CHAPTER II

THE DOMESTIC SCENE - POLITICAL IMPLICATIONS
A new chapter in the political and economic history of post war Britain began on 1 January 1973 when it became a full fledged member of the European Communities. It was the beginning of a unique experience for a country and a people who had developed a distinctive British identity and character notably different from Europe and the European way of life. It was only but natural that such a radical venture and anxieties about what lay at the end of it would become a dominant issue politically.

No issue has been more divisive and controversial in post-War British politics than the question of membership of the European Community. Nothing else has generated in Britain in recent years as much sustained commitment and hostility as Europe. Seldom had the British political parties, the people and the political establishment been as divided as on this one question - Britain's formal membership in the European Economic Community.

The political implications of this new step had been most pronounced and visible on three major aspects of British political life - party politics, public opinion and the parliament.

A. Party Politics

As a country where the system of party Government originated, Britain accords a very special position to its political parties. The parties act as the most important vehicles of the people in a representative Democracy and as such they are especially entrusted with the responsibility of formulating policies and opinions on the most pressing issues facing the country.
The EEC issue was no exception to this generally established practice.

Britain's relations with Europe became an issue of concern for all the principal political parties since May 1950 when the first moves for the European Coal and Steel Community (ECSC) were made. Since then the three decades have witnessed the Common Market theme establishing itself as one of the principal debating issues among and within Britain's political parties.

(i) Labour Party

The controversy on EEC that was to rock post-war British politics had the most serious and damaging impact on the position of the British Labour Party.

It has already been noted that the Labour Party did not view with favour the initial efforts to get Britain linked with the supra-national moves in Europe. As the ruling party it decided to keep Britain out of the European Coal and Steel Community in 1951. During the rest of the decade it remained a persistent doubter of any moves to join the European Economic Community (EEC) that came into existence in January, 1958.

As noted to chapter I, although the Party extended guarded support for the Wilson Government's abortive venture for Community membership in 1967 its attitude hardened with the assumption and the subsequent efforts of the Heath Government in this regard. During the course of later developments, the Labour Party itself was rocked by the threat of a split when a large number of Party

1 For details see Chapter I, pp. 7-8.
MPs openly defied the Party's official stand of re-negotiating the terms of entry obtained by the Conservative Government and supported the latter on the European Communities Bill in the House of Commons. However, the strength of the anti-Marketeers within the Party was so overwhelming that the leadership had to devise a compromise in order to ward off a formal split on the issue.

The compromise formula adopted by the Labour Party was re-negotiation and referendum. The latter idea was seized upon by the left-wing anti-Marketeers, like Anthony Wedgewood Benn, in the wake of its persistent and firm rejection by Edward Heath on more than one occasion on the ground that it would be contrary to British constitutional practices. With the recommendation of the National Executive Committee (NEC) of the Labour Party in July 1972, and its approval by the Annual Party Conference in the autumn, re-negotiation and referendum became the official policy of the Labour Party even before Britain formally joined the European Community in January 1973.

Despite the Annual Conference decision on the broad outlines of the Party's Common Market policy the details had still to be worked out. This was done at a crucial NEC meeting at the end of June 1973 when "Labour's Programme, 1973" was agreed upon after much wrangling between the pro- and the anti-Marketeers on the Executive. The programme which was to be submitted to the autumn Annual Conference expressed its total dissatisfaction with the entry terms accepted by the Heath Government and spelt out the

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3 The Times (London), 6 July 1972.
objectives in what it called "a fundamental re-negotiation of the terms of entry". On re-negotiation, it re-iterated the position it had taken in the previous year leaving the final judgment to the British people.\(^5\)

However the anti-Marketeers were still trying to commit the Party to Britain's unconditional withdrawal from the EEC, and, following the approval of such a resolution at the Trades Union Congress (TUC) Conference (which preceeded the Labour Party Annual Conference) they mounted an offensive at the NEC to back it. Only a threat of resignation from Harold Wilson persuaded the National Executive Committee to climb down; and the line the Party had adopted in Parliament was upheld by a narrow majority.\(^6\) After this, it only remained for the Party Conference to reaffirm the party policy on re-negotiation and referendum that had been adopted in the previous years.\(^7\)

The division within the Labour Party, and indeed in British politics as a whole, was based on fundamental political, economic and ideological beliefs and values and it also broadly followed, though not altogether, the division between the Right and Left. Certainly, the anti-Marketeers feared that British membership in the EEC would be damaging for Britain as well as its socialist movement. They felt that the opening of the British market to free competition from Germany, France, Belgium and Italy would give British industry a jolt. The competition from goods more cheaply and efficiently produced on the continent would under cut

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British manufacturing industry with the inevitable result of unemployment and a depressed standard of living for the British working people.\(^8\) Besides, the open ended competition policy of the EEC was in direct contradiction to Labour Party's socialist policies. There were certain areas in the national economy where they wanted "a democratically controlled state monopoly" rather than foreign competition.\(^9\)

The Treaty of Rome, as Harold Wilson stated in 1961, stood also in the way of Labour Party's policy of a centralised economic management and substantial ammendments to the relevant articles of the Treaty of Rome would be needed to reconcile the problem.\(^10\) It was feared that with EEC membership the management of Britain's fiscal policies to control inflation and unemployment would pass into the hands of Brussels.\(^11\)

Another objection, as Joan Lestor put it in the Commons Debate on 21 October 1971, of the anti-Marketeers to the EEC was that it was a rich man's club following protectionist policies and turning its back on the Developing World. Since its very foundation was based on a protective tariff wall the main objective of the EEC was to protect and defend the rich European nations against the rest of the world. It would be improper for Britain to be a member of an exclusive, protectionist, inward looking organisation such as the EEC.\(^12\)

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11 Ibid., Col. 1540-41.
The main arguments advocated by pro-Marketeers in favour of British entry were political. To them the principal attraction of the EEC was its theme for European unity which was the most ideal guarantor for the maintenance of peace and security not only in Europe but in the world as well. Unity was also necessary to ensure retention of European supremacy particularly in the field of science and technology which required large scale organisation to back research and development. British participation was essential for a resurgence of European pre-eminence. Both Britain and Europe were to benefit from a British entry in the EEC; it would contribute to the possibility of ending for ever the conflicts that damaged Britain as well as Europe for so long. Besides Britain would have a more effective voice in world affairs where Europe too would be better able to play a part; a general pooling of skills, resources and knowledge would lead to rise in general standards of living.\(^\text{13}\)

Despite their emphasis on political arguments the pro-Marketeers were not lagging behind in countering the economic points made by the anti-Marketeers. Their main economic contention was that membership of the Community was going to create a tremendous opportunity for British industry with the largest developed market of nearly 250 million people. In the opinion of Harold Wilson, as expressed during the 1967 Common Market debate, the British entry in the EEC would "have a profound effect on British industry by creating a new confidence, a new upsurge in investments, a new concentration on modernisation, on productivity

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\(^{13}\) UK, Commons, *Parliamentary Debates*, Session 1970-71, Vol. 821, Cols. 1509-11. These views were expressed by Arthur Bottomley, the former Labour Commonwealth Secretary, in the Commons, Debate on 21 July, 1971.
and reduced costs, by creating new prospects of a higher and more soundly based growth rate than we could otherwise achieve". 14

So both sides had powerful arguments to buttress their respective cases. As the debate became more and more intense the commitments grew deeper and passions and sentiments became increasingly more surcharged.

