

What **UK**  
Thinks **EU**

# THE ECONOMICS OF BREXIT IN VOTERS' EYES (OR, WHY THE REMAIN CAMPAIGN FAILED)

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# The Economics of Brexit in Voters' Eyes (or, Why the Remain Campaign Failed)

The centrepiece of the Remain campaign in the EU referendum was that Britain's economy would suffer if the country voted to Leave. Yet in the event that is precisely what a majority voted to do. So why did the Remain side's economic arguments prove insufficient?

In this paper we assess some of the possible influences on people's attitudes towards the economic consequences of leaving the EU. Were those who are subjectively or objectively less well-off at present less likely to reckon that exiting the EU would do much harm? Were voters doubtful about the credibility of those who were advocating the Remain side's economic case? Or were voters simply unwilling to consider the economic arguments about remaining in or leaving the EU separately from their concerns about the impact of membership on immigration and identity?

## INTRODUCTION

The centrepiece of the Remain campaign in the referendum on the UK's membership of the European Union was that it was in the country's economic interest to stay a member (Behr, 2016; Oliver, 2016). Membership gave the UK unfettered access for both goods and services to a large single market of over 500 million people. This, it was argued, made the country an attractive place for inward investment that in turn helped create many a job held down by a worker in Britain. Given that the renegotiation of the UK's terms of membership agreed between David Cameron and the EU in February 2016 had made it clear that the country was not signed up to closer political integration and afforded some potential relief from the welfare costs associated with inward EU migration, the Remain campaign claimed there was every reason why the country should seek to continue to enjoy the economic benefits that membership brought.

Not that the economic argument was always presented in quite this way. Rather than focusing on what might be gained from continued membership of the EU, the Remain camp often emphasised what it thought would be the losses that would arise from leaving. Thus the Treasury argued that leaving the EU would cost every household £4,300 a year by 2030 (HM Treasury, 2016a). The Chancellor advised he would have to introduce an emergency budget in order to plug a £30bn 'black hole' in the country's finances that would immediately be created by a decision to leave (BBC News Online, 2016). Meanwhile voters were advised that the cost of their shopping would increase by £220 a year if they voted to leave (HM Treasury, 2016b). Still, the message was clear. Voting to Remain was economically sensible; voting to Leave was economic folly.

Indeed, even though the referendum is over, the debate about the economics of the Brexit decision still continues, albeit in a slightly different guise. Now it focuses on what the UK's future relationship with the EU should be given that the UK has actually voted to leave. Advocates of a so-called 'soft Brexit' argue that it is essential that the UK retains its current level of access to the single market, and that it should be endeavouring by one means or another to achieve that objective. Other objectives, such as being able to impose limits on migration from the EU, should, they claim, not be allowed stand in the way of delivering that. Their claims are disputed by those who would prefer a 'hard Brexit', in which the UK would be able to make its own decisions about immigration and could seek to make trade deals with countries outside the EU.

In this paper we look at what appears to have shaped voters' attitudes to the economic consequences of remaining in or leaving the EU, and why the Remain camp's messages ultimately proved insufficient to win the day for them. One possibility is that voters' attitudes reflect their personal circumstances. Whatever the benefits or disbenefits of leaving the EU for the country as a whole, voters may have been more concerned about the implications for themselves. Perhaps those who were economically less well-off – either objectively or subjectively – did not feel that the claims of the Remain camp applied to themselves. From their personal perspective EU membership looked like a bad deal.

On the other hand, perhaps what was crucial was not the perceived relevance of the Remain side's messages about the economics of Brexit, but rather voters' feelings about the sources of those messages. Voters' attitudes and evaluations are often thought to be influenced by the cues they receive from those they do – and do not – trust (Bowler and Donovan, 1998; Hobolt 2007; Lupia 1994), and it is certainly possible to identify potential reasons why voters might have distrusted some of those who were arguing the economic case in favour of staying in the EU. For example, given the fallout from the financial crash of 2008, voters might well have been mistrustful of anyone with an association with a financial institution. Meanwhile, following the MPs expenses scandal of 2009, politicians' reputational stock often seems to be low nowadays too. Consequently, maybe the views of these established 'experts' were discounted. At the same time, though, perhaps some politicians are more influential than others and identifying who those politicians were is crucial to an understanding of public attitudes towards the economics of leaving the EU.

