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BRITISH POLICY IN THE EUROPEAN COMMUNITY: THE COMMITMENT TO GLOBALISM

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1. Introduction

Britain's relations with the European Community (EC) have always been difficult. Initially British governments refused to become involved in the experiments in European unity; then, after membership, successive governments adopted policies that have attracted the description "an awkward partner". This image was reinforced by the objections that the Thatcher governments made to certain aspects of the 1992 programme. Although there are signs that a more accommodating attitude is being adopted by the Major government, it is still too early to say that the record has changed fundamentally. It is the purpose of this paper to attempt an explanation of the attitudes up to and including the Thatcher governments.

Explanations of British policy by the press tend to emphasise a tradition of nationalism and a reluctance to surrender national sovereignty. This attitude was certainly an important feature of the rhetoric of Mrs Thatcher. Another common explanation, emanating more from the left of the British political spectrum, is that the British have faithfully followed the policy of the United States.

It is the argument of this paper that British government attitudes have been influenced at least as much by a commitment on the part of the political and administrative elites to a wider, global internationalism as they have by considerations of nationalism, and that any appearance of following the line of the United States is simply due to the general commitment of governments in both countries to this global outlook. To be more precise: successive British governments, including those under Mrs Thatcher, have been concerned to avoid the emergence of an inward-looking EC that would form a regional bloc relatively isolated from the rest of the capitalist world system.

The paper first traces the element of global internationalism and resistance to regionalism in the record of British attitudes to European integration up to the Thatcher governments; the next section analyses Mrs Thatcher's 1988 Bruges speech, which was widely interpreted as a nationalist statement, to detect elements of the same global internationalism in it; it then attempts an explanation of the elements both of nationalism and internationalism in the record of British governments.

2. The Commitment to Internationalism: the Historical Record

As is well known, British governments declined to become involved in the European Coal and Steel Community and the European Economic Community when they were first set up. There were various reasons for this, but prominent amongst

them was a suspicion of the motives behind the formation of these regional groupings and a commitment to a wider world order.

There was considerable concern within British ruling circles at the rhetoric of "third forcism" that accompanied the initiatives for the European Communities (Young, 1984,152; Morgan, 1984, 419; Burgess & Edwards, 1988, 411). This led to a refusal to support the initiatives on the perhaps rather arrogant assumption that without British participation they would collapse.

In the context of the time it was not as unreasonable as it might seem in retrospect to observe that the economies of the six states involved in the ECSC initiative were weaker than that of the United Kingdom, and to assume that they needed the strength of the UK economy to make a success of their experiment. The same sort of analysis applied nearly as much to the Messina negotiations to create the EEC (Young 1984, 118-24). There was also by the time of Messina the experience of the European Defence Community debacle to add to doubts about the strength of the European economies, which produced "a confident expectation that nothing would come out of Messina" (Macmillan, 1971, 74).

So the British expected the EEC to collapse without their support; but were sufficiently worried by the developments at Messina to try to head off the emergence of this close regional grouping with the alternative suggestion of a European free trade area. This was a proposal for a much looser grouping, with no common external tariff, and no centrally agreed common policies. It was not acceptable to the six, who were intent on a closer association (Camps, 1964, 509; Barker, 1971, 159-60; Charlton, 1983, 193-203).

The British application in 1961 represented a change of tactics not a change of strategy. It was a recognition that the EC was a success, and an acknowledgement of the increased threat of regionalism represented by de Gaulle's attempt to take the leadership of this new Europe. Under de Gaulle the rhetoric of third-forcism became more insistent and worrying than before. When an interdepartmental steering committee of senior civil servants re-examined the British relationship with the EC early in 1960, it concluded that Britain should seek membership primarily for political reasons, to ensure a "politically stable" western Europe. The economic arguments were seen as less important (Barker, 1971, 168-71).

De Gaulle also alarmed the United States, which until then had appeared more relaxed than Britain about the prospects of regionalism emerging in the EC. Shortly after the new President, Kennedy, took office, the British Prime Minister, Macmillan, visited Washington to find out, amongst other things, exactly what the attitude of the new Administration would be to British membership of the EC. Kennedy told Macmillan that the United States wanted Britain to join.