The question of referendum and re-negotiation figured in a big way in the Labour Party's election campaign in February 1974. The party manifesto restated the policy of re-negotiation and consultation:

It is the policy of the Labour Party that, in view of the unique importance of the decision, the people should have the right to decide the issue through a general election or a consultative referendum. If these two tests are passed, a successful re-negotiation and the expressed approval of the majority of the British people, then we shall be ready to play our full part in developing a new and wider Europe.(15)

Continued unpopularity of the European Economic Community helped the Labour Party to cover up its internal difficulties. Although the Community did not play any major role in the 1974 General Election, the revolt by Enoch Powell in the Conservative Party and his exhortation to vote Labour, because it had a programme of re-negotiation, could have helped them to a certain extent. 16

16 Enoch Powell was a leading Conservative opponent of the EEC. See Phillip Goodhart, Full-hearted Consent (London, 1976), p. 185.
Edward Heath's defeat and the return of Harold Wilson as the Prime Minister of a minority Labour Government paved the way for the implementation of the official Labour Party policy on the European Community. The new Government moved quickly to prepare for the re-negotiation of the terms with EEC partners and fulfil its mandate from the people. A strategic committee was set up under the chairmanship of the Prime Minister for handling the re-negotiations and it also included the Foreign Secretary James Callaghan and a few other relevant departmental ministers some of whom were committed anti-Marketeers.17

The process of re-negotiation was begun on 1 April 1974 when Callaghan informed Britain's EEC partners of the changed situation in Britain and the position of the new Labour Government.18 Though the tone and the content of his speech was firm in presenting Britain's demands the anti-Marketeers in the Labour Party were already beginning to worry about the way things were going to work out.19 Suspicion in their ranks was beginning to gain ground that some ministers were weakening in their determination for hard bargaining with Britain's Common Market partners under pro-Market bureaucratic pressures in the Whitehall.20


19 After a meeting with Callaghan as early as 14 March 1974 Douglas Jay gathered the impression that "... he [Callaghan] was slipping under FO (Foreign Office) pressure." Jay, n. 17, p. 475. Wilson too harboured similar suspicions about the Foreign Office. Harold Wilson, n. 6, p. 54.

This belief was further strengthened by Callaghan's speech at the EEC Council of Foreign Ministers on 4 June 1974 when he presented the details of Britain's re-negotiation demands. This was considered by the usually pro-Market London Press to be a more constructive and friendly presentation than his April performance.21 Naturally, the anti-Marketeers thought that it was a further proof of what they had been fearing for some time. The debate in the House of Commons on 11 June 1974 reflected these feelings when there were allegations from anti-Marketeers like Norman Atkinson of a "tremendous shift" in Government policy; they referred to Callaghan's readiness to accept the want of a necessity to reform the treaty22 as proof for their argument.23

This displeasure with the Government's performance was not confined to anti-Marketeers within the Parliamentary Labour Party only. Anti-Market cabinet ministers, like Barbara Castle, were also not happy about the way Callaghan was proceeding with re-negotiations; they agreed not to do anything precipitate24 only because that would jeopardise Labour Party's chances in the general election which was just round the corner.25

21 The Times, 5 June 1974.
23 Ibid., Cols. 1494, 1498. Anthony Wedgewood Benn also referred to this point in his interview with the present author, in London, on 10 December 1986.
25 The February 1974 General Elections had produced a minority Government. Harold Wilson had to call another election in October 1974 to get a more decisive verdict.
Attitude of the activists within the Labour Party also came to light at this time in two reports drawn up by the Party's Central office and submitted to an 8-man monitoring committee of the Party; the reports criticized Callaghan by expressing unhappiness for the softening of his stand apparent in his deviation in certain aspects from the Party policy. Specific reference was made to a speech made by Callaghan in which while accepting the need for Community rules in industrial and regional policies, he appeared "to accept a diminution of Parliament's powers" in these fields. It was alleged that he also did not mention the word "sovereignty" or "retention of powers by Parliament".26

It was clear by now that the Party was not going to rest contented with the Government remaining solely in charge of the re-negotiation and referendum. On 24 July 1974 the National Executive Committee of the Party approved a motion, by 14 against 12, that there should be a special Party Conference after the re-negotiation and before the issue was put to the British people, and it would be upto the Conference to make its own recommendations quite independent of the Government in the light of the new terms obtained.27

Meanwhile the question of the Referendum was also receiving a lot of attention in the debate within the Party. As re-negotiation was underway questions were being raised about the device and its modalities through which the opinion of the British people was going to be sought in this matter. During the February 1974

26 The Times, 11 July 1974. Report was printed in full. Callaghan was furious at these digs from the anti-Marketeers and complained bitterly about it at the Cabinet meeting of 11 July 1974. Barbara Castle, n. 24, pp. 143-4.

General Election campaign Harold Wilson had stated that Labour had always used the word 'ballot-box' for the test of opinion on British membership of the EEC without definition; but he considered, it meant a referendum. During a cabinet discussion on 22 July 1974 Wilson said that the outcome of the referendum must be final and binding instead of being 'consultative'. During the campaign preceding the October 1974 General Elections Wilson was not very definitive when he declared that it remained to be seen whether the EEC ballot would be a referendum. A referendum was highly likely though by no means an absolute certainty. The Election Manifesto of the Party was also not specific on the issue except pledging "to give the British people the final say ... through the ballot-box" within 12 months of the election and their verdict would be binding.

During the October 1974 General Election campaign itself the simmering divisions between pro- and anti-Marketeers within the Labour Party exploded into the open when Shirley Williams, cabinet minister and a leading pro-Marketeer declared on 25 September 1974 that she would not remain in active politics if the national ballot on EEC, promised by Labour, produced a mandatory majority for withdrawal. Next day she was followed by a similar declaration from Roy Jenkins who said he "... could not stay in a

28 The Times, 14 February 1974.
29 Barbara Castle, n. 24, p. 149. ·
30 The Times, 26 September 1974.
cabinet which had to carry out a withdrawal [from the EEC].\textsuperscript{32} Though seemingly aiming at the electorate their real objective evidently was to pressurize the negotiating team as well as countering the anti-Marketeers.

The pace of re-negotiation was quickened following Labour Party's election victory, and the real battle for the referendum was joined in right earnest. The Labour Party Annual Conference, shifted as a Special Conference from October 1974 to the end of November 1974 due to the elections, became a matter of some controversy with Helmut Schmidt, the West German Chancellor who was invited to attend and speak as a guest on the last day. He was sought to be warned in advance by anti-Marketeers about the potentially disastrous consequences of a preopaganda speech about the Common Market which would be resented as unwarranted interference.\textsuperscript{33} In the event he conducted himself skillfully enough and "received a great ovation".\textsuperscript{34}

Negotiations between Britain and its EEC partners now picked up momentum with help from Helmut Schmidt and after a visit to Paris by Wilson at the beginning of December 1974 for discussions on the issue with President Giscard d'Estaing of France.\textsuperscript{35}

On 7 December 1974 Wilson took the opportunity of the Lord Mayor's

\textsuperscript{32} The Times, 26 and 27 September 1974. Marcia Falkender, a long time personal confidente of Harold Wilson, recalls the annoyance Shirley Williams caused to Wilson by her blunt declaration in spite of being given a chance by the latter to remain silent. Marcia Falkender, \textit{Downing Street in Perspective} (London, 1983), p. 165.

\textsuperscript{33} Barbara Castle, n. 24, pp. 224-5.

\textsuperscript{34} Harold Wilson, n. 6, p. 88.

