Domestic Audience Costs and the EU Referendum

Gabriel Katz and Catarina P. Thomson

Much has been said about the political leverage Cameron might stand to gain by committing to hold the so-called ‘EU referendum’ in 2017. Scholars have focused their attention on the credibility of the threat, or on how a threat to leave the EU could improve the UK’s bargaining position in different policy arenas. Here we take a different approach and focus instead on the domestic constraints publicly committing to such a policy option can have.

The concept of ‘audience costs’ typically refers to how a democratic leader, after making a foreign policy threat, is unlikely to back down from this threat as doing so would signal incompetence and lead to loss of popular domestic support. The argument goes that such a leader might end up engaging in a costly foreign policy option such as going to war in order to avoid domestic political backlash from voters back home.

We designed a large scale national survey experiment with 1830 respondents from more than 600 British constituencies in order to examine (a) whether Cameron could expect to pay audience costs if he decides to forgo an EU referendum, and (b) whether alternative justifications for backing down from his electoral promise might enhance or mitigate these domestic political costs. We find that while backing down from his campaign commitment to hold the EU referendum always translates into a significant loss of approval, his perceived competence levels are not always affected in cases of inconsistent behavior. Importantly, we find that respondents’ view of Cameron’s competence does not diminish when they are told that ‘the referendum will not take place because the government has only a slim parliamentary majority.’ In contrast, opinions of Cameron’s competence become substantially more negative when the justification for non-compliance is attributed to the opposition of the EU governments and/or to the fact that the referendum was simply an electoral promise aimed at increasing Conservatives’ votes. We also discuss significant mediating effects for the role of media, political knowledge, and political party affiliation.