> Kennedy fully understood the economic difficulties British entry would bring to the United States. But these were in his mind overborne by the political benefits. If Britain joined the Market, London could offset the eccentricities of policy in Paris and Bonn; moreover, Britain, with its world obligations, could keep the EEC from becoming a high-tariff, inward-looking white man's club. (Arthur Schlesinger Jr, quoted in Sampson, 1967, 224)

When de Gaulle vetoed British entry in 1963, Macmillan appeared on television stating that the preceding weeks "had revealed a deep division of purpose as to the way in which the European Community should develop - as an outward-looking partnership, inspired by a spirit of interdependence, and determined to play a world role, or as a narrow and highly protectionist group, seeking a false independence without regard to the wider responsibilities and interests of the Atlantic alliance" (Hutchinson, 1970, 118).

When Britain did eventually manage to join the EC, following a further veto by de Gaulle in 1966, it was under the one British Prime Minister (to date) who is generally thought of as a convinced European, Edward Heath. But although the Heath government did follow a strong Europeanist line, it could also be argued that this did not represent a fundamental departure from the spirit of global internationalism either.

What Heath was attempting was to make the EC into an outward-looking partnership, just as his mentor Macmillan had envisaged. That this brought the British government into conflict with the United States owed more to a shift in policy in the United States than it did to any change in the British line. It was the Nixon Administration that departed from the principles of global internationalism in the face of the balance of payments deficit; the Heath government responded by trying to organise the EC into an alternative champion of globalism. So, for example, in the preparation for the next round of GATT negotiations, Britain urged the EC to press for non-tariff barriers to be included on the agenda, which the United States opposed. This indicates that British policy was not just following that of the United States, but was consistently sticking to certain fundamental principles, which usually were shared with the United States, but which the British were prepared to pursue even if the United States deviated from them.

While the Wilson governments from 1964-6 were driven more by pressing domestic considerations in their policies to the EC, the Callaghan government which followed attempted with some success to prevent a rift between Germany and the United States from preventing the agreement of common solutions to common world economic problems in the face of the economic crisis.

The Thatcher governments that took office in 1979 were notably more free-market in their rhetoric, and at least as nationalist as the Wilson governments, as well as strong defenders of national sovereignty. But the theme of a commitment to internationalism still keeps coming through. Even in Mrs Thatcher's infamous Bruges speech of 1988 the same ideas can be seen if the text is looked at with a dispassionate eye.

3. The Bruges Speech

The European press treated the Bruges speech as a re-assertion of nationalism in the tradition of de Gaulle. Easily the most widely quoted passage was that which talked about Europe being stronger with "France as France, Spain as Spain, Britain as Britain, each with its own customs, traditions and identities" and that "it would be folly to try to fit them into some sort of identikit European personality" (Thatcher, 1988, 4).

[As an aside, it is interesting that there was no mention in this list of "Germany as Germany"].

Yet the focus on this passage in the speech may indicate that an assertion of nationalism was what the media were looking for. In fact, the passage takes up only one page of the published version of the speech, which runs to nine pages. Far more frequent than assertions of British nationalism were assertions of British internationalism.

The speech begins with a strong affirmation of Britain's acceptance of its European identity, something which de Gaulle insisted was in doubt when he vetoed British entry. Thatcher made an unequivocal statement that:

> Britain does not dream of some cosy, isolated existence on the fringes of the European Community. Our destiny is in Europe, as part of the Community (Thatcher, 1988, 3)

But the statement was accompanied by an equally strong qualification: "That is not to say that our future lies only in Europe" (Thatcher, 1988, 3). This is a re-assertion of the British internationalism so far as its own position was concerned. It was followed by a similar statement of an internationalist view of the EC. The fourth of Mrs Thatcher's four guiding principles was "that Europe should not be isolationist" (Thatcher, 1988, 7).

Several passages that were interpreted by the press in a nationalist light could also be interpreted as internationalist in motivation. It is true that she did argue against the social charter on the grounds of not allowing a democratic choice of the British people to be overturned from Brussels:

> We have not successfully rolled back the frontiers of the state in Britain, only to see them reimposed at a

> European level, with a European super-state exercising a new dominance from Brussels (Thatcher, 1988, 4)

But it is also true that another reason given for opposition to the provisions of the charter was that: "we certainly do not need new regulations which raise the cost of employment and make Europe's labour market less flexible and less competitive with overseas suppliers" (Thatcher, 1988, 7). In other words, the insistence that minimum social provisions for workers were necessary to create a "level playing field of competition" within the EC were being countered by the argument that these provisions would not apply to workers in countries outside of the EC, and if they were applied within the EC they would provide a perfect excuse for the imposition of protectionist barriers against imports. The social dimension could become the key that would lock the fortress Europe.