\textsuperscript{35} Ibid., pp. 88-9.
Dinner in London to reaffirm the position of the Labour Government on the question of re-negotiation because it had been the long established policy of the Labour Party to join the EEC only if the terms were right and the ones negotiated in 1971 fell well short of the requirement. He said that the Government was negotiating with a "real intent to succeed", and if it received satisfactory terms on the seven specific issues concerned he would commend the same to the British people with the recommendations that "we should stay in and play our full part in the development of the Community".36

During the course of the great debate between the pro- and anti-Marketeers within the party Harold Wilson and James Callaghan had carefully avoided being identified with either of the two groups. Their position was that ideologically they were not attached to any of the two sides of the arguments and as hardheaded realists they took the view that Common Market membership would be beneficial for Britain provided, the conditions for the same were, in their estimation, right.37

But ever since the Labour Party returned to power in February 1974 increasing indications were available, notwithstanding their public protestations to the contrary, that unless there were to be a complete fiasco with re-negotiations Wilson and Callaghan would be inclined to favour a continuation of Britain's EEC membership.38 As Wilson himself put it he and

38 In his interview with the present author on 10 December 1986, in London, Anthony Wedgewood Benn suggested that Wilson always wanted Britain to be in the Common Market and his posture of opposition to the EEC was purely for tactical reasons, namely, to keep the party united.
Callaghan were agnostics depending on the terms they got in renegotiations.\textsuperscript{39} Callaghan even admitted in the Parliament that under the impulse of world events the Community was becoming much more flexible in its approach to problems and was taking greater account of the needs of individual member countries.\textsuperscript{40} Clearly he did not nurture the same degree of hostility towards the Community as in 1971.\textsuperscript{41}

However, it was still not possible for them to take an overtly pro-Community position since the bulk of the negotiation was still to come. Some progress was made at the Paris summit of 9 and 10 December 1974 on the question of Britain's budget contribution, besides a brief outlining of British position on the main issues.\textsuperscript{42} In his report to the Parliament on 16 December 1974 Wilson was anxious to play down the apprehensions of the anti-Marketeers on reported Government agreement on issues such as the European Monetary Union (EMU) and direct elections to the European Assembly.\textsuperscript{43} It was obvious from his replies that he was eager to evade any charge of pro-Market bias during crucial negotiations with the EEC. This was also manifest at the cabinet meeting a few days ago when the anti-Market cabinet colleagues had criticised Wilson and Callaghan for their agreement on some of the things

\begin{thebibliography}{9}
\bibitem{39} Harold Wilson, n. 6, p. 103.
\bibitem{40} UK, Commons, \textit{Parliamentary Debates}, Session 1973-74, Vol. 880, Col. 244.
\bibitem{42} Harold Wilson, n. 6, pp. 94-97.
\bibitem{43} UK, Commons, \textit{Parliamentary Debates}, Session 1974-75, Vol. 883, Cols. 1127-36. A more detailed treatment of the issues in renegotiation and Britain's interaction with its partners is given in pages the third and pages fourth Chapters respectively.
\end{thebibliography}
which were thought likely to carry Britain further on the road
to Europeanisation than the other way round. \(^{44}\)

Time was approaching now, while negotiations went on, for
the Government to make known its decision on the type of balloting
that was to take place. On 23 January 1975 Harold Wilson announced
in the Parliament that his Government had decided to put the case
of British membership of the EEC to the British people by means of
a referendum. He said that the issue had dragged on for nearly
fifteen years and that it was in the interest of everyone concerned
to have it settled as soon as possible. He indicated the Govern-
ment's intention to hold the referendum before the end of June 1975,
keeping in view of the question of completion of re-negotiation,
the drafting of the legislation, its passage through the Parlia-
ment and the complicated electoral arrangements. \(^{45}\) In the same
statement Wilson also announced that he would shelve the collec-
tive responsibility of the cabinet on this issue with an 'agree-
ment to differ'. \(^{46}\) Indeed, it was explicit that in view of the
unique circumstances of the question, individual Ministers would
be allowed to support and speak in favour of their own position
in the referendum campaign irrespective of what the Government
conclusion might be. \(^{47}\) Unable to offer a better alternative, two
days earlier the rest of the cabinet had agreed to the proposal. \(^{48}\)

\(^{44}\) Barbara Castle, n. 24, pp. 248-50. Wilson was often annoyed
by these criticisms; he was quoted as having said at this
cabinet meeting, "I resent the suggestions that Jim (Callaghan)
and I are little innocents abroad". Ibid.

\(^{45}\) UK, Commons, Parliamentary Debates, Session 1974-75, Vol. 884,
Col. 1745.

\(^{46}\) Harold Wilson, n. 6, p. 98.

\(^{47}\) UK, Commons, Parliamentary Debates, Session 1974-75, Vol. 884,
Col. 1746.

\(^{48}\) Barbara Castle, n. 24, pp. 287-9.
As the process of re-negotiation neared completion matters were coming to the crunch on the EEC both in British politics in General and the Labour Party in particular. On 10-11 March 1975 the European Council, comprising the Heads of the EEC Governments, met at Dublin for the final round of negotiations on the three outstanding issues - the question of British contribution to the EEC budget, imports from New Zealand and a specific problem on the steel industry. Despite pressure from the anti-Marketeers within the cabinet Wilson refused to raise afresh the issue of the sovereignty of Parliament beyond what had been specified in the election manifesto. 49

Agreement on the issues concerned was reached after much hard bargaining, and in his report to the House of Commons on 12 March 1975, Wilson indicated that he was satisfied with the outcome. With these agreements discussion on re-negotiations had been taken as far as they could go. Now it remained with the cabinet to review the achievements and announce its decision. Although re-negotiation would not achieve a cent per cent satisfaction as far as the party manifesto was concerned it went a long way in ameliorating "the totally inadequate terms" that the previous Government had negotiated, he concluded. 50

On 18 March 1975 the expected declaration on behalf of the Government was made by Wilson in Parliament. The Prime Minister informed the Parliament, and the country, that the Government had decided to recommend to the British people to vote for staying in

the European Community. He said that the Government was satisfied that the re-negotiation objectives had been substantially, though not completely, achieved. Further, he added that all of Britain's friends in the Commonwealth and elsewhere wanted it to stay and it would be in Britain's, Europe's, as well as in the world's interests for it to do so. 51

With the Government declaration recommending continued British membership in the EEC the chapter on re-negotiation was closed; but the real coup de theatre of Post-War British politics was yet to come - the referendum campaign. Adoption of a pro-Market stance by the Government unleashed an unprecedented crisis in the Labour Party. Throughout the European debate events had shown, especially in the years since 1970, that the Labour movement was generally hostile to the idea of Britain becoming a part of the European Community; with increasing economic difficulties and growing unemployment the rank and file in the Labour Party were beginning to believe, in the light of the two years experience of membership, that the EEC was primarily responsible for Britain's troubles; in other words, the EEC had become a convenient scapegoat and the belief had grown that withdrawal from it was a sheer necessity to set things right. The commitment of Harold Wilson's Labour Government to re-negotiation and referendum was thought to be the first step in this direction and in the prevailing mood of public opposition to the EEC 52 most of the anti-Marketeers within the Labour movement were expecting that things would go in their favour.

51 Ibid., Cols. 1456-67.
52 Douglas Jay, n. 17, p. 480.
These expectations suffered a jolt as a result of the Government's actions. But those in the know of things within the anti-Market camp and especially within the Cabinet, had sensed for some time which way the wind was blowing. For instance certain anti-Market Cabinet Ministers had begun to recognize, even before the Dublin summit, "the need for something more organized ..." 53 This was to come in the shape of a 'Cabinet against the Market' group which would present its views at a press conference as an authoritative alternative to the expected pro-Market line of the Cabinet after the decision was known. 54 A meeting was held on 16 March 1975 to chalk out the campaign strategy of the group about the Government announcement on 18 March. During the 2 day Cabinet meeting on 17 and 18 March 1975 the dissenting Ministers took the stand that they were unable to accept the pro-Market contention that re-negotiation had been a success. According to them, no fundamental change had taken place especially on steel, the Common Agricultural Policy and the issue of sovereignty. In the voting that took place the cabinet was split 16-7 in favour of recommending the terms to the Parliament and the country. 55 The seven dissenting cabinet Ministers were Michael Foot, Anthony Wedgewood Benn, Peter Shore, Barbara Castle, John Silkin, Eric Varley and William Ross. 56

On the same day after the Prime Minister made his Commons statement the seven dissenting Cabinet Ministers joined the 'Cabinet against the Market' Press Conference where they dissociated

53 Barbara Castle, n. 24, p. 335.
54 Ibid., p. 338.
55 Ibid., pp. 340-3.
56 Ibid.
themselves from the Government position, spelled out their opposition to Britain's continued Community membership and explained their reasons for doing so.\textsuperscript{57}

This public demonstration against Government policy precipitated a crisis within it. The Prime Minister was angered by what he thought to be a move to challenge the authority of the Government by organizing an anti-Government campaign. What, however, worried Wilson most was the attempt by the anti-Marketeers to enlist the entire Party behind them\textsuperscript{58} and he was not mistaken in that.