Both these perspectives, however, share an assumption – that people's views about the economics of the EU can be isolated from their opinions of other aspects of EU membership. The debate about the UK's membership, both during the referendum and since, has certainly not focused on economics alone. It has also been about its implications for immigration, what it means for the UK's sovereignty and its apparent impact on the country's sense of identity. These issues seemed to be of particular importance to those who voted to leave (Curtice, 2016a), and were encapsulated in the Leave campaign's invitation 'to take back control'. Perhaps we will discover that people's views of the economics of leaving the EU were shaped and influenced by their wider perceptions of the consequences of institutional membership, and that in the event any expectation that the Remain side might have had that voters could be persuaded to consider the economics of leaving the EU separately from the other implications of such a decision was not fulfilled.

Our evidence comes from two main sources. The first is the 2015 British Election Study (BES) internet panel. This survey has interviewed 30,000 people via the internet on a regular basis since February 2014 (British Election Study, 2016). So far as the EU referendum is concerned, we are interested in the findings of the three most recent waves of interviewing; these were conducted (a) in the weeks immediately before the local and devolved elections at the beginning of May, (b) in the period in between those elections and the referendum, and (c), in the fortnight or so immediately after the June 23rd ballot. The size of this survey and the wide range of questions that it asked enable us to delve into what might have shaped people's attitudes towards the economics of EU membership more deeply than is possible with any other source. However, where they help corroborate or illuminate the evidence of the BES survey, we supplement this source by referring to the findings of a number of other polls and survey exercises, including a mixed mode re-interview study of respondents to the 2015 British Social Attitudes survey that was conducted by NatCen between mid-May and mid-June 2016 (Carbrera-Alvarez et al, 2016).

## PERCEPTIONS

First of all, however, we should examine the distribution of attitudes towards the economics of leaving the EU. To what extent did the public accept or reject the arguments put forward by the Remain side that exiting the EU would prove disadvantageous for the UK economy? The BES panel study asked the following question on both of the waves of interviewing that it conducted before the referendum:

**Do you think the following would be better, worse, or about the same if the UK leaves the European Union?**

**The general economic situation in the UK**

One key point is immediately apparent from Table 1. On both occasions when the question was asked more people felt that the economy would be worse if the UK left the EU than felt it would be better. On the second occasion, for example, 35% felt that it would be worse while only 23% felt that it would be better. The figures for the first wave of interviewing are much the same. The arguments of the Remain side about the economics of leaving the EU appear, then, to have been relatively persuasive.

**Table 1 Perceptions of the Economic Consequences of Leaving the EU**

	April/May	May/June
Expect economy to be...	%	%
Much better	4	4
Better	20	19
About the same	33	32
Worse	26	27
Much Worse	5	8
<i>Don't Know</i>	12	11

Source: 2015 British Election Study Internet Panel Waves 7 and 8

The BES is far from alone in painting this picture. In the mixed mode study that it conducted between mid-May and mid-June 2016, NatCen asked its respondents:

**And if Britain were to leave the EU, do you think Britain's economy would be better off, worse off, or wouldn't it make much difference?**

While rather fewer sat on the fence in response to this question – not least because respondents were not afforded the opportunity to say, 'Don't Know' - again rather more (40%) felt that the economy would be worse off than believed it would be better off (30%). Equally, in response to a question that YouGov had in fact been asking regularly from as long ago as 2012, 40% said in the company's final poll conducted just before polling day that they thought Britain would be

economically worse off if it left the EU, while only 23% reckoned it would be better off (YouGov, 2016a). There would appear to be little doubt that the Remain side had the better of the economic argument in the eyes of voters.

However, we should also note another feature that all three sources have in common. They all report that the proportion of people who felt that Britain would be worse off as a result of leaving the EU was well below 50%. In focusing on the fact that more people said Britain would be worse off than said it would be better off we are at risk of missing the crucial point that those who thought the country would be worse off still only represented a minority. Given that winning a referendum entails securing the support of over half of those who cast a vote, the Remain campaign was in fact well short of its target level of support so far as its economic message was concerned.

Indeed, the relative weakness of the Remain side's economic argument becomes apparent if we look at what happened when the question was turned around and voters were asked what they thought the implications for the economy were of being in the EU. The BES, for example, also asked the following question on two occasions before the referendum:

**How much do you agree or disagree that the EU has made Britain more prosperous?**

As Table 2 shows, it suggests that opinion was no more than evenly balanced on the benefits of EU membership. When the question was asked the second time around, for example, just as many (31%) disagreed that the EU had made Britain more prosperous as agreed (31%). Equally, when YouGov asked in one of its polls at the beginning of June, '*And if Britain REMAINS in the European Union, do you think it would benefit or damage the British economy, or would it make no real difference?*', just 19% thought that it would benefit the economy, actually rather less than the 24% who thought that it would do damage. The most common view by far (43%) was simply that it 'would make no real difference' (YouGov, 2016b).

