

What sort of Brexit do the British people want?

A longitudinal study examining the 'trade-offs' people would be willing to make in reaching a Brexit deal

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Based on a survey of almost 1,000 members of the British public, who were asked to trade on different aspects of a possible agreement to exit the EU, we find that:



The British public still want a deal – one that resembles EEA membership



Over the last year there has been a 'softening' of the type of Brexit that the British public want



Should there be another referendum, the options offered will significantly influence the outcome



Education level is important in explaining the continued polarisation of views on the way forward for Brexit



The value that British people place on the proposals set out in the government's white paper ('Chequers') is difficult to quantify due to its vagueness on key issues

Making trade-offs will be key to agreeing the UK's future relationship with the EU

In July 2017 we published a proof-of-concept study using a technique known as 'stated preference discrete choice experiments' to understand what sort of Brexit the British people really wanted and what trade-offs they would be willing to make in negotiations for a deal with the EU.¹ We asked 917 members of the British public, in a survey fielded in February and March 2017, to make choices between different possible options for the relationship between the UK and the EU. We found that:

1. The British public want a deal
2. People were more concerned with managing demand for public services than simply restricting freedom of movement
3. People placed a high value on having access to the EU markets for trade in goods and services, but also liked the option for the UK to be able to make its own trade deals
4. People valued the UK being able to make its own laws, but not as much as single market access or the ability to make trade deals
5. People with degrees held stronger views than those without
6. People preferred a final agreement which is close to a 'Norway-like' model

As negotiations continue between the UK government and the EU, we decided to revisit this study to see whether people's priorities have changed in terms of what is important in the UK's future relationship with the EU, given the political discourse and events of the last year. To have the best chance of measuring whether people's preferences have changed over this period, we approached the same people that we surveyed in February 2017, managing to repeat the survey with 752 of them. We added a further 164 new respondents to our sample,

giving a total of 916 participants for the 2018 round of the study. This second round occurred in April and May 2018, before publication of the government's white paper on the future relationship between the UK and the EU² in July of the same year (see Figure 1).

In this short report we set out what we did,³ and why we think using discrete choice analysis is a useful and illuminating way to understand the UK public's preferences for a Brexit outcome. We then summarise the key events that have occurred since the June 2016 referendum to provide some context around the snapshots in time that our survey data represent. In addition, we provide a brief review of other salient polls that have come out over the period and are relevant to our findings.

We then present the results of our study, by looking at: a) whether people's priorities have changed across different aspects of Britain's relationship with the EU, such as freedom of movement, trade and sovereignty, and how the public prioritise and value these features; and b) what is their preferred relationship model, from a range of different options, including remaining in the EU (the status quo), joining the European Economic Area (EEA) (a relationship similar to that between the EU and Norway), remaining in the customs union but not the rest of the single market (similar to the Labour party's position), and no deal (falling back on the rules of the World Trade Organization).

As noted above, the study looked at public perspectives before publication of the 2018 white paper (otherwise known as the Chequers plan), and so was not specifically designed to measure the public's valuation of that proposal. However, we

1 Rohr, C. et al. (2017). *What sort of Brexit do the British people want? A proof-of-concept study using stated preference discrete choice experiments*. <https://www.kcl.ac.uk/sspp/policy-institute/publications/what-sort-of-brex-it-do-the-british-people-want.pdf>

2 Department for Exiting the European Union (2018). 'The future relationship between the United Kingdom and the European Union', 12/07/18. <https://www.gov.uk/government/publications/the-future-relationship-between-the-united-kingdom-and-the-european-union>

3 We have also published an accompanying Technical Report that sets out in considerable detail our methods and results: Lu, H. et al. (2018). *What sort of Brexit do the British people want? A longitudinal study examining the 'trade-offs' people would be willing to make in reaching a Brexit deal – technical addendum*. www.rand.org/t/RR2785

can make some inferences about it, which we also lay out.

Finally, using the model we have developed to explain the stated choices that people have made in the surveys, we then look to the future and make predictions about how people would vote if there was a second referendum presenting different options. We conclude with some reflections on what our analysis means for the UK over the coming years as it departs from the EU.

We use a novel approach to measure the relative preference of different aspects of the UK's future relationship with the EU

Measuring the importance or value of goods and services for which there is no market – like quality of our air or time savings – is complex. Economists have developed methods for measuring the value of these societal goods using the choices that people make in real life (revealed preferences) or say they would make in hypothetical circumstances (stated choices), a brief history of which is summarised in Box A. The idea is that it is better to ascertain the value of things from choices that people make, in real life or in hypothetical circumstances, rather than asking them to try to estimate the value that they attach to these things directly. People are much better at making choices – something they do nearly every day – than providing valuations in the abstract. Also, using choices forces people to make trade-offs, which helps identify what is most

Box A: Discrete choice modelling – a brief biography

Using people's observed or hypothetical choices to quantify the importance of attributes of a good or service has a strong pedigree. The most famous work goes back to the 1970s, when the Bay Area Rapid Transport (BART) system was being built in San Francisco and economist Daniel McFadden set out to predict how many people would use the new train service. McFadden collected data on the travel choices made by about 700 commuters, before the BART system was built. He developed a model (a discrete choice model) to explain what modes of transport (bus, car, etc.) people were observed to take for their commuting journey and to quantify the importance of different factors of the service, for example the relative importance of time, cost, etc. He then used his model to predict the demand for the new BART system. His prediction was surprisingly accurate – within a few decimal places of the actual uptake. And so was born the little-known branch of economics known as discrete choice modelling, for which McFadden won the Nobel prize, with James Heckman, in 2000. He and others began to apply the method to a number of different areas of public policy – for example, health and social care, the environment and security. The great strength of discrete choice modelling is that it links choices that people make to the characteristics of the alternatives – as well as the characteristics of the people themselves.



important to them. Finally, people are less likely to manipulate their responses when they are based on choices, especially when those choices are broken down into their component parts, rather than labelled as simplified packages.