Efforts by the anti-market forces to get organized and united had got underway since the election of October 1974 mainly as a counter-weight to the much more powerful pro-Market European Movement. Eventually an all-Party new organization, incorporating all the existing anti-Market bodies entitled the National Referendum Campaign (NRC), came into being in December 1974 with the anti-Market Conservative M.P., Neil Marten, as its Chairman, the objective being to ensure a close collaboration among all the forces opposed to the Common Market during the referendum campaign. Despite its limited resources, compared to the pro-Market organization, 'Britain in Europe', the NRC became a well managed and well run organization in putting forward the anti-Market case during the run up to the referendum on 5 June 1975.\textsuperscript{59}

\textsuperscript{57} Ibid.

\textsuperscript{58} Ibid., pp. 345-6. According to Anthony Wedgewood Benn, Wilson had not anticipated such determined opposition to him from within the Cabinet and hence was furious. Interview with Wedgewood Benn, n. 20.

\textsuperscript{59} Douglas Jay, n. 17, pp. 479-81.
Meanwhile, a virtual civil war had been unleashed within the Labour Party following the Government recommendation. A Commons motion of backbench Labour MPs expressing disapproval for the settlement as inadequate attracted as many as 138 signatures by 21 March 1975. The mood within the Party had turned sour as was evident from a statement by Ian Mikardo, a leading member of the left wing 'Tribune' group of backbench MPs. He accused the Prime Minister of leading into battle "a pretty motley multi-coloured army of Labour, Conservative and Liberal MPs, the CBI (Confederation of British Industries), the city and News papers and not the solid heart of the Labour Movement which opposed EEC membership, i.e. the NEC, the Constituency Parties, TUC and trade unions as a whole". On 23 March 1975 a statement signed by five dissenting Cabinet Ministers, Peter Shore, Anthony Wedgewood Benn, Barbara Castle, Michael Foot and John Silkin and Minister of State, Judith Hart, was issued formally declaring that the Labour Party's pledge for fundamental re-negotiation had not been achieved in spite of the exertion of the negotiators. The reasons adduced for their position were that material effects of membership were to remain unfavourable; the EEC Common Agricultural Policy remained virtually unchanged, there was not much relief from the new arrangements on the budget, the 'appalling' trade deficit with the EEC was continuing and very little was achieved in trade or aid for the Asian Commonwealth. But the gravest disadvantage was political; the Treaty of Rome and the EEC structure was a threat to British democracy and nothing was done to amend the

60 Ibid., p. 482.
61 The Times, 22 March 1975.
Treaty or to democratize the Community. The dissenting Ministers believed that Britain had a better and free future outside the EEC. 62

It was in this background that the National Executive Committee of the Labour Party met on 26 March 1975 to consider its own position on the EEC issue. The tumultuous events of the week following 18 March 1975 had made it a certain possibility that the NEC would be solidly ranged against the Government position. However, some moderating influences within the party and a threat from Harold Wilson to resign prevented it from taking an uncompromising anti-Government and anti-Market position and a somewhat more moderate memorandum from the Party General Secretary, Ron Hayward, offering the pro-Marketeers the same right to differ at all levels and organs of the Party, as had been granted to the anti-Market minority within the Cabinet, was adopted. 63

However, the NEC still took a tough anti-Market stand by asserting that the re-negotiated terms did not satisfy Britain's requirements; it therefore opposed Britain's continuing membership of the Common Market and recommended to the Special Party Conference to be held on the issue that the Party should campaign for the withdrawal of Britain from the EEC and urge the British people to vote accordingly in the referendum. 64 Though no voting was taken it was already known that 18 of the 29 members of the NEC supported the anti-EEC resolution. 65

63 David Butler and Uwe Kitzinger, The 1975 Referendum (London, 1976), p. 50; and Harold Wilson, n. 6, p. 106.
65 The Times, 27 March 1975.
At the beginning of April 1975 the House of Commons took up the government recommendation for discussion and decision. The Cabinet had already taken the decision, in Wilson's absence, that Ministers, both junior as well as senior, would be free to vote against the Government's recommendation in the Commons debate though they were forbidden to speak in the debate with the exception of those appointed to speak.66 The ban was in general complied with except in the case of one junior Minister, Eric Heffer, the Minister of State for Industry, who stuck to his decision to speak despite the ruling and a number of warnings about the consequences and was dismissed from the Government by the Prime Minister immediately thereafter.67

In the voting after the three day debate on 9 April 1975 396 members voted for the motion approving Government policy and 170 voted against. The result was a disappointment, if not a personal defeat for Wilson, as 145 Labour members including most of the dissenting Ministers voted against and only 137 voted in favour of Government policy.68 The Prime Minister had failed to carry his own Parliamentary Party with him.

However, even greater embarrassment was awaiting him at the end of the month. The Special Labour Conference (SLC) called by the NEC met in London on 26 April 1975 to pass judgment on the renegotiated terms. Despite its own anti-EEC stand, the Executive had granted Wilson appearance at the Conference to submit the

66 Harold Wilson says that he did not assume that the decision to allow ministers to vote against Government position would be taken: "Abstention would have seemed right and obvious". Harold Wilson, n. 6, p. 104.

67 Ibid.

68 Ibid., p. 105.
Government case. The occasion proved to be quite awkward for the Prime Minister, to say the least, as he had to justify the Government decision to an overwhelmingly hostile conference of his own party. His speech giving the simple arguments underlying the Cabinet's decision to the House and the country and received politely rather than with any real measure of enthusiasm was, in his own admission, not his happiest Conference speech. 69

The final Conference decision was a resounding but expected 'No' to continued British membership of EEC but by a smaller margin than anticipated. The figures were 3,724,000 for the NEC resolution and 1,986,000 against it, a majority of about 2 to 1. 70

The decision was a severe rebuff for Wilson and his Government - a virtual repudiation of their policy on EEC by the Labour Movement. The only comfort the Prime Minister was to derive came nearly six weeks later when the national verdict went in his favour by a similar margin 2:1.

With the Conference decision to oppose Britain's continuing membership a piquant situation arose where the Labour movement was virtually divided - the Labour Government advocating that Britain should stay in the Community and the Labour Party and the bulk of the trade union movement campaigning to pull Britain out. But a confrontation between the Party and the Government was avoided due to a compromise whereby the Party machinery at the Central Office was in effect to remain neutral and leave every

69 Ibid., p. 107. According to another account Wilson was nervous, irritable and defensive. He told Barbara Castle during a private exchange "The decision is a purely marginal one (on Europe). I have always said so. I have never been a fanatic for Europe ..." See Barbara Castle, n. 24, p. 379.

Local Party free to decide its own course of action. Though the decision was unwelcome to the anti-Marketeers who had expected the Party propaganda machine to be put to use to implement the Conference decision, a standard Party practice, it defused a very awkward situation for the Prime Minister and the top party functionaries.

The next few weeks witnessed a lively, and at times acrimonious, Referendum campaign when Party divisions were thrown to the winds and people who would not even prefer to be seen together on other occasions, readily collaborated in the service of a cause they all deeply believed in. Ministers were allowed to campaign freely for the side of their choice subject to two rules which the Prime Minister had laid down. They were: avoidance of personal attacks and end of the 'agreement to differ' on 6 June, the day after the referendum poll. The pro-Market campaign under 'Britain in Europe', an umbrella organisation of all pro-Market bodies, with Roy Jenkins as its President, received all out support from the bulk of the Conservative Party, the Liberal Party, the Confederation of British Industries, the National Farmers' Union and a near unanimous support from the Press. Their resources were far superior to the rival NRC; £ 1,481,583 to NRC's £ 133,630. The campaign was fought through public meetings, distribution of literature from both sides, seminars, press conferences, debates and interviews on television and radio and also by door to door canvassing.

