

LABOUR VOTERS DON'T WANT THE EURO

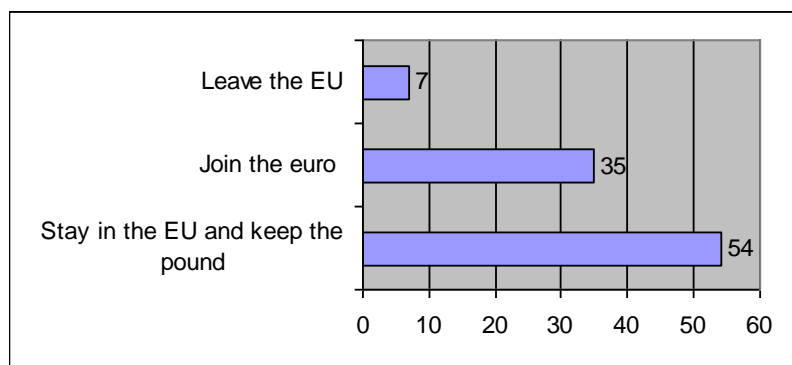
Nigel Smith

The author was chair of the all party campaign for a 'Yes' vote in the 1997 Scottish devolution referendum and has advised other referendum campaigns including the Good Friday Agreement in Northern Ireland 1998 and now the No campaign

The leadership of the Labour Party is moving dangerously far ahead of Labour voters on the euro issue. Most Labour supporters, and trade union members, oppose the euro, and expect the Government to prioritise public service reform. When this disconnection is combined with the other difficulties the Government faces in winning a referendum (see my previous papers) the Government would be wise to rule out a referendum on the euro for this Parliament.

Labour voters don't want to join the euro...

The poll for *Labour Against the Euro* found the overwhelming majority of a Labour voters don't want to join the euro. When asked what they thought was the best policy for Britain, 54 per cent said they want to stay in the EU and retain the pound; 7 per cent want to leave the EU altogether and 35 per cent want to join the euro.



(ICM – Labour voters poll April 2002)

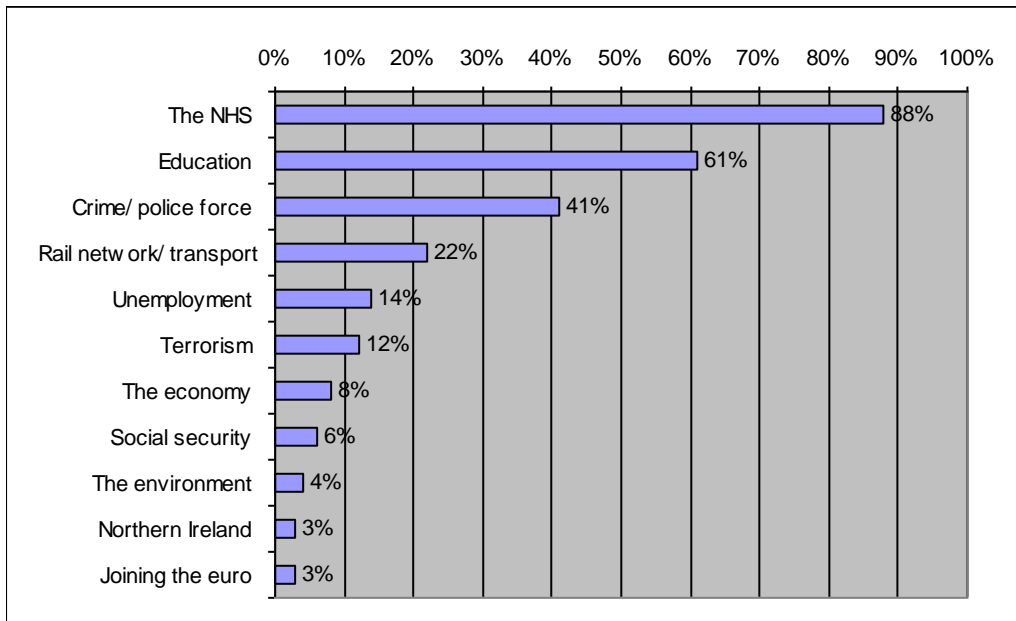
... support for entry in this parliament is very small

The same poll found that only 22 per cent of Labour voters want to join the euro in this Parliament. 20 per cent think Britain should never join the euro but 55 per cent, think Britain should not join in this Parliament, but keep an open mind.