In this study, we use this choice approach to estimate the importance of specific aspects of the UK's relationship with the EU. In the 2016 referendum, UK citizens were asked whether they wanted to remain in the EU or to leave, with 51.9 per cent of those who voted voting to leave. However, from such a choice it is not possible to ascertain what sort of relationship British citizens were looking for with the EU in 2016, nor what they would want now. The aim of this research is to use choice experiments to address this question – to quantify what aspects of this relationship Britons think are most

important and what trade-offs people would be willing to make in Brexit negotiations.

Specifically, we use a methodology called ‘stated preference discrete choice experiments’ (SPDCEs) where we ask people to choose between different hypothetical options describing the UK’s possible relationship with the EU. As in our previous study, each option is described by attributes that describe the relationship, specifically:

- Freedom of movement, for holidays
- Freedom of movement, for working and living
- Net contribution to the EU budget
- Ability to make free trade deals outside of the EU
- Access to the single market, for goods and services
- Sovereignty, described by the degree to which the UK makes its own laws

These attributes were ones we thought would become important in the public debate as it developed. One thing we noted was that the debate on freedom of movement seemed to conflate two different issues: freedom to travel for work and freedom to travel for other purposes such as holidays. A commentator on the first round of the study criticised the inclusion of travel for holiday purposes on the grounds that it had not featured in the 2016 campaign.⁴ But we were looking to anticipate the issues that would become important, not those that had dominated the campaign. Subsequent events, including the prominence of tourist visas and EHIC cards in the government’s white paper,⁵ and travel issues raised more generally in the government’s no-deal technical notices,⁶ have vindicated our inclusion of the issue. Indeed, we would say that our results, showing very high public valuations on travel issues, tends to point not in the direction of an error on our part but of the serious gaps in the political and media debate prior to the referendum.

The different levels for each attribute reflect different possible options, spanning a range of

negotiated possibilities – for example, being able (or not) to make free trade deals outside the EU. The attributes and levels tested in the SPDCEs were developed in the study conducted in 2017. They were tested with the public in public meetings undertaken across the country to ensure that they were clear and understandable.

By asking people to indicate their preferences across these hypothetical choices, we are able to quantify people’s preferences for different aspects of the UK’s future relationship with the EU. Crucially, the options presented to respondents do not have labels that might have taken on specific and possibly inaccurate connotations in the public debate, such as ‘hard’ or ‘soft’ Brexit or ‘Norway’ or ‘WTO’. And when we put to respondents packages of options that might resemble those conventionally named options, we were careful not to refer to them by any names or labels that might bias the results.

A key aim of the current study was to explore whether people’s preferences have changed in the last year. To do this, the 2018 experiments were conducted with a large number of the same people who participated in the survey in 2017, as well as new participants.

As we summarise in Box B, we would argue that our study is of high methodological quality, which given the polarised, deeply held and emotional debate around Brexit is essential in undertaking research of this type.



4 Carl, N. (2017). *What sort of Brexit deal does the British Public Want: A review of the evidence so far*, UK in a Changing Europe, p. 6. <http://ukandeu.ac.uk/wp-content/uploads/2017/08/What-sort-of-Brexit-deal-do-the-British-public-want.pdf>

5 Department for Exiting the European Union (2018). ‘The future relationship’ between the United Kingdom and the European Union. <https://www.gov.uk/government/publications/the-future-relationship-between-the-united-kingdom-and-the-european-union>

6 Department for Exiting the European Union (2018). ‘How to prepare if the UK leaves the EU with no deal’. <https://www.gov.uk/government/collections/how-to-prepare-if-the-uk-leaves-the-eu-with-no-deal#applying-for-eu-funded-programmes>

Box B: Why quality matters

It is possible to undertake stated preference discrete choice experiments (SPDCEs) on nearly any topic. But some SPDCEs are of better quality – and therefore the results are more reliable – than others. Below we set out a number of reasons why we consider this study to be of the highest quality.

1. An important part of an SPDCE is **defining the attributes and their levels**. Substantial effort has been made in this study to define the attributes in unemotional language that is understandable to a broad range of respondents. As noted earlier, the attributes and their levels were tested with people across the UK in the first phase of the study.
2. A key assumption in the definition of the attributes and levels is the assumption of **reciprocity** – specifically that if health insurance would be required to access emergency healthcare for European citizens when travelling on holiday to Britain, then health insurance would also be required for Britons travelling to Europe for holidays. To date this has been a key component of any position considered for negotiation. Such reciprocity has not been included in other studies undertaken on this topic.⁷
3. The **options presented in the experiments are unlabelled**. That means they were described only by the attributes and their levels, avoiding the use of emotive terms like ‘soft’ or ‘hard’ Brexit. Even when we asked respondents to choose between packages of options that might resemble conventionally named packages, like Norway or WTO, we were careful not to give the packages any names or labels so as not to influence or bias people’s choices.
4. The sample of respondents who participated in this study (and the 2017 study) were **recruited from a random probability sample (NatGen’s British Social Attitudes [BSA] panel)**. A random probability sample is considered the gold standard in survey research, because it means that the people who participate in the survey are representative of the country. Often, survey samples are developed that look like they are representative – for example, they may be representative across age, gender and income – but they are not random samples and therefore may be biased to reflect those able or willing to participate in surveys. Given the importance of this topic, it is essential that the sample of respondents is truly representative of the population. Furthermore, both internet and telephone survey methods were employed to ensure those without internet access were included in the study.
5. We use the **latest modelling methods** to analyse the choices that people made in the surveys, taking account of the fact that people provide more than one response and that these responses may be correlated.