71 Douglas Jay, n. 17, p. 484.
72 Harold Wilson, n. 6, p. 105.
73 David Butler and Uwe Kitzinger, n. 63, p. 86.
5 June 1975 would go down as a memorable date in modern British history. Voting took place on that date in the first British referendum of modern times to decide if the United Kingdom was going to continue as a member of the European Community. The result which was declared on the following day was a massive verdict in favour of Britain remaining a member of European Economic Community - 17,378,581 or 67.1 per cent of those who voted approved and 8,470,073 or 32.8 per cent disapproved of the Government recommendation. On a turnout of 63.2% all the four regions of the United Kingdom showed a decisive 'yes' vote, the figures being:

<table>
<thead>
<tr>
<th>Region</th>
<th>For</th>
<th>Against</th>
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<tbody>
<tr>
<td>England</td>
<td>14,918,009</td>
<td>6,812,052</td>
</tr>
<tr>
<td>Wales</td>
<td>869,135</td>
<td>472,071</td>
</tr>
<tr>
<td>Scotland</td>
<td>1,332,186</td>
<td>948,039</td>
</tr>
<tr>
<td>Northern Ireland</td>
<td>259,251</td>
<td>237,911</td>
</tr>
</tbody>
</table>

The outcome of the referendum had a momentous impact on British politics and certainly on the Labour Party. The scale of the turn-out and the margin of the pro-Market verdict left no doubt about the unmistakable will of the British people. But above all this was a tremendous personal victory for Harold Wilson, the man who had staked the rest of his political career on getting popular approval for his policy. It was undoubtedly the greatest challenge of his political career; the hardening of attitudes.

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74 The Times, 7 June 1975.
75 Marcia Falkender recalls that a few days before the referendum Callaghan had told her that he as well as Wilson would have to resign if the vote went the wrong way. Marcia Falkender, n. 32, p. 183.
within the Labour Movement in the early 1950s against the very principle of Common Market membership had posed great difficulty for him and, as The Times put it, Wilson "found in the referendum the answer, perhaps the only answer, to the problems of getting Labour consent to staying in Europe". 76 In Wilson's own words: "... it was a matter of some satisfaction that an issue which threatened several times over thirteen years to tear the Labour movement apart had been resolved fairly and finally, despite the anti-EEC vote at the Special Conference and the spread of Labour MPs' votes in the Commons vote ..." 77

Most of the leading anti-Marketeers within the Party accepted the verdict, apparent to them for some time, with good grace though one or two sounded a bitter note. 78 As democrats it was hard for them to react against such a clear verdict in any other way, and more so since they themselves had pressed for a referendum; criticism of British membership of the EEC was silenced for the time being. 79

One of the immediate decisions taken by the Labour Party following the referendum outcome was to reverse its earlier decision of December 1972 to boycott the EEC institutions. 80 Now that

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76 "A Great Majority For Europe : A New Majority For Britain", The Times, 7 June, 1975.
77 Unmistakable indication in the reference here was that the repudiation by the Party was a bad blow to his prestige which was restored again by the referendum verdict. Harold Wilson, n. 6, pp. 108-9.
78 David Butler and Uwe Kitzinger, n. 63, pp. 273-4.
79 According to Anthony Wedgewood Benn, however, one accepted a referendum verdict in the same way as a general election and there was nothing more permanent in it than the latter. Interview with Wedgewood Benn, n. 20.
80 David Butler and Uwe Kitzinger, n. 63, p. 280.
the Party's condition of a clear affirmative verdict of the British people had been met it decided, in accordance with its earlier promise, to play its full part in the EEC institutions by sending its representatives, especially to the European Parliament. The trade unions also took the cue and joined their appropriate European organisations.81

With the end of re-negotiation and referendum a chapter in British politics as well as in the history of the Labour Party came to an end and a new one began. With the main argument about whether or not Britain should be a member of the EEC settled, at least for some time to come, the emphasis now got shifted to a new direction. Despite the referendum defeat most of the hard line anti-Marketeers within the Party were unrepentant about their conviction that Common Market membership was bad for Britain. Having failed to overturn the fait accompli they now concentrated on what they considered to be minimising the damage by doing all they could to forestall the process of further integration within the EEC. The most significant question on which this attitude revealed itself was on the issue of Direct Election to the European Assembly and the proposal for the extension of its powers.

The setting up of a directly elected European Assembly was one of the prime objectives of the founding fathers of the European integration movement and this was specified in article 138 of the Treaty of Rome establishing the European community.82

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However implementation of this provision was delayed and during the first two decades of its existence the European Parliament was composed of delegates from amongst members of Parliaments of the Member States. After the enlargement of the community with the accession of Britain, Ireland and Denmark in January 1973 the matter became a prominent issue within the Community and at the Paris summit of European Community Heads of Governments in December 1974 the commitment of the member states to a Directly elected European Parliament was once again reaffirmed.  

The question of Direct Election had become an issue in British Politics even before the referendum campaign began. The anti-Marketeers were using it as an example of how the sovereignty of the British Parliament was destined to be eroded and how Britain would become part of a European super state in which the British nation would lose its identity. The issue was so delicate that Harold Wilson was constrained to play down its significance by reserving Britain's position on it at the Paris summit. He also assured the Parliament that nothing would be done in this direction until after the re-negotiations were complete and results submitted to the British people for a decision. In its final recommendation of the re-negotiated terms the Government's caution on the question of Direct Election was apparent when it declared

that "any scheme for direct elections to the European Assembly would require an Act of Parliament". It also rejected "any commitment to any sort of federal structure in Europe." \textsuperscript{87}

Even after the massive referendum verdict in favour of continued British membership the Government persisted in its cautious attitude on direct election. This was clear from the replies to question in Parliament from both pro- and anti-Marketeers. The official position then was that it was a complicated business involving a lot of details which would have to be worked out and the Government was giving it careful consideration. \textsuperscript{88}

Matters however came to a head after the European Community summit in December 1975 which took a firm decision on holding Direct Election to European Parliament in May or June 1978. The Government was unable to take an equivocal stand on it any longer and the Prime Minister said in Parliament that he accepted in principle the commitment to direct elections in the Treaty of Rome which had been decided by the referendum. \textsuperscript{89}

This statement was a signal to the revival of all the old antagonisms over the EEC issue in the Labour Party. In an article entitled "Direct Election - the first step to a European Federation" in \textit{Labour Weekly}, Ron Hayward, General Secretary of the Labour Party, repeated the old fear of further erosion of British sovereignty and the power of the House of Commons. \textsuperscript{90} The Commons debate


\textsuperscript{90} \textit{Labour Weekly} (London), 26 February 1976.
on 29 March 1976 on the European Assembly Election provided the first of the major occasions for the battle to get the necessary legislation through Parliament in time for the target date of May or June 1978. In his speech, James Callaghan, Foreign Secretary, sought to set at rest the anxieties of the anti-Marketeers by emphasizing the fact that the European Assembly's existing powers were largely of a consultative nature and that the Council of Ministers remained the final arbiter of decision-making in the Community. Any increase in the powers of the directly elected European Assembly depended upon unanimous agreement of the member states and their national parliament. 91

The opponents of direct election within the Party were, however, not mollified by these assurances. They continued to accuse the Government of bad faith by keeping quiet about the real obligations of direct election up to the referendum but coming out subsequently with a position that this was a logical corollary of accepting the Treaty of Rome. 92 The real authority, according to the anti-EEC Labour MP Nigel Spearing, of the House of Commons was derived directly from the people since its members were directly elected by them. In his opinion, by having a rival legislature, directly elected, not only the powers of the House but its continued existence and superiority was going to be prejudiced. 93


92 In his interview with the present author Anthony Wedgewood Benn alleged that Harold Wilson made a commitment at the Paris summit without consulting anyone either in the Cabinet or the Party, Interview with Wedgewood Benn, n. 20.

