



PRESS RELEASE
23rd February 2005

New CER pamphlet

WHAT HAPPENS IF BRITAIN VOTES NO? Ten ways out of a European constitutional crisis

By Charles Grant

If the rest of the EU adopts the constitutional treaty but the British vote against it, the Union faces crisis and instability. In theory, the treaty cannot enter into force unless ratified by every member-state. But would a British No really kill it?

Charles Grant argues that several scenarios are unlikely: the rest of the EU agreeing to live with the existing treaties, an attempt to renegotiate the constitutional treaty, a second British referendum or plans for a union between France and Germany.

Grant then examines whether it would be feasible for the countries that have ratified the constitutional treaty to press ahead with it, while pushing Britain out of the EU. He concludes that the legal and political obstacles would probably stop that happening. Similarly, if France and Germany tried to build a 'hard core', a new organisation within the EU, the legal and political difficulties would probably thwart them.

Grant concludes that the most likely outcome of a British No would be a 'messy core'. The integrationist countries would implement parts of the constitutional treaty, they would set up *avant-garde* groups in specific areas, they would strengthen the institutions of the Euro Group and they might push through one or two minor treaty changes. The countries involved in all of the *avant-garde* groups would emerge as the Union's de facto leadership. The consequences would include a loss of British influence in Europe, the end of EU enlargement, a weaker European economy and the failure of the EU's efforts to build a stronger foreign and defence policy. All this would be bad for Britain, bad for Europe and bad for the United States.

Notes for editors:

1. **Charles Grant** has been director of the Centre for European Reform since it was founded in 1998. Previously he wrote for *The Economist* and *Euromoney*. He is the author of a biography of Jacques Delors, published in 1994.
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