
The Pact?

The Conservative Party, UKIP and the EU
A Discussion Paper

November 2012 v.3

Overview

There are a number of factors that will determine whether the Conservatives win the next election in 2015. These include the state of the economy, increased support from all ethnicities, and a possible boundary review. These are well known. But there is another factor and something else the Conservative Party can address if it has the will to win.

The United Kingdom Independence Party (UKIP) is now a significant contributory factor in costing the Conservative Party victories in marginal seats.

It is time to consider actively whether a rapprochement might be possible before the 2015 General Election.

The basis of any deal is clear: A referendum on the United Kingdom's future membership of the European Union.

- **In the 2009 European Elections, on a turnout of 34%, UKIP returned 13 MEPs, and won 16% of popular vote and 2,498,266 actual votes.**
- **At the 2010 General Election, UKIP won 3.1% of the popular vote.**
- **UKIP came 2nd in the Barnsley by-election in 2011.**
- **For months, UKIP polled higher than the Liberal Democrats to become the 3rd party. The latest YouGov poll puts UKIP on 8%.**
- **David Cameron's highest personal poll ratings were in the week following his decision to veto the proposed EU Treaty in December 2011.**
- **The latest polling shows that 56% of Britons want to leave the EU though the result of any referendum is uncertain.**
- **15% of Conservative voters said recently that they would vote UKIP.**

Introduction

UKIP is now an electoral threat to the Conservative Party. This threat has arisen because 'Europe' is once again an issue of concern to many voters across the United Kingdom. With the Eurozone crisis changing the nature of our own membership by the minute, UKIP's message is gaining traction with many, and fast.

At present, UKIP does not pose a threat in any single Westminster Parliamentary seat: however, it presents a far more troubling threat to the Conservative Party. At the General Election in 2010, UKIP cost the Conservatives, on a realistic estimate, around 20 - 40 seats, just by standing and taking a mere 3-4 % of the vote. In the European Elections in 2009, they became the second party, overtaking Labour and gaining 13 seats, and 16.5% of the vote in the European Parliament. Fast forward a year to the 2010 General Election and UKIP stood in 572 seats and took 3.1% of the popular vote.

Since the General Election 2010, many in the Conservative Party have commented that UKIP had lost the momentum that they had gained during the 2009 European Elections and that it showed they were just a one-trick pony on the European issue. What was overlooked was the fact that even 3.1% of the vote, spread across 572 Parliamentary constituencies will have been a major contributory factor to the Conservatives failing to win an overall majority.

So I do not seek to explain the 2010 General Election result by blaming UKIP for taking a Conservative majority, because they did not. The 2010 General Election took place during the backdrop of one of the worst financial environments in history, with one of the most unpopular Prime Ministers in living memory, and with a developing Eurozone crisis just 22 miles from our shores. What I do assert, however, is that UKIP has cost the Conservative party votes in marginal seats which might otherwise have been won. It would be false, too, to assume that all UKIP voters are disaffected Conservative voters because as the Barnsley by-election in 2011 showed, they clearly are not.

However, with a UKIP leader in Nigel Farage, who is a former Thatcherite, who sounds like a Conservative, who looks like a Conservative, and in other circumstances probably would be a Conservative, some of the arguments being advanced here do have real relevance and must be addressed.

One thing is for certain. UKIP is gaining traction because of Europe. Although it considers itself to be a multi-issue party, its overwhelming raison d'être is for the United Kingdom to leave the European Union.

An Opinion poll in November 2012, showed that 56% of people would vote to leave the EU compared to 30% would choose to stay.¹ Alongside this polling, UKIP are now pulling ahead of the Liberal Democrats into third place. In the latest polling, UKIP is on 8%, whilst the Conservatives remain on 33%.²

There is a direct correlation between the European question and the increase in UKIP support. The Conservative Party must now stop this steady erosion.

¹ Opinium/Observer poll – November 18th 2012

² YouGov website – November 16th 2012

Elections

An argument that has often been advanced is that UKIP only did well at European Elections because a) that is their main cause and b) EU elections in the UK use a proportional voting method that would allow them to gain seats without the same difficulty they face in General Elections.

