfectly rational		Imperfectly rational	
Single Decisionmaker	1a complete information	1b incomplete information	2a complete information	2b incomplete information
Many Decisionmakers, same goals	3a complete information	3b incomplete information	4a complete information	4b incomplete information
Many Decisionmakers, conflicting goals	5a complete information	5b incomplete information	6a complete information	6b incomplete information

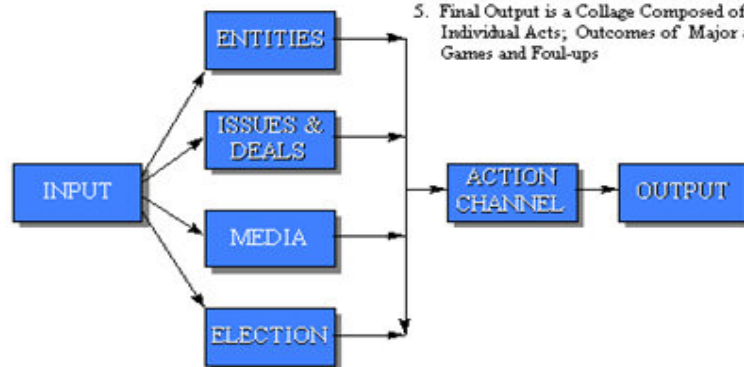
Source: Bendor, J., & Hammond, T. H. (1992). Rethinking Allison's models. *American Political Science Review*, 86(02), 301-322.

Here, based on the research question the writer will examine the case using the third model of Graham Allison, the governmental (bureaucracy) politics model. Graham Allison defined this model as *bargaining game* where the foreign policy-making process is consisting of many variables (some players and some goals). It means that there is no single actor in decision making process but it is like the social-interaction process within the government where the government agencies do the bargaining process with the leader (final decision maker).

*"The name of the game is politics: bargaining along regularized circuits among players positioned hierarchically within the government. Government behavior can thus be understood according to a third conceptual model, not as organizational outputs but as results of these bargaining games"*

(Graham T. Allison)<sup>9</sup>

### Model III - Governmental (Bureaucratic) Politics Model



#### Basic Assumptions of Model III

1. Players (political or Ad Hoc) Occupy critical positions Within the Government
2. Action Channels are Politically Chosen to Work the Issue and Determine "Who's Got the Action"
3. Parochial Priorities (Organizational Survival Priorities)
4. A Competitive Game of Bureaucratic Politics
5. Final Output is a Collage Composed of Individual Acts; Outcomes of Major and Minor Games and Foul-ups

Source : <http://www.geocities.ws/Pentagon/Quarters/7229/se532.htm>

According the chart above, input of the actors within the government such as entities, issues and deals, media and election.<sup>10</sup> Here is creating process of multiple players of decision maker. Every single player has their own goals. Different with rational actor and organizational models, the governmental (bureaucracy) politics model is more complicated because it is consist of many players yet every player has the different goals.

He explained that actually leader has different level of power based on their charisma, skill of persuasion, and personal ties. As he mentioned,

<sup>9</sup> Allison, Graham. 1971. *Essence of Decision: Explaining the Cuban Missile Crisis*. Boston: Little, Brown.

<sup>10</sup> <http://www.geocities.ws/Pentagon/Quarters/7229/se532.htm> Accessed on October 29th, 2015

*"Sometimes Neustadt's 'President-in-sneakers' is the central political gamesman. Sometimes the President merely observes the pulling and hauling among various groups within the government. Sometimes the President is the target of the tactics of a bureaucratic group"*

(Graham T. Allison)<sup>11</sup>

It explained that inside of government there is a relations between leader with the bureaucratic or other government agencies. Here is the power of leader will be challenged to make the best decision which will give the benefit for all of the player.

In the case of the Prime Minister David Cameron promises to hold referendum about the UK's membership in European Union, the writer see that Prime Minister David Cameron is not the single actor behind the promise of the referendum. There are several actors who actually do bargaining process within the government so that it give the result on final decision that Prime Minister David Cameron will give referendum at the end of 2017. The actors or the players who played in the process of the bargaining game inside of the case the Prime Minister holding referendum about the UK's membership in European Union are the eurosceptic people who come from the UK government, business entities, media and the UK people itself. Each of them of course has the interest to be achieved through the referendum that will be held in 23 June 2016. The eurosceptic UK government who exist in the UK actually has deep interest for the

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<sup>11</sup> Ibid.

UK become the independent state without interfere from the European Union, this happen also with the sceptical media in the UK because the owner some of them are politician like Nigel Farage, while the business entities really wants the EU change their economy policy so it will more beneficial for them. The writer thinks that the promise of referendum about the UK's membership is a result or output of the bargaining process within the government. So, Prime Minister David Cameron gives this promise as the result which can give the benefit for all the actors who has invloved in this case.

#### **E. Hypothesis**

By referring the above research question and using the theoretical framework elaborated above, the writer will draw the hypothesis that Prime Minister David Cameron promise to hold referendum on the UK's membership in European Union during his campaign because he got increasing pressure from eurosceptic government agencies and political agencies such as:

1. The pressure of eurosceptic business entities
2. The eurosceptic UK people and UK's government
3. Sceptical media as mind-blowing in the UK

#### **F. Method of Research**

- Type of Research

The writer uses here is explanative method, because through this research the writer wants to explain why does Prime Minister David Cameron as the re-elected Prime Minister give the promise to hold a referendum about the UK's membership in the end of 2017 .

- Data Collecting Method

The data collecting method uses here is library research which means that the source will come from *the books and journals to get a theory that relate to this Study Case to solve this study case and to make the hypothesis.*

- Data Analysis Method

The data analysis method writer uses here is qualitative it means that the writer uses the second data as the source of the research.

## **G. Systematical Writing**

The systematic writing of this research is arranged as follow:

Chapter 1 This chapter is containing background, research question, purpose of research, theoritical framework, hypothesis, method of research, and systematical writing.

Chapter 2 This chapter will describe about the UK and European Union's realtions which in this chapter will clearly describe role of

both the UK and European Union since the UK joined European Union.

Chapter 3 This chapter will describe about actors which surrounding Prime Minister David Cameron as the UK's Prime Minister to give the in/out referendum about the UK's membership in European Union. This chapter will also examine the issue/deals and election factors as the influencer for governmental agencies (based on the governmental theory).

Chapter 4 The chapter will describe also about the others actors which surrounding and push the Prime Minister David Cameron to hold referendum in the end of 2017. The factors are including the business entities and the role of media (based on the governmental theory) and also the reaction from other European Union member towards this referendum

Chapter 5 Conclusion