⁷ Lack of reciprocity in the questions is a methodological shortcoming of the study by Hobolt, Leeper and Tilley, ‘What ‘Brexit means Brexit’ means to citizens’ (LSE, 2017). In particular, their immigration attribute allows respondents to choose a situation in which the UK imposes controls on EU citizens but there is no consequence for UK citizens’ ability to emigrate to the EU27. There are also several other methodological issues including: use of emotive language, e.g. ‘No control over EU immigration’, ‘All [EU Nationals] must leave’; not putting the budget contribution figures into any context of government spending; not incorporating an attribute to reflect freedom of movement for travel between the UK and EU or reflecting the ability to make trade deals with other countries; and, using continuous regression models to model discrete choices. The choice not to use monetary values to express their results is perhaps not so much a methodological shortcoming as a presentational one, but it had unintended consequences, since it led to misinterpretations of their results, which the authors struggled to correct. (For example, see the Daily Mail reporting that they had found that ‘two thirds said they would prefer “no deal” rather than a soft Brexit’ (<https://www.dailymail.co.uk/news/article-4782712/Most-Brits-hard-Brexit-new-survey-finds.html>), prompting S. Hobolt and T. Leeper, ‘The British are indifferent about many aspects of Brexit, but Leave and Remain voters are divided on several key issues’, LSE Blog <http://blogs.lse.ac.uk/brexit/2017/08/13/the-british-are-indifferent-about-many-aspects-of-brexit-but-leave-and-remain-voters-are-divided-on-several-key-issues/>).

Our findings need to be placed in an evolving and dynamic political context

In Figure 1 we have set out the key dates relating to the Brexit process and the points at which our surveys were undertaken. Given the dynamic and volatile nature of the politics around Brexit it is important that our results are considered in the context of the time at which we asked people to make trades on different aspects of Brexit.

Public opinion on Brexit has been tracked regularly since the referendum in June 2016, and while the overall picture is of a country still very much divided, we are able to discern some apparent shifts in opinion on specific aspects of the negotiation process and potential outcomes of the UK's future relationship with the EU.

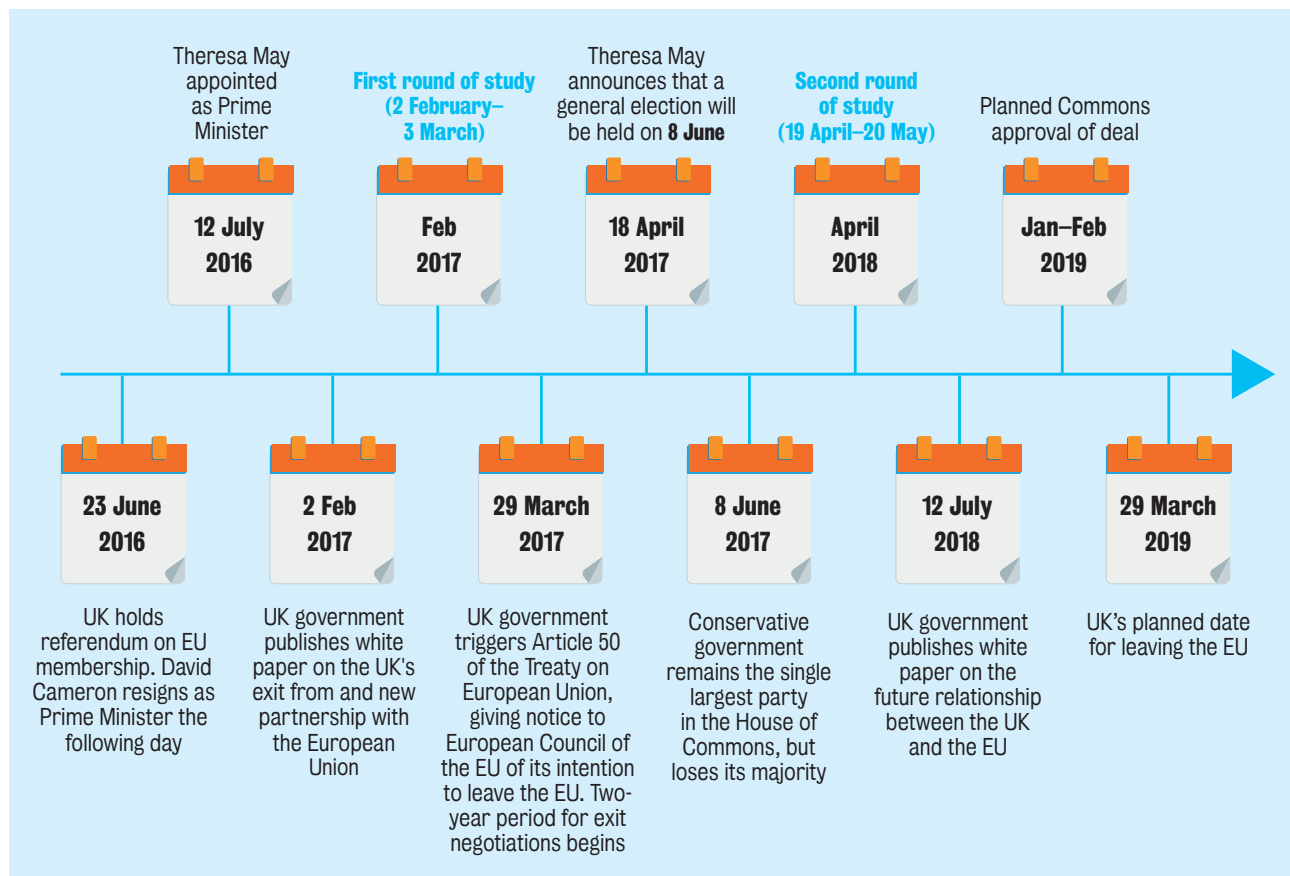
Straightforward preference for Leave or Remain, when asked in a way very similar to that used on the referendum ballot paper, reveals little change in people's voting intentions. While both Leave and Remain have led in the polls at various points, no major polling series has found a gap of more than ten points between the two at