**Table 2 Perceptions of the Economic Consequences of Bring in the EU**

	April/May	May/June
EU had made Britain more prosperous	%	%
Strongly Agree	4	5
Agree	25	26
Neither Agree Nor Disagree	28	28
Disagree	24	24
Strongly Disagree	7	7
<i>Don't Know</i>	12	10

Source: 2015 British Election Study Internet Panel Waves 7 and 8

In short, when voters were assessing the economic consequences of leaving the EU many were not doing so on the back of a conviction that Britain's economy had actually significantly benefitted from the status quo. This meant that the Remain side's preferred campaign tactic of focusing on what it thought would be the adverse economic consequences of leaving the EU faced the obstacle that many a voter was far from convinced that there was a great deal of value to be lost in the first place. Just 7% of those who disagreed that the EU had made the UK more prosperous expected the economy to be worse if we left the EU, compared with as many as 78% of those who felt the EU had made the UK more prosperous.

## IMPORTANCE

But how far did these perceptions matter? So far in this paper we have assumed that they did. Before trying to unravel what helped to shape people's perceptions we should check that this assumption is valid. Maybe the key failure of the Remain campaign was not so much that it failed to persuade people of the merits of its economic arguments as that it did not persuade them of their relevance to the decision being made on June 23rd.

Of this, however, there is no sign. According to the BES, no less than 93% of those who thought before polling day that the economy would be worse if the UK left the EU eventually voted for Remain. Conversely, 90% of those who thought the economy would be better voted to Leave. No other evaluation included in the BES survey differentiates as strongly between Remain and Leave voters as this. Equally, although the NatCen panel found that perceptions of the implications of EU membership for Britain's distinctive sense of identity were what distinguished between Remain and Leave supporters most of all, people's views of the economic consequences came a close second. At the same time, YouGov's last poll before polling day found that no less than 95% of those who thought that Britain would be economically worse off as a result of leaving intended to vote to Remain, while 94% of those who reckoned it would be economically better off were proposing to vote to Leave. In truth, people's perceptions of the economic consequences of remaining in or leaving the EU could hardly have been any more important in influencing voters' referendum choice. Understanding what shaped those perceptions is thus central to any effort at understanding and interpreting the referendum result.

## PERSONAL CIRCUMSTANCE

Our first line of inquiry into what shaped those perceptions is to consider whether voters' views depended on their personal circumstances. Perhaps those who felt they were doing well economically – or might be regarded objectively as falling into that category – were more likely to think that leaving the EU would be economically disadvantageous. They, after all, would seem to have most reason to feel that they were doing relatively well from a status quo in which the UK is a member of the EU.

There is, however, very little indication that this was the case. Table 3 illustrates the point by showing how perceptions of the economic consequences of leaving the EU varied according to people's evaluations of their own personal circumstances, as evidenced by their response to the following question:

**How does the financial situation of your household now compare with what it was 12 months ago?**

Respondents could answer by choosing one response from of a set of possible answers that ranged from 'got a lot worse' to 'got a lot better'. As Table 3 shows, those who felt that their

personal economic circumstances had got worse during the last year were, if anything, slightly more inclined to believe that the economy would get worse if the UK left the EU, that is the opposite of what we were anticipating. While 35% of those who felt that their personal circumstances had got better believed that the economy would get worse as a result of leaving the EU, 39% of those who felt their circumstances had got worse were of that view.

**Table 3 Perceptions of the Economic Consequences of Leaving the EU by Personal Retrospective Evaluations**

	Household's Financial Situation has got....				
	A Lot Better	A Little Better	Stayed the same	A Little Worse	A Lot Worse
Expect economy after leaving the EU to be	%	%	%	%	%
Better	30	25	21	23	24
Same	27	29	37	30	24
Worse	33	36	33	38	42

Source: 2015 British Election Study Internet Panel Waves 7 and 8

Much the same picture is obtained if we look at other subjective perceptions, such as people's evaluations of the performance of the economy as a whole or the extent to which they feel they are at risk of becoming unemployed or falling into poverty. In none of these cases is there an apparent link with people's views about the economic consequences of leaving the EU.