But UKIP's real threat rests in stealing votes at General Elections rather than posing an actual threat to any one seat.

General Election 2010

Seat	Winning Party	Conservative Vote	UKIP vote
Bolton West	Labour 18,329	Conservative 18,235	UKIP 1,901
Derby North:	Labour 14,896	Conservative 14,283	UKIP 829
Derbyshire NE:	Labour 17,948	Conservative 15,503	UKIP 2,636
Dorset Mid & Poole N	Liberal 21,100	Conservative 20,831	UKIP 2,109
Dudley North:	Labour 14,923	Conservative 14,274	UKIP 3,267
Great Grimsby	Labour 10,777	Conservative 10,063	UKIP 2,043
Hampstead & Kilburn	Labour 17,332	Conservative 17,290	UKIP 408
Middlesbrough South: Morley	Labour 18,138 Labour 18,365	Conservative 16,461 Conservatives 17,264	UKIP 1,881 UKIP 1,506
Newcastle-Under-Lyme	Labour 16,393	Conservatives 14,841	UKIP 3,491
Plymouth Moor View	Labour 15,433	Conservatives 13,845	UKIP 3,188
Solihull	Liberal 23,635;	Conservatives 23,460	UKIP 1,200
Somerton & Frome	Liberal 28,793	Conservatives 26,976	UKIP 1,932
Southampton Itchen	Labour 16,326	Conservatives 16,134	UKIP 1,928
St Austell & Newquay	Liberal 20,189;	Conservatives 18,877	UKIP 1,757
St Ives	Liberal 19,619	Conservatives 17,900	UKIP 2,560
Telford	Labour 15,977	Conservatives 14,996	UKIP 2,428
Walsall North	Labour 13,385	Conservatives 12,395	UKIP 1,737
Walsall South:	Labour 16,211	Conservatives 14,456	UKIP 3,449
Wells	Liberal 24,560	Conservatives 23,760	UKIP 1,711
Wirral South	Labour 16,276	Conservatives 15,745	UKIP 1,274³

The above table makes the case in point, that UKIP's threat lies in their being a major contributory factor in denying Conservatives a win in marginal seats. (Liberal in this table is Liberal-Democrat)

³ ConservativeHome – May 8th 2010

Having said this however, it is important to recognise that not all UKIP votes would necessarily be Conservative, yet if Europe is the significant question, and we should consider that it is and will remain so, then this table really does speak for itself.

As has been stated earlier, UKIP's threat is not that a Parliamentary seat would be lost to UKIP. Indeed, this was clearly demonstrated when Nigel Farage, the deeply charismatic and well-known UKIP Leader challenged the Commons speaker in Buckinghamshire. Bercow fought that election with support from the Conservative Party. The election gathered huge media interest, not least because Farage had been in a plane accident on the morning of the election. Even so, Farage won just 17% of the vote.

Are all UKIP voters, Conservative?

It would be wrong to assert that all UKIP supporters are disillusioned Conservatives. However, a recent poll in the Observer shows that 15% of Conservative voters would consider voting UKIP.⁴ Unfortunately, it does not say how many Labour and Liberal-Democrat voters might also do the same. Nevertheless, the polls demonstrate that it is the Conservative Party that takes the biggest hit by a UKIP surge rather than the Lib Dems or the Labour Party. Although it could be asserted that the Barnsley by-election were proof that UKIP can attract Labour voters, on turnout, if the UKIP turnout and the Conservative turnout were added together they would make around the same percentage vote that Conservatives won at the 2010 General Election in Barnsley.

Similarly, the UKIP manifesto is overtly centre-right to right wing in its stance on all major issues. Much of it would be unpalatable to most left-liberal and socialist voters. Having said this, it is important to recognise that Labour does have a streak of anti-EU support within it, though not in any real numbers that would suggest that UKIP takes significant votes from Labour.

If one were to look at defections to UKIP, they have been overwhelmingly from the Conservatives. Figures such as Lord Pearson, Neil Hamilton, and even younger generations of non-politicians such as Alexandra Swann have all left the Conservative Party to join UKIP. None are high profile figures from the Labour Party or the Liberal Democrats.