any time.⁸ Nonetheless, polls in the three months leading up to this report indicated on average around 52 per cent in favour of Remain and 48 per cent in favour of Leave (once 'don't knows' are removed), with the gap ranging from zero to eight points, but with the Leave vote never being ahead. Similarly, data on the question 'In hindsight, do you think Britain was right or wrong to vote to leave the EU?', primarily obtained from regular YouGov polls over the past two years, indicate a very similar pattern, with a gap of no more than eight points at any time since the referendum.⁹ Recent iterations of this question also show a small but consistent majority that view the vote to leave the EU as the wrong decision.

Looking in more detail at the stability of these preferences, NatCen data from June 2018 indicate

- 8 What UK Thinks (2018). 'Should the United Kingdom remain a member of the European Union, or leave the European Union? (Asked after the referendum)'. <https://whatukthinks.org/eu/questions/should-the-united-kingdom-remain-a-member-of-the-european-union-or-leave-the-european-union-asked-after-the-referendum/?removed>
- 9 What UK Thinks (2018). 'In hindsight, do you think Britain was right or wrong to vote to leave the EU?'. <https://whatukthinks.org/eu/questions/in-hindsight-do-you-think-britain-was-right-or-wrong-to-vote-to-leave-the-eu/?removed>

Figure 1: Key dates



that 90 per cent of those who voted Remain in 2016 and 81 per cent of those who voted Leave would vote the same way if the referendum were repeated now. Where we do see a more substantial shift in opinion, however, is among those who did not vote in the referendum: when asked if and how they would vote now, 49 per cent indicated Remain and 23 per cent Leave (while the remainder would not vote). This gap has gradually increased since the question was first asked in September 2016 and it seems plausible that it is this trend which is driving the slight shift we have seen towards Remain in recent data.¹⁰ Recent analysis from NatCen suggests that where we do see changes in preference for Leave or Remain, these appear to be driven primarily by perceptions of the economic consequences of Brexit, and that this seems to have increasingly become the case over time.¹¹ While this small shift in opinion may be critical in the case of an in-out referendum of the nature of the 2016 vote, it does not suggest any move towards a shared consensus in what remains a deeply divided population. We must also, of course, be mindful of the nature of polling data, bearing in mind variation in both question wording and polling methodology.

While the overall picture may have shifted little since 2016, we do see changing views on the expected outcomes of Brexit, particularly in terms of whether the UK government will secure a 'good deal'. Monthly polling by ORB to explore views on the progress of negotiations reveals increasing public pessimism: while in the first half of 2017 slightly more people approved of the government's handling of negotiations than disapproved, this has changed substantially over the past year. Disapproval has been no lower than 60 per cent since August 2017, and has been greater than 70 per cent in each of the three most recent iterations prior to this report (July–September 2018).¹² We see a very similar pattern when respondents are asked whether they agree or disagree that the Prime Minister will 'get the right deal for Britain', with the majority 'disagreeing' or 'strongly disagreeing' (once don't knows are removed) for each iteration over the past year and a widening of

this gap in recent months.¹³ June 2018 data from NatCen's BSA panel corroborates this, with only 17 per cent of respondents believing that Britain will get a good deal, compared with 57 per cent thinking it will get a bad deal. This gap of 40 points is the widest observed since the question was first asked in early 2017 and has been growing consistently.

As noted elsewhere in this report, a key issue in the debate around the referendum which we explored in our previous study is the likely incompatibility of preferences for both unrestricted trade with the EU and ending freedom of movement of people. Data from NatCen's BSA panel indicate that while there is still majority support for both of these options, this appears to be falling away slightly for the latter. Support for free trade with the EU has remained strong and consistent, with the gap between those in favour and against retaining a relationship which allows free trade with the EU between 83 and 88 points since the referendum. The equivalent gap when respondents are asked if they support 'treating EU migrants like non-EU migrants' has gradually declined over the same period, from 61 points (74 per cent in favour, 13 per cent against) in September 2016 to 39 points (59 per cent in favour, 20 per cent against) in June 2018. Questions on other aspects of migration show a similar picture. While the majority of Britons believe that immigration levels are 'much' or 'a little' too high, this proportion has decreased from 70 per cent in August 2016 to 63 per cent in April 2018.¹⁴ Similarly, Ipsos MORI data suggest that attitudes to the impact of immigration on Britain have become more positive since the referendum.¹⁵

10 Curtice, J. (2018). 'Is There A New Geography of Brexit?', 17/08/18. <https://whatukthinks.org/eu/is-there-a-new-geography-of-brexit/>

11 NatCen (2018). *British Social Attitudes 35*. http://www.bsa.natcen.ac.uk/media/39284/bsa35_full-report.pdf

12 What UK Thinks (2018). 'Do you approve or disapprove of the way in which the Government is handling the Brexit negotiations?'. <https://whatukthinks.org/eu/questions/do-you-approve-or-disapprove-of-the-way-in-which-the-government-is-handling-the-brexit-negotiations/>