Meanwhile, those who are objectively less well off, as evidenced by their reported household income, also do not seem to be especially distinctive in their evaluations of the economic consequences of leaving the EU. Table 4 shows that while, at 44%, those in households with the highest incomes are somewhat more likely to think that leaving the EU would make the economy worse, otherwise the level of household income seems to make only a small difference to the likelihood of someone holding that view.

**Table 4 Perceptions of the Economic Consequences of Leaving the EU by Reported Gross Household Income**

	Reported Gross Household Income			
	Less than £15K	£15K-£30K	£30K-£45K	£45K or more
Expect economy after leaving the EU to be	%	%	%	%
Better	25	25	23	18
Same	31	33	34	31
Worse	30	33	35	44

Source: 2015 British Election Study Internet Panel Wave 8

It seems then that for the most part people’s evaluations of the economic consequences of leaving the EU were not much shaped by their personal economic circumstances. Those who are subjectively or objectively less well-off were not especially less likely to think that the economy would get worse if Britain left. We evidently need to look elsewhere to understand why the message of the Remain campaign appears sometimes to have fallen on stony ground.

## SOURCES

Our second line of inquiry is to consider people’s attitudes towards the sources of the messages that they received. Much of the financial world, including most economists, supported the Remain side’s claim that leaving the EU would be economically harmful for the UK. But, as we suggested earlier, perhaps many a voter was reluctant to accept advice from people whose expertise and disinterestedness they had come to doubt in the wake of the financial crash. After all, the British Social Attitudes survey had shown a dramatic decline, from 92% in 1986 to 19% in 2009, in the proportion of people who felt that banks were ‘well run’ (Park et al., 2013), with only a partial reversal of that trend back to 34% by 2014. At the same time the 2014 survey also found that only just over half (53%) said that they trusted ‘high street banks and financial institutions’.

Meanwhile, politicians of all parties have never been the most popular of professions (Lee and Young, 2013). But maybe some were liked and trusted more than others in the referendum, and thus were better able to persuade voters of the merits of their views. Perhaps one of the problems faced by the Remain side is that those who were advocating its economic case were regarded less favourably by the public and/or simply proved relatively ineffective at persuading people of the benefits of staying in the EU.

The BES asked its respondents one question on the first of these themes. It echoed a comment that was famously articulated in a Sky television interview by one of the leading Leave campaigners, Michael Gove. When asked in this interview to name an economist who backed his position, Mr Gove replied, ‘people in this country have had enough of experts’. In the BES question respondents were asked how much they agreed or disagreed with the following statement:

## I'd rather put my trust in the wisdom of ordinary people than the opinions of experts

As Table 5 shows, experts struggled to compete with ordinary people in respondents' eyes. When interviewed before the referendum, 38% agreed with the proposition, while only 25% disagreed. Immediately after the vote the balance was a little more even, with 35% agreeing and 32% disagreeing, but even so the pattern of responses still suggested widespread scepticism about the expertise of experts.

**Table 5 Perceptions of the Relative Wisdom of Ordinary People and Experts**

	Pre-Referendum	Post-Referendum
	%	%
Strongly Agree	9	9
Agree	29	26
Neither Agree nor Disagree	30	28
Disagree	20	21
Strongly Disagree	5	11
<i>Don't Know</i>	6	5

Source: 2015 British Election Study Internet Panel Waves 7-9.

Which particular kinds of experts are distrusted cannot be determined from the BES. However, some polling conducted shortly before the referendum certainly suggests that economists and financial institutions may well have been amongst those that voters had in mind. In a poll conducted just 10 days before referendum day by YouGov for what is, perhaps, many an expert's favourite listening - the Today programme - only 38% said that they trusted economists on the question of Britain's membership of the EU, while 39% stated that they did not trust them. 'People from the Bank of England' came off even worse; just 36% said that they trusted them, while 45% said they distrusted them. 'People from well-known businesses' were in the same boat; 37% said that they trusted their utterances on the EU, but 43% did not (YouGov, 2016c). In short, it would appear that many a voter was willing to discount the views of many an economic and financial expert, most of whom were inclined to support remaining in the EU.