Another issue with collating data for the increase in UKIP support is that many of the UK's polling companies have until recently asked questions like: *"If there were a General Election tomorrow, how would you vote?"* and then gone on to list the 3 mainstream parties, with the Greens, BNP, UKIP etc all lumped together as "others".

⁴ Observer – November 18th 2012

This said however, there has been a marked increase in support for UKIP and the above evidence suggests that most are from the Conservatives though this cannot yet be quantified. It would be advisable for the Conservative Party to undertake its own private polling to quantify this, if it hasn't already done so. I suspect it will make disturbing reading.

The Referendum Party

UKIP is not the first party to push the issue of an EU referendum at a UK General Election. The Referendum Party, founded by James Goldsmith in 1994 challenged the Conservatives in 546 constituencies at the 1997 General Election. They won 810,231 votes and a 3% share of the vote.⁵

For some this might be a direct comparison to the threat that UKIP causes the Conservative Party today, however there were some circumstances that were very different.

- 1) The Referendum Party was bank rolled by one very wealthy individual. Whilst UKIP has backers such as the former Conservative Treasurer, Stuart Wheeler, the majority of their fund raising comes from the membership and from the funding they receive as MEPs.
- 2) The 1997 General Election was a unique occasion in British politics. The Conservatives won 178 seats fewer than in 1992 and were left with just 165 MPs. The impact of the Referendum Party, whilst clearly impacting on Conservative votes, was minimal in its impact.
- 3) Shortly after James Goldsmiths' death, the Referendum Party ceased to exist, and in 1999, UKIP won its first seats in the European election, no doubt benefiting from the former supporters of the Referendum Party.
- 4) It is fair to argue that the original support that the Referendum Party enjoyed has been taken to a new level by UKIP.

⁵ 1997 General Election results

By-Elections

By-elections are often a poor barometer of national opinion, yet can often play into the national debate in a way that other elections cannot. In some by-elections, such as the recent one in Cardiff South and Penarth, UKIP had a mixed result; however there have been two significant by-elections where they have proved the case in point, that they are now stealing Conservative votes. Both in Barnsley in 2011 and in the Corby by-election, UKIP pushed ahead of one of the main parties taking second and third place respectively.

Both of these by-elections are significant because they were called since the 2010 General Election and the growth in UKIP support has been profound enough to begin a debate nationally on eurospectism and the reasons for the growth of UKIP itself.

Barnsley by-election 2011

2011 Result			2010 General Election Result		
Labour	14,724	60.8%	Labour	17,487	47.3%
UKIP	2,953	12.2%	Lib Dem	6,394	17.3%
Conservative	1,999	8.3%	Conservative	6388	17.3%
BNP	1,463	6.0%	BNP	3,307	8.9%
IND	1,266	5.2%	UKIP	1,727	4.7%
Lib Dem	1,012	4.2%	IND	732	2.0%
English Dem	544	2.2%	IND	610	1.6%
Monster	198	0.8%	Socialist Lab	356	1.0%
IND	60	0.2%			⁶

The Barnsley by-election result showed that not only were UKIP in step with the national polling of the time, and the on-going Eurozone crisis, but were also seen as the anti-politics vote too. Often the party has attempted to distance itself and its core messaging from that of the other parties. The by-election in Barnsley was called after the sitting MP, Eric Illsley, was found guilty for expenses fraud and was sent to prison. It is interesting too that the impact of the Coalition took its toll on the Liberal Democrats and that the bulk of the vote moved to UKIP and was not distributed across other parties.

⁶ BBC, March 4th 2011

Corby by-election, 2012

2012 Result

2010 General Election Result

Labour	17,267	48.4%	Conservative	22,886	42.2%
Conservative	9,476	26.6%	Labour	20,935	38.6%
UKIP	5,108	14.3%	Lib Dem	7,834	14.5%
Lib Dem	1,770	4.96%	BNP	2,525	4.7%
OTHERS fewer than 5% ⁷	N/A	N/A	UKIP	N/A	N/A

The Corby by-election result demonstrates even more starkly than perhaps the Barnsley example does, the real support than UKIP can harness. In the 2010 General Election, UKIP did not stand in the seat, yet since gained 14.3% of the vote just 2 years on. Again, it was clear that the Coalition took a mid-term kicking, however the UKIP vote surged beyond that which was being polled nationally.