13 What UK Thinks (2018). 'Do you agree or disagree that the Prime Minister will get the right deal for Britain in the Brexit negotiations?'. <https://bit.ly/2P241Ct>

14 Wells, A. (2018). 'Where the public stands on immigration', YouGov, 27/04/18. <https://yougov.co.uk/news/2018/04/27/where-public-stands-immigration/>

15 Ipsos MORI (2018). 'Attitudes to immigration have softened since referendum but most still want to see it reduced', 26/03/18. <https://www.ipsos.com/ipsos-mori/en-uk/attitudes-immigration-have-softened-referendum-most-still-want-see-it-reduced>

Key findings

Based on our analysis of the choices that people have made in the surveys conducted in 2017 and 2018, we find the following.

The British public still want a deal, which is based on a close relationship with the EU, with the most preferred option resembling membership of the EEA

In spite of the extensive debate on the referendum result and the potential upsides and downsides of different relationship options, people's preferences in terms of the relative importance of different aspects of the UK's relationship with the EU have not changed substantially in the last year. The average value that we derive for each of the attributes in the stated choice experiments is shown in Figure 2. As there was no statistical difference between the values from the 2017 or 2018 survey, we present results from the combined data.¹⁶ From this, we observe that:

- a. **People continue to place the highest value on continued access to EU markets for both trade of goods and services.** They also value the ability to be able to make trade deals with non-EU countries without the EU, albeit not as much as they value access to the single market.
- b. People continue to place a **moderately high value on restricting freedom of movement but this is not as important as continued access to the single market.** Specifically, this appears to relate to managing demand for UK public services, by requiring EU visitors to the UK to have health insurance and by requiring EU nationals to have a job to access public services.
- c. **People value UK sovereignty over our laws,** but not as much as access to EU markets for both trade of goods and services and the ability to make trade deals with other non-EU countries without the EU.

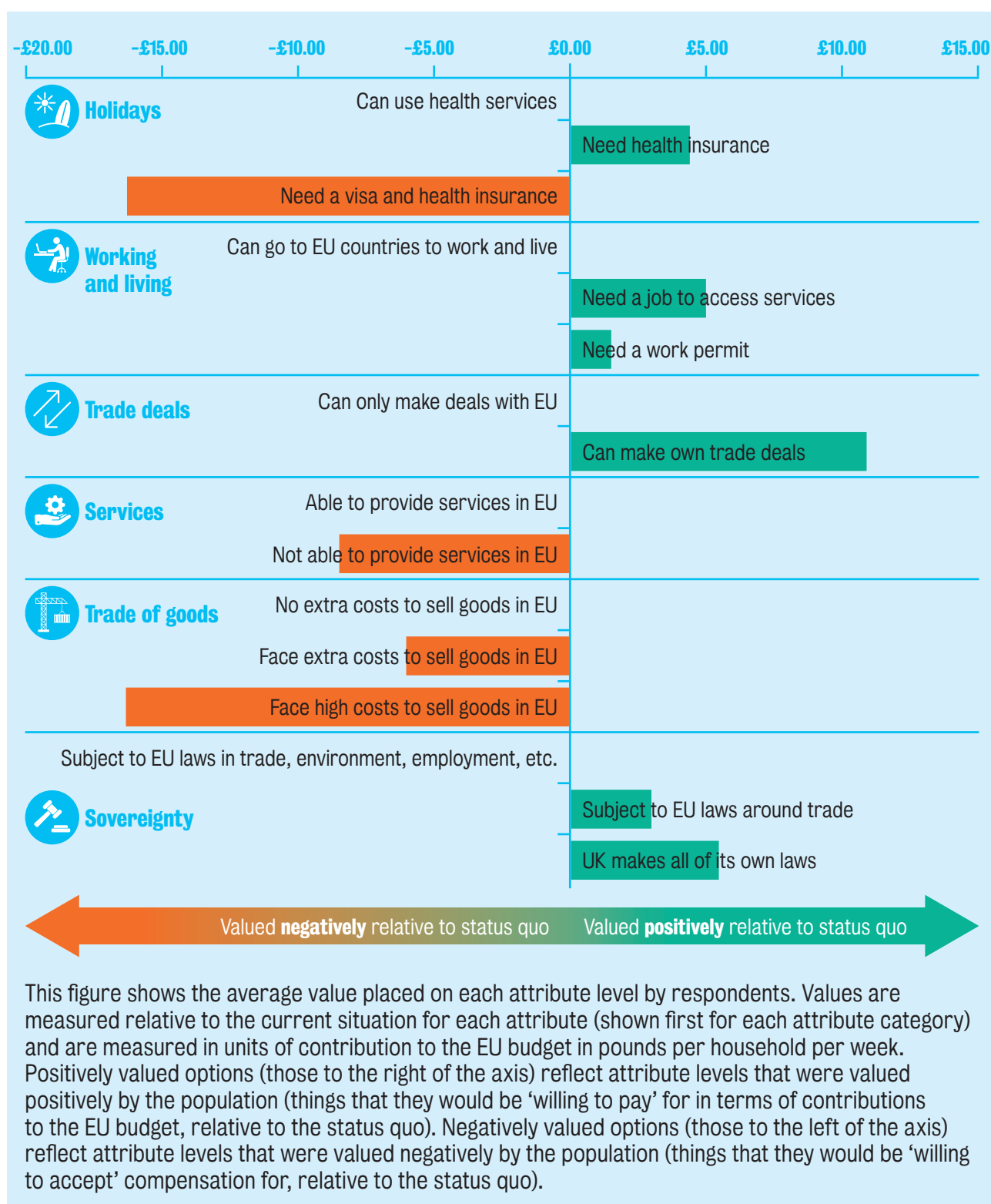
- d. People remain **most concerned about freedom of movement for holidays,** which they wish to retain (without the need for a visa), but favour arrangements where health insurance is required for emergencies.