Meanwhile, the BES confirms that distrust of expertise often went together with a belief that the economy would not get worse if the UK left the EU (see Table 6). Just 22% of those who agreed that they preferred to trust ordinary people rather than experts said that they expected the economy to get worse as a result of leaving the EU. In contrast, well over half (58%) who preferred the wisdom of experts took that view. Much the same contrast can be seen in YouGov's polling. For example, while 63% of Remain voters said that they trusted economists, only 21% of Leave supporters said that they did so. In short, the disinclination of many a voter to believe the expertise upon which the Remain side was relying does appear to have been a significant handicap in that campaign's attempts to persuade the public of its economic case.

**Table 6 Perceptions of the Economic Consequences of Leaving the EU by Perceptions of the Relative Wisdom of Ordinary People and Experts**

<i>I'd rather put my trust in the wisdom of ordinary people than the opinions of experts</i>					
	<b>Strongly Agree</b>	<b>Agree</b>	<b>Neither Agree nor Disagree</b>	<b>Disagree</b>	<b>Strongly Disagree</b>
<b>Expect economy after leaving the EU to be</b>	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
Better	42	30	20	14	12
Same	34	37	35	25	16
Worse	17	24	35	54	71

Source: 2015 British Election Study Internet Panel Waves 7 and 8.

A similar, though less stark pattern is to be found when looking at people's attitudes towards politicians in general. Asked to give a score of between 1 and 7 to indicate how much they trusted MPs, no less than 58% of BES respondents gave them a score of between 1 and 3 (signifying the trusted MPs relatively little). Only 20% offered one of between 5 and 7. Amongst the latter group 42% said that they thought the economy would get worse if the UK left the EU, whereas only 23% of those who gave MPs a score of just one (meaning that they had no trust in them at all) took that view.

However, that does not necessarily mean that all politicians are tarred with the same brush in the eyes of voters. Perhaps some are more credible than others. Let us, for example, compare voters' attitudes towards the two people who were de facto the leaders of the Remain and Leave camps, David Cameron and Boris Johnson. Mr Cameron was clearly the less popular. Asked during the referendum campaign to give him a mark out of ten to say how much they liked him, nearly half (48%) of BES respondents gave Mr Cameron a score of three or less while only just over one in five (21%) gave him a score of seven or more. In contrast, only just over one in three (35%) reckoned Mr Johnson merited a score of three or less while almost as many (34%) gave him a mark of seven or more.

This contrast was also in evidence, albeit less starkly so, when polls asked voters how much they trusted the two gentlemen's utterances on the EU. According to YouGov, as polling day approached just 20% said that they trusted Mr Cameron's claims about Britain's membership of the EU either 'a lot' or 'a little', while as many as 44% said that they did not trust them at all. In the case of Mr Johnson, 26% said that they trusted his statements a lot or a little, while 36% did not do so at all. Similarly, Opinium reported that only 24% felt that Mr Cameron had been convincing when talking about Britain and the EU, while 63% reckoned he had been unconvincing. The equivalent figures for Mr Johnson were 37% and 48% respectively (Opinium, 2016).

But even more striking is the contrast that emerges when we look at the extent to which perceptions of the two politicians were linked to their views about the economic consequences of leaving the EU (see Table 7). In the case of Boris Johnson the link is clear. Only 13% of those who liked the de facto Leave leader reckoned that Britain's economy would be worse as a result of leaving the EU, while no less than 62% of those who disliked him took that view. In the case of Mr Cameron,

in contrast, whether people liked or disliked him made relatively little apparent difference to their views about the economic consequences of leaving the EU.

**Table 7 Perceptions of the Economic Consequences of Leaving the EU by Attitudes towards David Cameron and Boris Johnson**

Expect economy after leaving the EU to be	Attitude towards David Cameron		
	Like	Neither	Dislike
Better	26	21	24
Same	35	37	29
Worse	33	33	39

  

Expect economy after leaving the EU to be	Attitude towards Boris Johnson		
	Like	Neither	Dislike
Better	40	21	10
Same	41	38	21
Worse	13	32	62

Like: Score of 7-10; Neither: Score of 4-6; Dislike: Score of 0-3.

Source: 2015 British Election Study Internet Panel Wave 8

A similar contrast is to be found if we look at some of the other principal players in the referendum campaign. Michael Gove was, for example, more popular than George Osborne. And while people's views about Mr Gove are related to their perceptions of the economic consequences of leaving the EU, for the most part their views about Mr Osborne again showed little such link. It is only when we come to a non-Conservative politician associated with the Remain campaign, such as Jeremy Corbyn, that any kind of link emerges; those who liked the Labour leader were more likely to think that the economy would be worse if we left the EU.