On monetary union, the issue that eventually caused Mrs Thatcher's downfall as Prime Minister, her statements in the Bruges speech and two years later in the House of Commons were framed in terms of the defence of national sovereignty. But again resistance to monetary union is perfectly compatible with a commitment to global internationalism and resistance to regionalism. A common currency might make trade easier between states within the new currency union, but the corollary of that would be to make trade relatively less attractive with states from outside of the currency union, where all the costs and inconveniences of exchange controls would continue to apply.

This review of the Bruges speech is not intended to imply that the theme of nationalism did not run through it: clearly it did. On the other hand, there is more than enough evidence of a continuing commitment to the global internationalism that it was earlier argued had consistently marked British governments' policies to the EC. Both nationalism and internationalism were present, and both need to be explained.

4. Nationalism in Britain's Approach to the EC

Nationalism has served three functions for British governments: a domestic legitimation function; a party political function; and a function within the diplomatic bargaining system of the EC.

The domestic legitimation function dates from the period of British dominance of the capitalist world system in the nineteenth and early twentieth centuries. During that period a quartet of ideas established a formidable hegemony over British political debate. Those ideas were liberal economics, parliamentary government, an international mission, and national pride. After the war both Labour and Conservative Parties conducted political debate in terms of this old quartet of values.

The main change from the pre-war position was the victory of Keynesianism over pure liberalism in domestic economic affairs, but this did not affect the commitment of the governing elite to global free trade, even if the accompanying social democratic politics did mean deviations from that position in practice in response to domestic political imperatives. This aspect of the quartet, and the concept of an international mission, are dealt with in the next section of the paper.

Parliamentary government remained unquestioned, and was the basis on which Mrs Thatcher took her last stand against monetary union. It was linked with a sense of national pride that in many ways was the keystone to the whole edifice. Whereas the war in much of Europe was conceived as an ideological war against fascism and Nazism, and served to undermine the legitimacy of nationalism, which came to be associated with those movements, in Britain the war was interpreted as a national conflict which Britain won. Nationalism was not only not discredited in Britain: it was reinforced.

These two "domestic" elements of the quartet of values - parliamentary government and national pride - remained the basis of domestic political debate in Britain after the war. Any political party that questioned them placed itself outside of the parameters of normal political debate. So neither Macmillan nor Wilson attempted to sell the idea of membership of the EC to the British people in any other terms than pragmatism: Britain ought to join because it would be better off inside than outside. There was no mention of an ideal of European union as an alternative to nationalism, the basis on which membership had been sold to the populations of the original member states. Any attempt to do that in the British context would have held great danger. It would have been difficult to carry the country in such a drastic shift of rhetoric, and might have incurred a considerable cost in electoral terms for whichever party attempted to make the shift of ground.

In terms of internal party politics the shift was even more difficult to make. Macmillan had enough problems within the Conservative Party with his programme of decolonisation in Africa without wanting to stir up even more trouble from the right wing of what had always traditionally been the party of the nation. Similarly, the membership of the Labour Party contained a majority of nationalists (Nairn, 1973) making it equally difficult for Wilson to embrace Europeanism.

Mrs Thatcher's strident nationalist tone in her dispute with the EC over British contributions to the budget, between 1979 and 1984, was probably motivated by considerations of internal party politics. The whole episode can be interpreted as a classic example of what Bulpitt has called "party statecraft" (Bulpitt, 1988). Insecure in her position as leader, and open to accusations of betraying the national interest through such measures as the abolition of exchange controls and capital controls, which resulted in a

haemorrhage of capital from the country, Thatcher during her first premiership needed to establish her nationalist credentials with the right wing of the party, which were the bed-rock of her support. The EC was an easy target, and served a purpose until the Falklands conflict fortuitously came along to establish her beyond question as a national champion.

The budgetary dispute, though, also established that stubbornness fortified by nationalist rhetoric can be effective in the EC game of diplomatic bargaining. The outcome of the dispute involved concessions by Britain as well as by the other member states (George, 1990, 154-7), but Thatcher's approach did succeed in extracting more concessions than she made. Perhaps a more conciliatory approach would have achieved the same: but the point here is that the episode established that a particular bargaining style could be successful, while covering the Prime Minister's back in domestic politics. This made it more likely that it would be used again in the future.