Bradford by-election 2012

The Bradford by-election could be included in this list too, however with the huge swing of George Galloway from all other parties. The result was so bizarre that it was a case in point of by-elections being an unreliable barometer. However, UKIP still achieved an increase of the vote by 1.3%.

European Elections 2009

Region	Number of Votes	Percentage of Vote
East Midlands	201,184	16.4
East of England	313,921	19.6
London	188,440	10.8
N.E England	90,700	15.4
N.W England	261,740	15.8
S.E England	440,002	18.8
S.W England	341,845	22.1
West Midlands	300,471	21.3
Yorkshire	213,750	17.4
Wales	87,585	12.8

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⁷ BBC News, Corby by-election, November 15th 2012

⁸ European Election results, 2009 – BBC, April 2009

Make up of British parties in the European Elections, 2009

Party	Number of MEPs
Conservative	25
UKIP	13
Labour	13
Lib Dem	11
Green	2
BNP	2
SNP	2
Plaid Cymru	1

The European Elections are an area where UKIP success might well be expected. After all, their very reason for their existence is to withdraw from the European Union. Unlike Sinn Fein, UKIP took the decision to sit as MEPs when the first MEPs were elected in the 1999 European Elections. The consequence has been that UKIP has been able to access the full entitlement of the resources of elected and sitting MEPs. In 2009, UKIP and its 13 MEPs (one has since become independent) formed the European Party Grouping: Europe of Freedom and Democracy.

These party grouping systems entitle parties to extra resources in the way of funding and staff to advance their causes. It also allows Nigel Farage, as a co-President of the group to speak at all key European Parliamentary debates and allows a presence which would otherwise not be available to him. UKIP have been incredibly effective at using this to their advantage with Youtube videos. The most notorious of these was when the President of the European Council, Herman Van Rompuy came to address the European Parliament in Brussels and was referred to by Nigel Farage as having “the charisma of a damp rag, and appearance of a low-grade bank clerk.”⁹

Although these type of stunts in themselves do not attract many plaudits, they have enabled UKIP to achieve much more of a platform in the UK media than would otherwise have been the case. It has also led to Nigel Farage having the opportunity to appear on programmes such as *Have I Got News For You* and develop a profile beyond that of any other MEP in the UK.

⁹ European Parliament proceedings.

Messaging

UKIP in recent years has become more and more effective at its messaging employing simple, effective explanations of their policies. Not only have they had to fight less to gain airtime in the media because of their increase electoral presence and legitimacy, they have become more in tune with the political mood since the MPs expenses crisis.

In their 2010 General Election manifesto, UKIP promised the following: –

- **Hold a referendum on continued UK membership of the EU;**
- **Reinstate Grammar Schools;**
- **Increase defence spending by 40%;**
- **Move towards a flat rate of income tax;**
- **Opposed entirely to HS2¹⁰**
- **Bring back Pullman trains on the UK's railways**
- **Reinstate the Radio 4 theme!**

Whilst some of these policies are clearly not intended to be serious, the messaging is effective at calling out to Conservative voters who have become tired of excuses for not holding an in-out EU referendum.

UKIP has also been effective at tapping into frustration with career politicians and referring to some of the current cabinet as “college kids” and contemning the 3 mainstream parties as almost unidentifiable. With increased apathy and discontent amongst some of the electorate, this narrative is effective and feeds into a feeling that goes way beyond simply Europe.

This is also complimented by a very able social media strategy. UKIP's official YouTube channel has had over 3 million views.

This strategy is also born out in membership figures. UKIP have seen an increase in members from 16,500 in 2009 to over 19,000 in early 2012. This is in the face of falling membership figures in most other UK political parties.¹¹

¹⁰ UKIP website – August 2012

¹¹ Independent – 30th July 2012

The European Question

UKIP was formed in the early 1990s around the time of the Maastricht Treaty. As the newly elected MP for Mid-Staffordshire, I clearly remember how ghastly that period was, with a Conservative Party divided between Europhiles and Eurosceptics. With the exception of perhaps one or two MPs, there is little doubt that today the Conservative Parliamentary Party is a constructively 'eurosceptic' party. Yet, UKIP continue to thrive for what I believe are just 3 simple reasons.