Such an analysis does, of course, have to be treated with care. It may be the case that voters like Mr Johnson because they agree with him on the EU rather than that they have taken their cue about what to think about the economics of the EU from him. But the fact that there is no apparent link between people's perceptions of Mr Cameron (or indeed the then Chancellor, George Osborne) and their views about the economic debate certainly suggests that few voters took their cue from him and that, consequently, he proved a relatively unpersuasive advocate for the Remain campaign. This is, of course, all of a piece with the evidence that many of those who had voted for the Conservatives in 2015 voted to Leave in the EU Referendum (Curtice, 2016b). Mr Cameron was unable to take his party's supporters with him; in contrast, it is at least possible that Mr Johnson had some success in dissuading voters of the merits of the Remain side's case.

## AN INSEPARABLE DEBATE?

The third possibility that we should examine is, in essence, that it was always difficult to persuade voters of the merits of the economic case for remaining in the EU when other considerations, such as the perceived implications for immigration and the country's sense of identity, were inclining them in the direction of a vote to Leave. After all, the debate about immigration is in part a debate about the extent to which and for whom a flow of migrants into the UK is economically beneficial (Nickell and Saleheen, 2015). Meanwhile voters who see the EU as a 'threat' to their country's identity may well be reluctant to ascribe to it any more beneficial characteristic. If that is the case, an attempt to persuade voters of the economic case for remaining that did not address their other concerns was, perhaps, always at risk of proving ineffective.

Certainly identity and immigration were two aspects of the debate about the EU where the position of the Remain side did not find much favour with many voters. First of all, as Table 8 shows, just under a half (46%) consistently agreed that 'being a member of the European Union undermines Britain's distinctive identity', while only around three in ten disagreed. This echoes the finding that NatCen's mixed mode panel obtained when it asked its respondents the same question; exactly a half agreed with the proposition, while 31% disagreed.

**Table 8 Perceptions of the Implications of EU membership for Britain's identity**

	April/May	May/June
<b>Being a member of the European Union undermines Britain's distinctive identity</b>	%	%
Strongly Agree	19	20
Agree	27	26
Neither Agree Nor Disagree	16	15
Disagree	22	23
Strongly Disagree	7	8
<i>Don't Know</i>	8	8

Source: 2015 British Election Study Internet Panel Waves 7 and 8

Meanwhile, there was a widespread expectation amongst the public that immigration would fall if the UK left the EU. As Table 9 shows, the BES found that well over a half felt that immigration would be lower in the event of a decision to leave the EU, while only around one in ten actually thought it would be higher. This finding was commonplace across many another poll and survey. NatCen's mixed mode survey found that as many as 64% thought that immigration would be lower, while only 7% reckoned it would be higher. Meanwhile, in its final poll before polling day, YouGov reported that 53% felt that immigration would be lower if the UK voted to Leave, while 3% reckoned it would be higher.

**Table 9 Perceptions of the Implications of Leaving the EU for Immigration to the UK**

	April/May	May/June
Immigration to the UK would be:	%	%
Much Lower	15	16
Lower	39	39
About the same	27	28
Higher	6	6
Much Higher	4	3
<i>Don't Know</i>	9	8

Source: 2015 British Election Study Internet Panel Waves 7 and 8

Of course, not everyone will have regarded higher immigration as something to be avoided (or, indeed, lower immigration as something to be embraced). Yet in practice, there seems little doubt that this is where most voters stood. The BES also asked its respondents to give themselves a score of between 0 (which meant 'many fewer') and 10, ('many more') to indicate their views on the number of migrants coming to the UK. During the referendum campaign, as many as 51% gave themselves a score of three or less (including as many as 29% who said zero), while 26% marked themselves between four and six and another 11% said, 'Don't Know'. Only 11% gave a response of between seven and ten, implying that they would like to see more immigration. Moreover, it is those who most wanted to see immigration reduced (that is, those who gave themselves a score of between zero and three) who were most likely to think that it would actually fall if the UK left the EU; no less than 74% of this group believed that would be the case.