The position of the anti-Marketeers received a tremendous boost when, following the decision of the European Council on 12 July 1976 fixing May 1978 as the date for the election and finalizing the distribution of seats, the National Executive of the Labour Party, always a bastion of the opponents of the EEC, came out at the end of the month against direct election and decided to advise the Party Annual Conference accordingly. The Government was asked by the NEC "not to enter into any commitment until the Party's Annual Conference has discussed the matter". The Conference was further to be told that the NEC preferred the existing system of delegations, seconded by both Houses of Parliament, to be sent to the European Assembly.

The decision of the NEC set the Government and the Labour Party once again on a collision course. The day after the NEC action Roy Hattersley, the Minister of State in the Foreign Office, reaffirmed the Government's determination to fulfil the obligations and commitments on direct election when asked by an anti-Market Labour M.P., to give an assurance that the Government would not sign any document on this pending the outcome of the Labour Party conference. On 28 September 1976 the day before the Party Conference was due to meet, the Foreign Secretary, Anthony Crosland, in an effort to influence the Conference debate, put forward the Government view. Crosland affirmed that whatever the result

95 The Times, 29 July 1976.
97 Anthony Crosland had become the Foreign Secretary in the new Government formed by James Callaghan after the retirement of Harold Wilson in March 1976.
of the voting at the Conference the Government intended to proceed with legislation for direct election, to be held at an earliest convenient date, if possible by May 1978. He made it clear that the Government did not agree with the NEC decision; the referendum had confirmed Britain's adherence to the Treaty of Rome which, under article 138, "clearly and unambiguously commits the Community to adopt a system of direct elections to the European Assembly. Any British Government which tried to wriggle out of that commitment would be infringing both the letter of the Treaty and the spirit of the referendum decision". Notwithstanding the Government position, the Labour Conference on 29 September 1976 rejected direct election by overwhelmingly accepting the NEC recommendation by 4,016,000 votes to 2,264,000 votes. The mood of the Conference was one of persistent hostility to the idea of direct election, reflected in the speeches of most delegates. They complained that it was no use the Government pointing at the referendum decision because the issue of direct elections had not been properly presented to the people. It was disingenuous of those who had once themselves doubted the desirability of such an action to come round and say that it would not affect vital British interests.

In spite of having his own Party pitted against the proposal, a situation by no means unique for a Labour Prime Minister, James

98 The Government had always expressed doubt about the practicability of this date. See UK, HMSO, Direct Elections to the European Assembly (London), Cmd 6399 (1976), p. 5.

99 The Times, 29 September 1976.

100 The Times, 30 September 1976.
Callaghan told the Parliament on 19 April 1977 that the Government's position had not changed and the relevant bill would be introduced soon. The Prime Minister assured the Conservative and Labour Members, who had expressed their apprehension about the delay in introducing the bill, that he would use his best endeavours to get the bill through despite Party opposition.101

It was evident from the continuing battle within the Labour Party on EEC that Callaghan had inherited from Wilson a situation where the Left which had been persistently anti-EEC continued to dominate the key policy making organs of the Party and also had important and forceful spokesmen within the Cabinet. The issue of direct election was being utilized by some groups to start a campaign for a British withdrawal from the EEC all over again.102

The situation was one of frustration, embarrassment, exasperation and at times even anger for Callaghan, whose own position on the EEC had always been similar to that of Wilson, that membership of the EEC was a matter of practical necessity thrust upon Britain by circumstances beyond its control, and that it was in Britain's interest to do all in its power to make it a success. On the other hand, he did not share the "European vision" of the founding fathers of EEC and favoured what he considered to be a balanced vision in matters concerning European integration, i.e. support for policies with good prospect of being workable.103 His own enthusiasm for direct election was limited to the extent

102 The Times, 26 May 1977.
103 The Times, 1 April 1975, "Europa" Section.
that it was a commitment undertaken by Britain and it would be improper to renge on it. Besides, the European Parliament with its existing powers was essentially a consultative body and direct election, while investing it with greater authority in the deliberations, would not make it more powerful vis-a-vis the Council of Ministers in the latter's efforts to safeguard vital national interests.

His position, and that of the Government, was spelled out in a letter Callaghan wrote to Ron Hayward, General Secretary of the Labour Party, on 30 September 1977, prior to the Party Annual Conference, in which he sought to put EEC membership in its proper perspective and warned the Party against taking a persistently negative attitude by making the EEC a scapegoat for all Britain's national ills. The tone and content of this letter might have somewhat influenced the Conference rejection of yet another withdrawal call on 5 October 1977.

The extent of the hostility to direct elections was revealed during the Second Reading of the Parliamentary legislation on 24 November 1977 when one-third of the Cabinet, half of the other Ministers and a good majority of backbench MPs either voted against or abstained. It was once again with Conservative support that the Labour Government finally managed to get the legislation


105 The Times, 6 October 1977. Also see F.W.S. Craig, n. 4, p. 245.

through the House of Commons in February 1978. 107

The first direct elections to the European Parliament were held in two phases with the United Kingdom, Denmark, Ireland and the Netherlands voting on 7 June and the rest of the Community on 10 June 1979. For Britain this was the second election in a month - the General Election, which brought the Conservative Government of Margaret Thatcher to power, having taken place in early May 1979. Consequently, the European election witnessed a certain measure of boredom and lack of enthusiasm which was amply reflected in the attitude and conduct of the Labour Party during the run-up to 7 June.

The occasion provided an opportunity for the resurfacing of the old divisions within the party. The continuing hostility of a large section of the Labour movement towards the EEC and some of its basic policies like the Common Agricultural Policy, as reflected in successive Labour Party annual Conference decisions in 1976-77 and 1978, 108 turned the European elections into yet another battle between anti- and pro-market opinion. For a long time it was doubtful whether the party was prepared to contest the elections at all. Even after the decision to fight was taken the impression of a basic lack of enthusiasm lingered on. 109 With the anti-Marketeers led by Anthony Wedgewood Benn, who was the Chairman of the NEC European liaison sub-committee, running the show and

107 However, in spite of its tough opposition to the principle of direct election the party was bracing itself to accept it as conceded in a policy background paper published in October 1977. UK, Labour Party, The EEC and Britain: A Socialist Perspective (London, 1977), pp. 67-9.

108 F.W.S., Craig (ed.), n. 4, pp. 244-5.

the Party Leader James Callaghan, having just suffered a General Election defeat, less than enthusiastic the Labour campaign was a curious mixture of a demonstration of hostility towards the EEC and an effort to convince the voters that only the Labour Party had the commitment and the will to look after British interests in the Community adequately.\textsuperscript{110} Besides, Labour was also handicapped by lack of funds\textsuperscript{111} and prediction of a poor performance from opinion poll researchers many of whom gave Labour as few as 20 seats out of 81, with the Conservatives being favourites for the rest.\textsuperscript{112}

In the event the pollsters were proved right. The Labour Party managed to win only 17 seats with 60 seats going to the Conservatives, 1 to the Scottish National Party and 4 to the parties from Northern Ireland.\textsuperscript{113} The low turnout of less than a third of the electorate was blamed by the Party General Secretary, Ron Hayward, for its poor performance.\textsuperscript{114} Apparently the Conservatives were thought to have benefitted from greater abstentions among traditional Labour voters as polling in urban areas was significantly lower than in rural ones.\textsuperscript{115}

As already noted, the General Election of May 1979 led to a change of Government in Britain. After more than five years in the Government the Labour Party went into the opposition when the

\textsuperscript{111} Ibid.
\textsuperscript{112} \textit{Daily Telegraph} (London), 1 June 1979.
\textsuperscript{113} \textit{The Guardian}, 12 June 1979.
\textsuperscript{114} Ibid.
\textsuperscript{115} \textit{Financial Times} (London), 9 June 1979.
Conservative Party led by Margaret Thatcher won a clear majority in the House of Commons. The new Government was immediately confronted with a crisis in its relations with the EEC on the question of Britain's budget contributions.