The relatively short nationalistic passage of the Bruges speech can be interpreted in the same light, although it can also be seen as a bid for allies in the EC diplomatic manoeuvring around the nature of the 1992 project. It was widely known that political groups in other member states had qualms about some aspects of the project as envisaged by Jacques Delors. The nationalist tone of the Bruges speech can be seen as a direct intervention in the domestic politics of other member states, providing a rallying point for nationalist elements that might have an influence over the attitudes of national governments. This could explain why Thatcher should have chosen Bruges to make the speech, rather than a domestic political platform.

None of this is to deny that Thatcher's own instincts were nationalist. But it is a mistake ever to put too much emphasis on the role of any one individual. No one person drives forward government policy, not even a Prime Minister as strong willed as Mrs Thatcher. Nor was the Bruges speech dramatically out of line with the general thrust of government policy. It is true that the policy was a compromise between differing views, in which the voice of the Prime Minister gave a disproportionate weight to nationalist rhetoric. When she did eventually push her nationalism beyond the point where it was compatible with government policy, she was obliged to resign. It is interesting, though, that this point was reached after it became clear from opinion polls that the nationalist sentiment no longer struck such a strong chord in the British electorate as it had in 1979. The integration of Britain into the EC that had occurred during the Thatcher premierships had itself affected the perception of the EC as something separate from Britain.

5. The Commitment to Internationalism

If the nationalist element in the rhetoric of British governments relates to two aspects of the nineteenth century quadrilateral of values, the internationalism relates equally closely to the other two: liberal economics and an international mission.

Whereas nationalism and a commitment to parliamentary government became the basis for democratic political debate in Britain, the other two aspects of the quadrilateral became the basis for the thinking of the political and administrative elites. They were notably less influential amongst the public.

There are practical reasons why these values should continue to influence decision-makers.

- Despite trade diversion following EC membership, the British economy for some time remained more oriented to trade outside of the EC than the economies of older members.

- Britain has more multinational corporations with bigger investments outside of the EC than any other member state: they would stand to suffer from a breakdown of the world into regional economic blocs.

- The friendly attitude of British governments to foreign capital is often quoted as a reason for the extent of Japanese investment in Britain.

- The City of London has ambitions to be more than just the financial centre of the new Europe (although even that position is not totally secure): it aspires to be a global player, and has always opposed any disruption to the single capitalist world economy.

All of these arguments have some force. The trade differential, however, is no longer great. To show that the policy has been driven by the influence of British multinationals or the City of London would require more evidence than is available of a direct line to government from these particular interest groups. And it could be argued that even more Japanese investment would enter Britain if there were a stronger prospect of a fortress Europe, in order to get inside the walls: all the British government needs to do is to defend the products of Japanese firms as being British if produced in the UK; it does not have to defend the right of the Japanese to export cars (or any other product) to the EC from Japan.

The continuing power of ideas should not be underestimated. Britain's national interest is interpreted through the lens of a civil service culture in particular that was formed in the era of British hegemony, and has persisted undisturbed by British secular decline since. Perhaps it has been aided in its persistence by its coincidence with the interests of important sectional interests - those of the multinationals

and the financial sector. It will be interesting to see what will happen if there is a shift in the coincidence of these interests with the dominant ideas. Certainly the evidence of the move to European monetary union sweeping away Mrs Thatcher suggests that a momentum to regional integration can be created which becomes irresistible. Perhaps the neofunctionalists had a point after all.

6. Conclusion

British policy in the EC has been influenced by a set of ideas that have persisted since the nineteenth century. Two of these, nationalism and parliamentary sovereignty, have coloured domestic political debate, and have acted as a constraint on the ability of governments to admit that they are prepared to surrender sovereignty to Brussels even if they had wanted to do so. These aspects consistently receive the most media attention.

It has been the argument of this paper that the policy of British governments, while it has been influenced by the need to defend national and parliamentary sovereignty, has also been informed by a commitment on the part of the ruling elite to the other two values that derive from the nineteenth century position of Britain. These values are a belief in liberal economics and a sense that Britain has an international mission, a special responsibility to contribute to world order. Together these values have added up to what I call a commitment to internationalism. In terms of policy towards the EC this has amounted to a resistance to the possibility that the EC might develop as a mercantilist economic bloc pursuing a political line driven purely by its own self-interest.

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