It is emphasised that all attributes assume reciprocity, e.g. access to EU markets for UK companies assumes the same rights for EU companies in the UK, so people's preferences reflect consideration of the balance between freedom for UK companies and citizens and European companies and citizens.



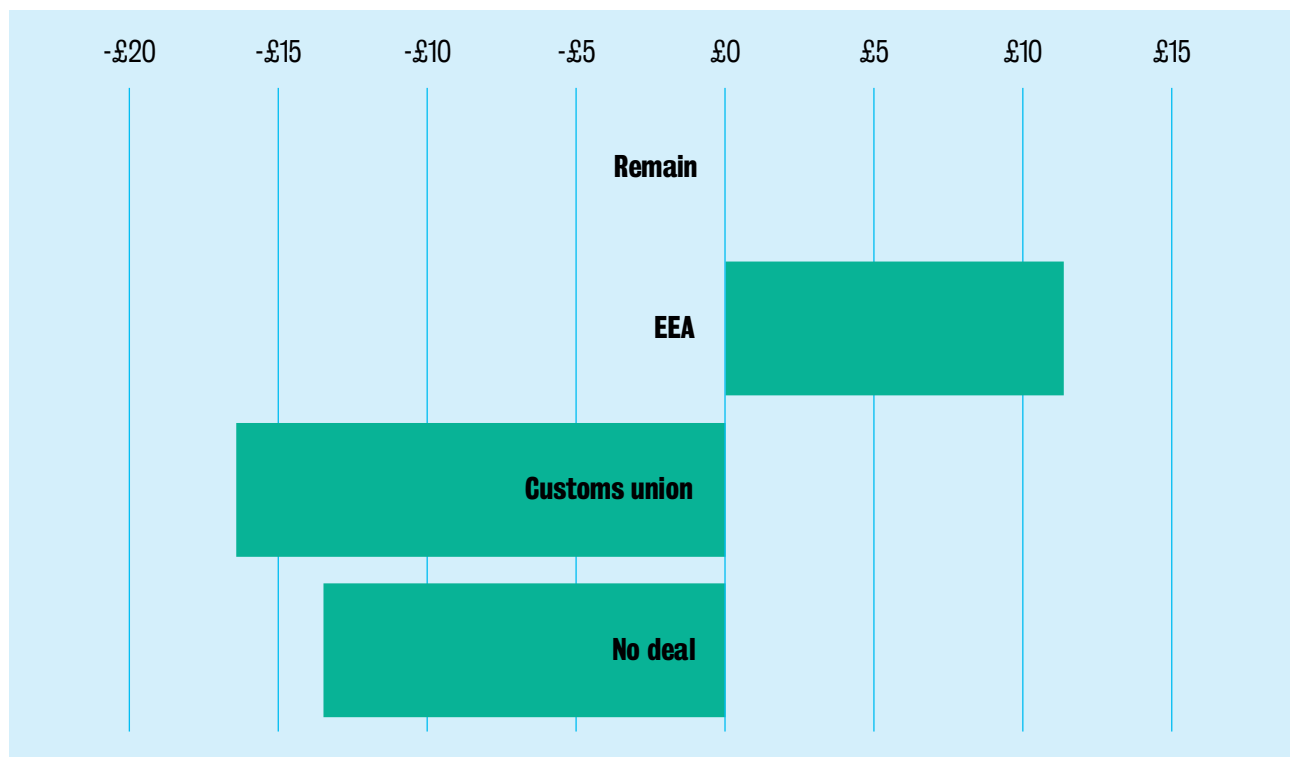
¹⁶ With the exception of needing a work permit, which was valued slightly less in 2018. See section B.2.2 in the technical addendum, which provides all the underlying data and analysis. www.rand.org/t/RR2785

Figure 2: Value placed on each option, relative to remaining in the EU (expressed in terms of EU budget contribution in GBP per household per week)



When we sum up the value for each of these attributes we can calculate the value for different potential relationships relative to remaining in the UK. We find that people place the highest value on an EEA-type relationship and negative values on options such as only remaining in the customs union and exiting without a deal, as shown in Figure 3.

Figure 3: Value placed on different relationship options relative to remaining in the EU (expressed in terms of EU budget contribution in GBP per household per week)



Over the last year we see a ‘softening’ of the type of relationship that Britons want with the EU, as well as an increase in the number of people who want to Remain in the EU

- In our 2017 survey, the most popular choice was **EEA membership (similar to a Norway-like deal)**, with 38 per cent selecting a package of options amounting to this type of arrangement. Among those with whom we repeated our survey this year, **the level of support for this option has increased to 43 per cent.** The EEA option has therefore grown in popularity (see Figure 4). This was established by presenting people with a choice of four unlabelled options described by their key attributes only: remaining in the EU; joining the EEA; remaining in the customs union but not the rest of the single market; and no deal, falling back on the rules of the WTO.¹⁷
- Although a fifth of those who participated in both the 2017 and 2018 surveys switched their preference to a more distant relationship with the EU, **almost a third opted for a closer relationship with the EU**, while half did not change their views.
- We observed two noteworthy changes in opinion:
 - 18 per cent of Remain voters have shifted from preferring a package of options resembling EEA membership in 2017, to the option representing Remain in 2018.** This suggests that in the past they were willing to accept a ‘soft’ Brexit, but have now reverted to their original voting preference at the time of the referendum. Overall, in 2018, **88 per cent of Remain voters opted for either the EEA or Remain options.**
 - Among Leave voters, 34 per cent opted for the EEA option in 2018, up from 24 per cent in 2017.** We see accompanying decreases in support for membership of the customs union but not the single market (from 19 per cent to 16 per cent), and for leaving the EU without a deal (from 44 per cent to 39 per cent).