1) The Lisbon Treaty

The Lisbon Treaty came into existence following the rejection by voters in France and the Netherlands of the European Constitution. In essence, the Lisbon Treaty contains 97% of the same text as the rejected European Constitution. The then British Labour Government had originally promised a referendum on the European Constitution, yet reneged on the promise when the new rehashed version was proposed.

The Conservative Party was consistently in favour of a referendum on both the EU Constitution, and then the Lisbon Treaty. David Cameron gave his "cast iron" guarantee on a referendum IF the treaty were still not ratified by the time he became Prime Minister. This was absolutely the right thing to do, and showed the maturity of a Leader who understood the workings of the European Union. How could he have promised a referendum on a Treaty already ratified by 26 other countries and cast into law? It would indeed have been a pointless exercise, shutting the stable door long after the horse had bolted.

Unfortunately, judicious editing of videos cast the Conservative Party, and David Cameron in particular, as having promised a referendum on continued membership of the EU. A complete rewriting of history yet one that many voters still believe to this day.

2) The "Ghosts"

As mentioned, when I became a newly elected MP in the 1992-97 Parliament, my experience was dominated by infighting and weakness over the Maastricht Treaty which in itself was also a rerun of the battle between those who had supported Thatcher and those who contributed to her downfall.. The Conservative Party was rewarded for this with a kicking in the 1997 General Election; I received a majority of just 238 in Lichfield (now over 17,600).

The experience for the Conservative Party is still vivid in the minds of most. David Cameron, a Special Adviser at the time, will be more aware than most of the damage that was done. It meant that Europe was off the menu for the party and where the “elephant in the room” of the Europe question remained unspoken. UKIP took advantage and have adapted themselves to be the main recipients of our bad fortune.

3) Polling

Current polling shows that Euroscepticism and UKIP are now in line with current popular opinion. The most recent Opinium poll shows that 56% against 30% of people would choose to leave the EU.¹² Nevertheless, I am not convinced this would be replicated in an actual referendum. The recent referendum on AV v First Past the Post demonstrated the electorate’s caution and preference for the status quo.

This increase in Euroscepticism is being witnessed in other countries too with the huge surge in support for the True Finns in Finland and polling showing that Euroscepticism is on the increase in France, the Netherlands, and Hungary and beyond.

The last referendum held in the UK on the European Question was in 1975. The question was

"Parliament has decided to consult the electorate on the question whether the UK should remain in the European Economic Community: Do you want the UK to remain in the EEC?"

Apart from the fact that this question no longer relates to our current membership status with a Union changed beyond recognition from what it was in 1975, a voter would have to be 55 in the UK today in order to have had a vote on the European Question. Given that the average age in the UK is now around 40, the majority of the UK population have never had a vote on the constitutional status of the UK in a European context. Meanwhile, we have had referendums on devolution, AV, and creation of mayors.

The frustration by many is shown out in polls and in the support that UKIP has found in many elections.

In November 2012, an Opinium/Observer poll found that 68% of Conservative voters wanted to leave the EU. There is a direct correlation between this support and the seepage of votes to UKIP.¹³

¹² Observer – November 18th 2012

¹³ Observer, November 18th 2012

The Eurozone

As the Eurozone crisis continues to rage on, opinion in the UK is hardening towards the UK's continued membership of the EU. The Eurozone crisis is forcing the EU to reform in ways that some EU enthusiasts could only have dreamed of 5 years ago. It is no longer a whispered secret that some countries want a full scale Federal Europe and believe it necessary to preserve the Euro. When British Eurosceptics of yesteryear referred to such issues, they were often exiled to the fringes of the European debate and this included many in UKIP. That is no longer the case.

The decisions being taken in the European Union are now being decided at a 17 member state level, rather than the 27. When David Cameron vetoed the proposed EU Treaty in December 2011, he received his highest ever poll ratings in the UK, yet the growing resentment to British euroscepticism spilled out into open hostility and has continued to do so.