The deterioration in relations between Britain and its partners in the EEC led to a serious revival in the Labour Party of anti-Market forces who had remained somewhat dormant after the direct elections controversy passed off. The confrontation between Margaret Thatcher and her EEC colleagues at the summit meeting in Dublin\textsuperscript{116} in November 1979 created a climate for renewal of demands for a British withdrawal once again. On 1 December 1979 Anthony Wedgewood Benn, who had now gone over to the backbenches and, thus free from the restraint required of a minister or even of a party front bench spokesman, said in a speech that Britain would soon have to reconsider its future participation in the EEC and begin to examine the legal aspects of a withdrawal.\textsuperscript{117}

Two weeks later the National Executive of the Party joined the fray when it passed an anti-EEC resolution which stated that as the EEC had failed to respond to British demands on the budget Britain should stop paying all EEC taxes and attending EEC meetings and begin to consider other options open to it including withdrawal.\textsuperscript{118}

The renewed battle on the EEC issue was part of a greater manifestation of a perpetual tussle between the Left and the Right, an unending phenomenon in the Labour Party. Free from the shackles

\textsuperscript{116} See Chapter III for details.
\textsuperscript{117} The Times, 1 December 1979.
\textsuperscript{118} The Times, 20 December 1979.
of the responsibility of running the Government a Labour Party in opposition usually shifts further to the left to accommodate the powerful and vociferous left wing elements within the Party. Throughout the 1970s the left had been gaining in strength by occupying key positions in the National Executive Committees, the Trade Unions and the Constituency Parties and they felt greater freedom in pushing through policies they held dear once the Party lost power.

Throughout the first half of 1980 disenchattment among the people had been mounting as the budget controversy intensified. The anti-EEC elements within the Labour Party were feeling that their apprehensions about the Community in the early 1970s had been fully vindicated by events and time was ripe to mount yet another offensive for a British withdrawal.

In the draft manifesto of the Party issued in May 1980, on the authority of the NEC, the Party position on the EEC was reiterated. It pledged to bring about fundamental reforms to the EEC and to Britain's place within it by using every means "including the use of the veto, withholding payment into the Community budget, and the withdrawal of co-operation at Ministerial level". If these measures did not produce the intended results "the Party will be forced to consider again whether continued EEC membership is in the best interests of the British people."

During the course of the next few months, leading up to the party Conference in October 1980, the anti-Marketeers, advocating withdrawal and the pro-Marketeers, fighting a rearguard

action to keep Britain in, began to further consolidate their positions. The first hints of a possible Party split on the issue were available in June when three leading pro-marketeers - David Owen, the former Labour Foreign Secretary, Shirley Williams and William Rodgers, former Labour cabinet Ministers - declared in a statement that they would leave the Party if it adopted withdrawal as official policy. After admitting the shortcomings of the EEC they felt that there was no better alternative for Britain and it would be "irresponsible, opportunistic and short-sighted" of the Labour Party to decide on a course of withdrawal in which they could have no part.

In spite of this dramatic threat from the pro-Marketeers the drift towards a British withdrawal from the Community as a firm Labour Party policy continued to gather momentum. The position of the anti-Marketeers even received a fillip when the Party Leader and a former Prime Minister James Callaghan accepted in an interview that the EEC had great disadvantages for Britain, especially as the promised changes in the Common Agricultural Policy had not taken place. "Certainly I see no reason", Callaghan continued, "why we should be less doughty in our defence of what we regard as the best interest of Britain and the nationhood of Britain as anybody else".

At its meeting prior to the Annual Party Conference at Blackpool the NEC decided by 20 votes to 5 to back a motion, to be submitted to the Annual Conference, committing the Party to withdraw from the European Community. The move was attacked by

120 *The Times*, 9 June 1980.
121 Ibid.
122 *The Times* and *Financial Times*, 12 June 1980.
moderate pro-Europeans like Shirley Williams who said that if the party was committed to such a course she would leave it. On the other hand Peter Shore, the foreign affairs spokesman of the Party and a longstanding anti-Marketeer welcomed the NEC decision.\textsuperscript{123}

At the Conference itself Anthony Wedgewood Benn renewed his call that the next Labour Government should pull Britain out of the EEC. In the general debate that followed the initiation of the NEC resolution by Clive Jenkins, an influential trade union leader, the mood was bitterly hostile to the EEC; a harsh reception was given to the defenders of the Community, now very much on the defensive. David Owen, the former Foreign Secretary, made a desperate plea to offer the electorate another referendum on the issue. Shirley Williams was still hopeful of a replacement of the Common Agricultural Policy which was thought to be the principal culprit in Britain's EEC difficulties. On the other hand anti-Marketeers like Eric Heffer argued that any further talk of reforming the EEC would be misleading the British people and fudging the issue.\textsuperscript{124} The NEC motion, after reaffirming support for the conference resolutions of 1978 and 1979 which called for wide-ranging reforms, especially of the CAP, noted that not only no progress had been made on them, but the position of Britain vis-a-vis the EEC had worsened in every respect, notably on the balance of trade in respect of manufactured and semi-manufactured goods. As the demands to which the Labour Party was committed were not capable of being fulfilled, the Conference urged the Party "to include the

\textsuperscript{123} The Times, 29 September 1980.

withdrawal of the United Kingdom from the European Economic Community as a priority in the next general election manifesto".  

When the vote was taken the Conference decided by a two-thirds majority (5,042,000 in favour and 2,097,800 against the motion) to adopt the NEC motion. The wheel had turned full circle; after a decade of continuous tussle on the issue, the anti-Marketeers finally carried the day aided and abetted by, in the eyes of even the keenest of pro-EEC elements, a less than satisfactory British experience of membership of the Community. 

One of the immediate consequences that followed the adoption of the policy of withdrawal was that it speeded up the process of a split in the Labour Party early in the new year. Although the final departure of the pro-Market elements was apparently triggered off by the adoption of new rules for the election of the Party leader whereby the influence of the Parliamentary Labour Party was considerably reduced, their principal grievance against the Party was on the issue of Europe. After they left the pro-Marketeers, who comprised the right wing elements in the Labour Party, formed, under the leadership of Roy Jenkins, the former Labour Deputy Leader, Cabinet Minister and newly retired President of the EEC Commission, the Social Democratic Party (SDP) which sought to project itself as the new harbinger of democratic socialism to Britain. 

Although the departure of the pro-Marketeers considerably reduced the internal divisions and the attendant tensions within

125 Ibid. 
126 Ibid., p. 132. 
127 Anthony Wedgewood Benn in an interview with the author on 10 December 1986 in London.
the Labour Party the remainder of the period under review was not altogether free of anxiety for the party. In spite of the overwhelming approval the policy of withdrawal received at the 1981 Annual Conference, there were difficulties in reaching agreement about the means by which this was to be achieved, the time-scale for pulling out or the practical implication the move was expected to have on the domestic economy and foreign relations. Besides, Michael Foot, who had become Party leader after the retirement of James Callaghan, and Peter Shore, the Party spokesman on Treasury and Economic Affairs, were hinting that a complete pull-out from the EEC may not be necessary and the objectives of the Labour Party could be achieved by repealing the 1972 European Communities Act which subordinated the House of Commons to the Community. While this would restore the authority of the House of Commons to take requisite actions in nursing the British economy back to health it would avoid the need for a complete break with Community institutions like the Council of Ministers and the political co-operation group of Foreign Ministers which were useful links for Britain.