¹⁷ The sample of people who participated in both the 2017 and 2018 surveys contains a slightly higher proportion of Leave voters. We do not believe that this should impact our analysis of changing voting preferences over time.

- d. Consistent with recent polling data, we find that **52 per cent of respondents now say they would vote Remain in a referendum, up from 48 per cent in our 2017 study and the actual 2016 referendum.** It is worth highlighting that in both rounds of the survey we asked respondents how they voted in the referendum and got results that were nearly identical to those returned in the referendum.

Education level is important in explaining the continued polarisation of views on the way forward for Brexit

The single most important explanatory factor in people's preferences from our analysis was the education level of the respondent.¹⁸ As we found in the original round of the study, we find that those with degrees tend to place a higher value on freedom of movement for working and living and dislike more strongly the need for work visas. They also value the ability to make free trade deals more highly than those without degrees and place less value on the level of EU contributions. Sovereignty is another area of real difference between those with and those without degrees,

with the latter placing much more value on the ability for the UK to make its own laws.

Education level also seems to be associated with how people voted in the 2016 referendum.¹⁹ From our sample we see that 71 per cent of those with degrees said they voted Remain (versus 21 per cent who voted Leave and 8 per cent who did not vote or refused to answer the question), compared to 19 per cent with no qualification who voted Remain (versus 66 per cent who said they voted Leave and 16 per cent who did not vote).

Education level also explains, in part, the continued polarisation of views on the way forward for Brexit. From the choices between the four unlabelled alternatives, we find that support for the harder Brexit options has grown among voters with no formal qualifications, with 45 per cent of this group moving towards a harder Brexit option between 2017 and 2018. In contrast, among those with degrees, 16 per cent moved towards harder Brexit options.²⁰

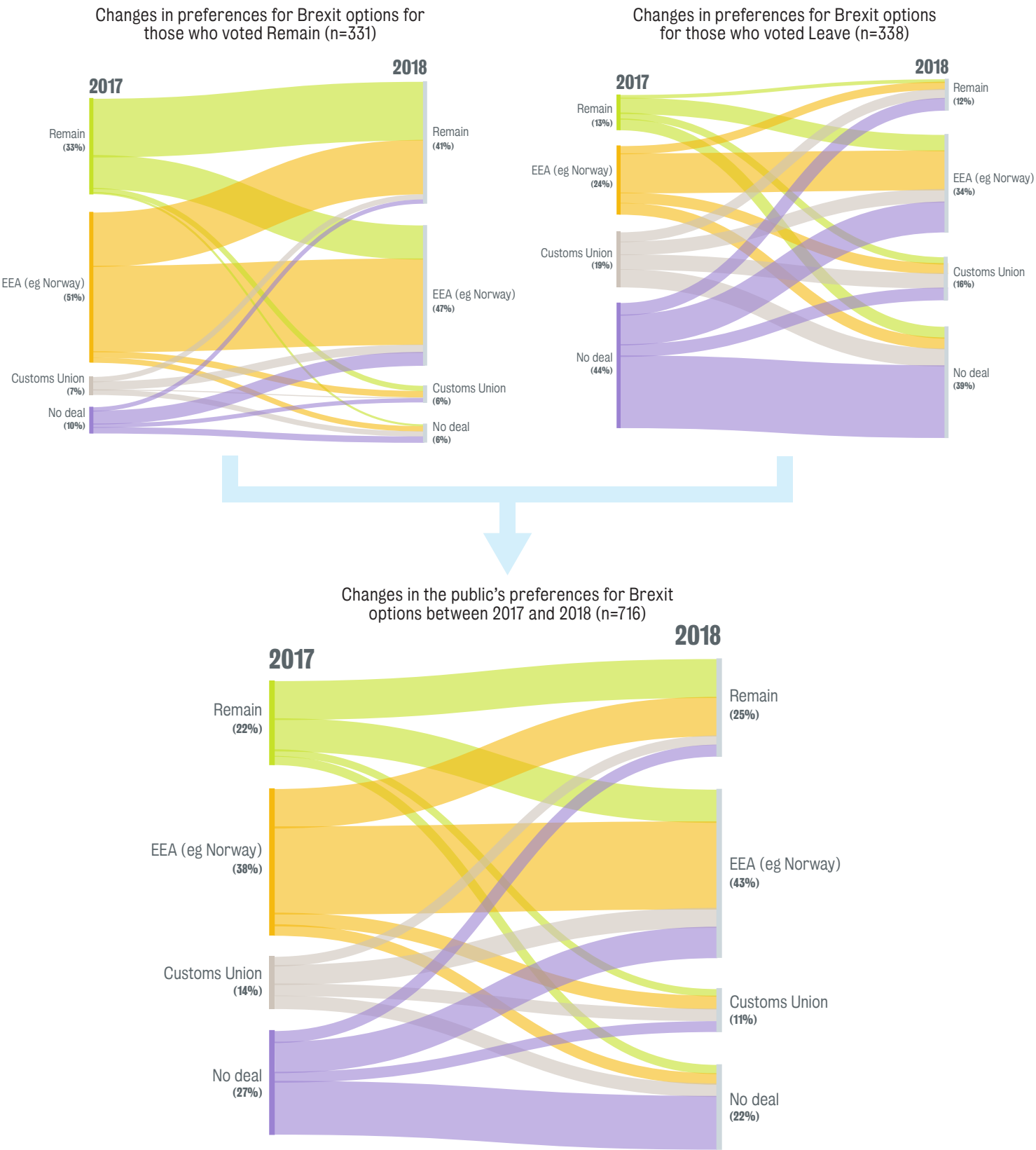
¹⁸ In the modelling, we tested the impact of education, age, gender, income, marital status, economic activity, occupation type, country of birth, home region and ethnicity on the attribute valuations and were only able to identify statistically significant effects for education and country of birth (the latter impacting the values for freedom of movement for working and living only).