But what link is there between these views and people's evaluations of the economic consequences of leaving the EU? The answer appears to be, 'Quite considerable.' First of all, as illustrated in Table 10, around three-quarters (77%) of those who disagreed that being in the EU undermines Britain's distinctive identity expected the economy to be worse if the UK left the EU, compared with just 10% of those who agreed with the proposition. Meanwhile, as shown in Table 11, as many as 72% who would like to see increased migration into the UK reckoned that the economy would worsen in the wake of a decision to leave the EU, compared with just 12% of those who wanted many fewer migrants. It seems that if voters were concerned about the implications of the EU for immigration and Britain's sense of identity, they were relatively disinclined to accept the Remain side's message on the economy. And given that both concerns were so widespread, this appears to have constituted a considerable handicap to the effectiveness of the Remain side's campaigning efforts.

**Table 10 Perceptions of the Economic Consequences of Leaving the EU by Perceptions of the Impact of the EU on Britain's identity**

<i>Being a member of the European Union undermines Britain's distinctive identity</i>					
	<b>Strongly Agree</b>	<b>Agree</b>	<b>Neither Agree Nor Disagree</b>	<b>Disagree</b>	<b>Strongly Disagree</b>
<b>Expect economy after leaving the EU to be</b>	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
Better	54	31	13	4	5
Same	39	47	40	17	7
Worse	4	14	36	74	86

Source: 2015 British Election Study Internet Panel Wave 8

**Table 11 Perceptions of the Economic Consequences of Leaving the EU by Attitudes towards Immigration**

<b>View on How Many Migrants Should Be Allowed Into the UK</b>				
	<b>Many Fewer</b>	<b>Fewer</b>	<b>As is</b>	<b>More</b>
<b>Expect economy after leaving the EU to be</b>	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
Better	41	26	11	8
Same	40	40	26	16
Worse	12	26	58	72

Many Fewer: score of 0 on 0-10 scale; Fewer: 1-3; As Is: 4-6; More: 7-10.

Source: 2015 British Election Study Internet Panel Wave 8

## CONCLUSION

The Remain side did not lose the economic argument in the referendum. Voters were more likely to think that leaving the EU would be economically harmful than they were to believe that it would be beneficial. Moreover, those who were persuaded of the Remain side's message were nearly unanimous in going on to vote Remain in the referendum.

However, the Remain campaign did not win the economic argument as well as it needed to. Well under half of voters were persuaded that Britain's economy would suffer if it left the EU – and a referendum campaign has to secure over half the vote in order to win.

There were, it seems, three key reasons why this proved to be the case. First, many voters were not convinced that EU membership had been economically beneficial in the past or would be in future. Cries about the economic damage that would arise were always at risk of sounding hollow when many voters were not convinced that EU membership was advantageous in the first place.

Second, too few voters accepted the authority of those who were arguing the economic case for remaining in the EU. Experts in general and those associated with the financial world in particular were regarded with widespread scepticism, not least perhaps because of the fallout from the 2008 financial crash. Meanwhile those politicians who were arguing the Remain case were less likely to be trusted and heeded than were those on the Leave side.

Finally, however, the Remain side's attempts to persuade voters of the economic case for staying in the EU were being made against the backcloth in which on other issues, most notably identity and immigration, many a voter was sceptical about the merits of staying in the EU. Unsurprisingly perhaps, for many the EU came as a package and thus they did not necessarily consider the economic arguments in isolation from those about other aspects of EU membership. Certainly trying to win a referendum with a one-legged stool was always a potentially fragile exercise.

These findings have important implications for the debate that is now taking place about the terms the UK should be seeking to agree with the EU as it negotiates its withdrawal from the institution. First, a deal in which the UK remains a member of the single market in return for continuing to accept freedom of movement in its current form could well fail to secure popular approval. It would seem that too few voters are convinced of the benefits of the former and too many are concerned about the consequences of the latter for them to be easily persuaded of the merits of such a deal. Meanwhile, perhaps we should not presume that any economic turbulence that does arise from the decision to leave – such as an increase in food prices as a result of the post-referendum decline in the value of the pound – will necessarily persuade many voters to change their minds on the merits of leaving the EU. They may be inclined to lay the blame on the financial institutions that have overseen the decline in the value of sterling rather than on their choice to leave the EU.

That said, it is also the case that, as the current Chancellor has argued, nobody voted to make themselves poorer (Hammond, 2016). Most people voted the way that they did in the belief that Britain would at least not be worse off economically as a result of their choice. So the challenge facing the UK government is to emerge with a future relationship with the EU that persuades voters that it will be possible to achieve that minimal condition. Little wonder that it is taking its time working out what relationship it would in fact like to secure.

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