... and the euro comes bottom in the priorities of Labour voters

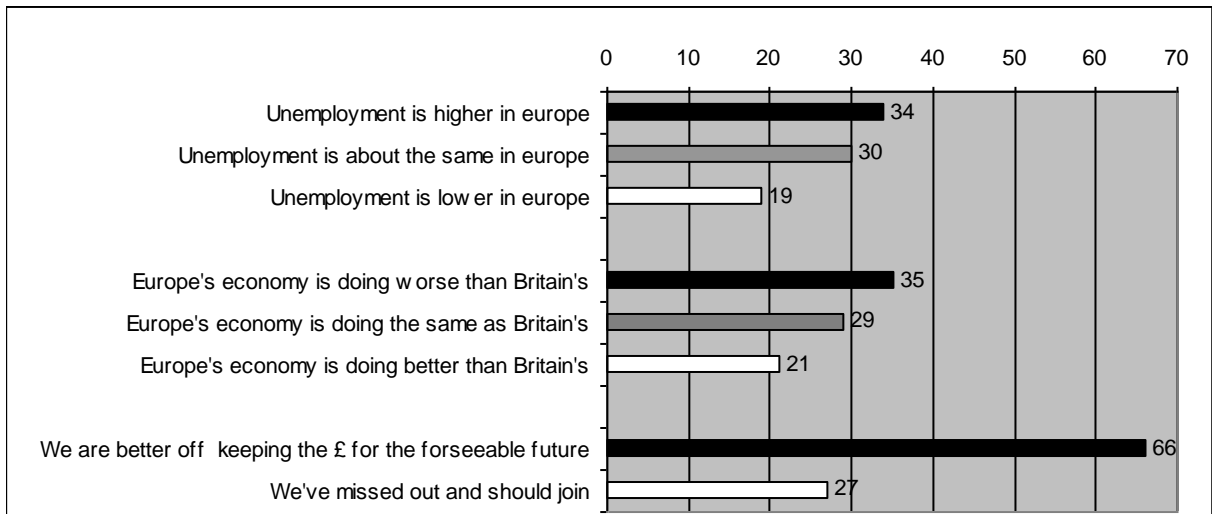
It also asked labour voters to indicate their top three priorities for the Government in this Parliament. Only 3 cent of Labour voters regard the euro as one of their top three priorities, compared with 88 per cent for the NHS, 61 per cent for education and 41 per cent for crime.

For most Labour voters the euro is a distraction from the key pledges which formed the heart of the 2001 election campaign. Ministers have repeatedly said the delivery of these will decide the next election.



Labour voters don't feel they have "missed out."

An ICM survey taken in January 2002 shows that Labour voters correctly perceive that Britain is doing better than the euro countries and has lower unemployment. It shows that even after the launch of notes and coins Labour voters do not think that they are missing out by being outside the euro.



(Source: ICM January 2002)

Labour voters won't just "trust Tony"

Even among Labour voters the Prime Minister's endorsement does not have as much influence on opinion as practical and personal considerations such as whether the euro will be good for jobs and living standards.

In response to the question "Which two or three of the following do you think will most influence your own decision on whether to replace the pound with the Single Currency, the euro?" 61 percent said that the effect on living standards would be important; 56 said the effect on jobs would be important, while just 29 percent thought the Prime minister's recommendation would be an important factor

(source ICM: January 2002).

And trust in Tony Blair is measurably lower than in 1997. The proportion of voters saying he is "out of touch" is up from 6 to 28 percent. Declining trust ratings mean that the electorate will not just "trust Tony". Miscalculating the mood of the electorate could further damage trust in the leadership.

This is a referendum not an election

There are no party labels on the ballot papers in a referendum. This is direct democracy freeing the voters to make their own preferences firmly known in an irrevocable decision.

Even in 1975 when voters were more deferential and the Labour party had just won an election, only 62% of Labour voters accepted the Labour Government's recommendation to stay in the EEC. In the post-1997 euphoria only 59% of Labour voters in Wales followed the leadership's recommendation to support devolution. On the euro, not even 60% support from Labour voters will win the referendum

Party splits could affect Labour worse than other parties. 61 percent of Labour voters don't want to join the euro, while only 13 percent of Conservative voters want to join making the Conservatives the only party in tune with their supporters.

Voters who agree with their party's recommendation on the euro line up as follows

Conservatives	83 percent
Labour	35 percent
Lib-Dem	36 percent

(Source: ICM January 2002)

The electoral cost of a euro campaign

A push for the euro would have serious electoral health hazards for the Labour Party. There is a fundamental difference between William Hague's opportunistic attempt to exploit the euro issue and the effect of a real campaign for the euro. During the 2001 election campaign only a quarter of voters even thought the government wanted to enter the euro "soon".

However a real push for the euro would weaken the loyalty of Labour voters and could lead to non-turnout or even support for another party. In the recent poll for *Labour Against the Euro*, 20 per cent of Labour voters said would be less likely to support the party at the next election if Tony Blair made it clear he wanted to join the euro. 3 per cent said they would not bother to vote, 8 per cent said they would consider voting LibDem and 6 per cent would consider switching to Conservative.

Based on the 2001 General Election results, such a swing in support away from Labour could lead to the loss of over 100 Labour seats and result in a hung Parliament.

These figures remind us that the art of leadership is to take people where they want to go – or convince them they must go elsewhere. The Labour leadership does neither on the Euro.

Copies of this, or other briefings from Nigel Smith ('Don't Gamble on 1975' and 'How to lose a referendum on the euro') are available from the office of Jon Cruddas MP in the House of Commons.