¹⁹ This finding is consistent with polling data from around the time of the referendum, which also highlighted differences between those with degrees and those without: <https://yougov.co.uk/news/2016/06/27/how-britain-voted/>

²⁰ It is noteworthy that those with no formal qualifications were more likely than other groups to change their choices to this question between 2017 and 2018.



Figure 4: Changes in voting preferences between 2017 and 2018 for four unlabelled options for a deal on leaving the EU by declared voting patterns in the 2016 EU referendum



Note that these figures exclude respondents who did not answer this question in either 2017 or 2018, which accounts for about 6 per cent of the sample who participated in both surveys. The bottom figure includes the choices for those who voted Leave, Remain and for those who did not vote in the referendum. Choices presented in the figures do not sum to 100 per cent due to rounding.



The value British people place on the proposals set out in the government's white paper ('Chequers') is difficult to quantify due to its vagueness on key issues

The government's 2018 white paper came out after the close of our survey so we could not test people's preferences for it directly. We did, however, take the key elements of its proposals, as described in Section 4.2 in the technical addendum²¹ and calculate how people would judge it against the four options explicitly evaluated in the survey. Only one, rather optimistic set of assumed outcomes from the white paper proposals was valued more positively than the EEA option: specifically, if it results in an agreement that allows a) a reciprocal deal for truly visa-free travel for tourists between the EU and UK; b) the UK to make trade deals with countries outside the EU on its own terms, unconstrained by the 'common rule book'; and c) the UK to trade goods with EU partners with no additional costs at all. However, if these conditions are not met, the white paper proposals are valued much more negatively than remaining in the customs union.

Should there be another referendum, the options offered in a vote will significantly influence the outcome

We are able to use the model to simulate the outcome of another referendum if one should occur, assuming (and it is a big assumption) that people vote solely according to their underlying valuations of the options and are not influenced by other factors. We can do this for different two-choice referendums and even for a three-choice referendum. What we find is that the choices offered have a significant impact on the outcome. For example, if the choice is between Remain and only being part of the customs union, or Remain and No Deal, Remain would get the most votes. However, if the choice was between Remain and EEA membership, then the EEA option would get the most votes. These tests emphasise again the popularity of the EEA option across the population.²²

²¹ Lu, H. et al. (2018). *Technical addendum*. www.rand.org/t/RR2785

²² We note that the EEA option is described by the attributes tested in the survey, including freedom of movement for travel, work and living, net contribution to the EU budget, access to the single market for goods and services, ability to make free trade deals with countries outside the EU (without the EU) and the impacts on sovereignty. The experiments do not consider the implications for the relationship between Northern Ireland and Ireland. They also do not explicitly consider the UK's influence in the EU.

Closing comment

As we noted in closing our 2017 report, the political landscape of the UK has changed dramatically in the wake of the Brexit referendum. Two years on we continue to find ourselves in a volatile and unpredictable environment. As summarised in Box C, our study shows that the British people reject a no deal scenario even more firmly than they did in 2017 and that public opinion, even among Leave voters, is shifting to a ‘softer’ Brexit.

Of significant interest is that, currently, none of the major political parties supports what is the most popular compromise in our study – namely, joining the EEA, the option chosen by 43 per cent of respondents from a set of unlabelled packages described by their key attributes. The most strongly supported option advocated by a political party is the Remain option, put forward by the Liberal Democrats, but that option was chosen by only 25 per cent of respondents. The Labour party suggests something closest to the least popular option, membership of the customs union but not the single market, an option chosen by only 11 per cent of the sample. The Conservative government’s Chequers proposal is not specific enough to effectively analyse but could turn out to be even less popular than Labour’s option on one interpretation, and more popular than the EEA on another.

Of further concern is the role of education in explaining people’s preferences. We are a divided country – as the referendum illustrated – and that divide is best explained by education level. We find evidence in our second survey that this divide is growing, with those with no formal qualifications more likely to shift to ‘harder’ Brexit options than others, although it is worth noting that overall this group was less fixed in their preferences over the two survey years.

It is the political failure of all parties in navigating the complexities of Brexit, combined with the fact that the country remains divided two years on, which, in our view, could be the biggest challenge facing the UK. In the time remaining for negotiation, it is of utmost importance that policymakers consider the preferences of the British people when deciding on the future relationship with the EU.

Box C: Summary of key findings

1. The British public still want a deal, which is based on a close relationship with the EU, with the most preferred option resembling membership of the EEA.
2. Over the last year we see a ‘softening’ of the type of Brexit the British public want, as well as an increase in the number of people who want to Remain in the EU
3. Education level is important in explaining the continued polarisation of views on the way forward for Brexit.
4. The value British people place on the proposals set out in the government’s white paper (‘Chequers’) is difficult to quantify due to its vagueness on key issues.
5. Should there be another referendum, the options offered in a vote will significantly influence the outcome.

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