The reforms that the European Union now needed to rescue the Euro are being taken without even the need to consult the United Kingdom. When a two-speed Europe is referred to, this is it. It is here already. Given these changes, there can be little doubt that the UK's perceived weakened position is hardening opinion amongst voters who previously may have tolerated the European project.

As long as this debate continues, UKIP will continue to cash in its political capital. David Cameron understands that he was at his most popular when he stood up to the European Union – and for a reason.

The Proposal

The evidence of a UKIP threat is clearly apparent. From their simple yet effective messaging, to the reality of polling and electoral success.

The Conservative Party must now urgently consider whether to: –

- **commit to a straight ‘in-out’ referendum on the UK’s continued membership of the European Union. However, to give legitimacy to this, it may be necessary to set a minimum turnout such as 50%.**
- **obtain a firm commitment from UKIP that any such referendum will be guaranteed if UKIP agrees not stand against Conservative candidates.**

These steps have to be taken to stop the continued haemorrhage of Conservative votes and enable the Conservative Party to move on from the European Question if not once and for all, for a generation.

In the event of a EU referendum vote taking place, the Conservatives would:

- a) **have taken the first step in being in tune with popular opinion;**
- b) **have neutralised a UKIP threat; and**
- c) **attenuated the politicking of the Labour party on the European Question.**

Nigel Farage has said himself that this is a deal he would consider:

“I’m responding to many voices within the Conservative party, and what I’ve said is we’re a different party with a different manifesto, but if we were offered a deal that made it easier to push open a door marked ‘independence for the United Kingdom’ of course we’d consider it.

But I wouldn’t even contemplate doing a deal, even if it gave the party an advantage, unless we first had, written in blood I think, an absolute promise that we would have a proper referendum on our relationship with the EU.”¹⁴

This comment alone demonstrates that any such commitment to a referendum would be seriously considered by UKIP.

¹⁴ PoliticsHome, Farage UKIP Conference speech 2012

And such decisions must also be taken in the light of the threat from Labour. If the Labour Party were to take advantage of the polls and promise a referendum in its 2015 General Election manifesto, it would neutralise the impact of any commitment made by the Conservatives on a referendum; it would make the Conservative Party once again look like it was following rather than leading on the issue of Europe.

Nevertheless, I recognise that any such move would be unpopular with our Coalition partners and so the timing of any such declaration would be critical.

For UKIP, if a referendum were fought and the UK chose to leave the EU, their party would in effect be finished as a political entity. Similarly, if a referendum were held and the UK decided to remain inside the EU, then UKIP would be unable to fight the obvious tensions of the European question within the Conservative Party for many years to come.

Such an offer would not be a sign of weakness by the Conservative Party. It would be a pragmatic extension of existing philosophy from a Party of Government.

Moreover, this could mark the final rapprochement between warring brothers.

Questions

1) Could another party replace UKIP as the “4th party” making your deal cheap?

UKIP have been growing at a pace since the days of the Maastricht Treaty in the early 1990s. At the last General Election, they polled just 3.1%, however they stood in 572 seats and undoubtedly stopped – or contributed to stopping – Conservative candidates being elected.

Any party that would replace UKIP would need serious capital behind it, a credible leader, and would require years of preparation.

2) Would you simply be conceding to UKIP’s demands to the detriment of the Conservative Party?

As the polls show, the Conservative Party is an overwhelmingly Eurosceptic party. Gone are the days of splits along Eurosceptic and Europhile lines. One recent poll showed that 68% of Conservative voters would wish to leave the EU. This pact would not only be universally popular with the party, but would be pragmatic for greater electoral success in the future, starting with 2015. UKIP’s raison d’être would be finished.

3) What would stop UKIP demanding further concessions in the future?

UKIP came into being to get an ‘in-out’ referendum on the UK’s membership of the EU. This pact would satisfy their main focus. Most of UKIP’s other policies are secondary and polls have shown they do not have the same level of support as their main policy on the EU.

4) What if any agreement made with Nigel Farage and the current Leadership of UKIP were subsequently broken by the rank and file?

UKIP came into being to obtain an ‘in-out’ referendum on the E.U. Even if a split emerged between UKIP grassroots members and their leadership on the issue of fighting Parliamentary seats, their strength and purpose would have been profoundly eroded.