However, the strategy of withdrawal which was publicized in great detail by the NEC statements to the 1981 Annual Conference did not go unchallenged. Ivor Richard, European Commissioner for Social Affairs and Employment Policy and former Labour Party Minister, in a strong attack on the Party's declared aim of taking Britain out of the EEC, said that not only a unilateral withdrawal be an act of major international illegality but it would also be

"a recipe for economic and political disaster". Richard thought that the anti-Marketeers were greatly mistaken if they chose to believe that Britain could leave in a spirit of goodwill and cordiality.

Whatever the merits of its case the fact remained that at the end of the first decade of British Membership of the Common Market the Labour Party was even more unremittingly hostile to the EEC than in 1973. Unlike in 1973 there were now very few figures left in the Party who were either willing or able to stand up in defence of the Community which stood utterly discredited to the rank and file of the Labour Movement.

ii. The Conservative Party

Though the Labour Party was still in Government when the first moves for the European Coal and Steel Community were made it was the Conservative Party which was faced, as the ruling party throughout the 50s, with the initial momentous decisions on Britain's relations with Europe. Hence most of the pain and agony which the Labour Party suffered during the 1960s and early 1970s had been experienced by the Conservative Party in the 1950s even before the first British application in 1961. This partly explained the relatively greater ease with which the Conservative leadership, compared to its Labour counterpart, was able to muster support from the vast majority of the Party in its efforts to take Britain into the European Community.

However, this is not to minimise the existence, as already noted in the earlier Chapter, of a considerable body of extremely

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131 Financial Times, 30 November 1981.
articulate and respected anti-Market opinion in the Party. The most eloquent spokesman of this group, though not necessarily as a leader, was Enoch Powell, who had already emerged as the stormy petrel in British politics in view of his staunch opposition to coloured immigration into Britain. Powell had made the EEC issue, along with immigration, a cause he was to champion passionately even if it meant risking an open confrontation with the Party leadership, especially Edward Heath.

In spite of their opposition to Edward Heath and the rest of the Party leadership on the EEC issue none of the Conservative anti-Marketeers took the extreme course as Enoch Powell did. On 8 June 1973 in a speech delivered at Stockport Enoch Powell came out, for the first time after Britain joined the EEC in January 1973 and during the tenure of the Heath Government in office, strongly against Community membership and implied support for the official Labour stand of re-negotiation of the terms. In his speech Powell also implicitly exhorted Conservative voters not to support the Government in the next General Election. His speech was a warning of his readiness to break with the Conservative Party on the issue.132

The break came during the General Election of February 1974 when Powell kept his pledge and advised the electorate to vote Labour, since it had a programme of re-negotiating the terms and submitting them to the people for their opinion.133 Henceforward Powell shifted to a Northern Ireland seat in the House of Commons

as a united Ulster Unionist MP and adopted an independent, unremitting, anti-EEC stand in the great campaign for re-negotiation and referendum.

In spite of the bold stand taken by Powell the anti-Marketeers in the Conservative Party proved to be much weaker than expected. Unlike in the Labour Party the Conservative anti-Marketeers were in a definite, though no insignificant, minority. Above all, they did not choose to adopt Powell's tactics to avoid giving the impression that they were launching an attack on Heath's leadership.134 Contrary to their expectation they also received very little support from their local parties whose expression of doubts and fears about the EEC had been interpreted by the former as evidence of opposition which did not prove to be the case.

Although the EEC membership did not figure as a major issue in the February 1974 General Election, the Conservative election manifesto made a spirited defence of the Heath Government's record in taking Britain into the Community. Mindful of Labour criticism of the terms the Conservative Government had obtained and the policy of re-negotiation the Manifesto stressed the need for European unity and the evolutionary nature of the Community. Re-negotiation in the sense, it went on to say, of reforming the Community's practices and redefining Britain's place in it was a continuous process which could only be conducted from within and not by withdrawal.135

In spite of the embarrassment caused by the opposition of the anti-Marketeers, the desertion of Enoch Powell and the blow

134 Ibid., p. 107.
135 F.W.S. Craig, n. 15, pp. 394-5.
suffered by the election defeat in February 1974, though ostensibly for reasons other than the EEC, the Conservative Party and Edward Heath continued to champion the cause of British membership of the EEC. Heath took all opportunities, both inside and outside Parliament, to rigorously defend his decision of 1971 and advocate a continuation of Community Membership. Other Conservative leaders also continued to point out what they considered to be disastrous consequences of a British withdrawal from the EEC both economically and politically. 136

The official policy of the Conservative Party towards renegotiation and referendum was one of criticism. In a speech in June 1974 Edward Heath criticized Labour attempts at renegotiation, thus exposing British membership to risks, and reaffirmed the Conservative Party's commitment to Europe to be as it had been in the past. He recalled the Community undertaking during the Conservative Government's negotiations that if unacceptable situations arose the Community would be required to find equitable solutions to avoid causing strains within it. 137 On the question of referendum Heath had been persistently hostile to the idea during the 1971 negotiations which he had made clear during numerous Parliamentary replies and statements. 138 He had argued that referendum was not a standard British constitutional practice and repeated during the September-October 1974 election campaign that the full-hearted consent of the British People, he had talked about in 1970, was to be shown through the Parliament. Introduction of the device of referendum in the British constitutional practices would, in his views, be wrong as this would produce demands for referendum on

137 The Times, 7 June 1974.
other important issues rendering the role of Parliament meaningless. 139

Two successive General election defeats 140 had made the position of Edward Heath as Party leader untenable and in a contest in February 1975 he lost the leadership to Margaret Thatcher. This was a significant change in the Tory Party from the EEC point of view. Margaret Thatcher belonged to a different generation with a different outlook. While Party policy on Europe remained very much the same Margaret Thatcher did not share Heath's almost messianic zeal for Europe, something that was to come out in the months and years to come.

The change of leadership within the party came at a time when re-negotiations conducted by the Labour Government was coming to an end and the referendum campaign was beginning. In a bid to make her own position as the Conservative Party Leader clear at the earliest Margaret Thatcher came out firmly in support of Britain's continuing membership. 141 The official Conservative position was declared to be to campaign vigorously in favour of a 'Yes' vote on the basis that it was in the overriding national interest that Britain should stay in; withdrawal would be disastrous for the nation. 142

In the three day Parliamentary debate in April 1975 Margaret Thatcher put herself down to the European cause when she declared that the paramount case for being inside the Community was the

139 The Times, 26 and 27 September 1974.
140 The Conservatives lost the October 1974 election even more decisively.
141 The Times, 8 March 1975.
142 The Times, 31 March 1975.
political case for peace and security in Europe. Barring a few dedicated anti-Marketeers like Derek Waler-Smith, Neil Marten, Ronald Bell and others, and Enoch Powell who had already parted company and was sitting in Parliament as the Ulster Unionist MP, most of the Parliamentary Party, including the front bench, spoke and voted in support of Britain staying in the Community.

Once the referendum campaign was launched the Party decided to extend full support to the all-Party 'Britain in Europe' (BIE) campaign which became "highly dependent on the Conservatives for personnel, expertise and the existence of a national organisation". Most of the Party pro-Marketeers, including Edward Heath, who became its Vice-President, actively engaged themselves in the campaign through 'Britain in Europe'. Though a handful of Party anti-Marketeers, including Neil Marten who became its President, joined the anti-Market 'National Referendum Campaign', the major portion of the Conservative Party's resources were devoted in favour of an 'yes' vote in the Referendum.

Although as party Leader Margaret Thatcher had firmly supported Britain's continuing membership, she did not play, like Harold Wilson, an active role in the campaign leading to speculation about her own commitment. However, it has been suggested that her decision was a tactical one; while she did not want to be seen as a competitor for Heath within the Campaign she had also been

144 Ibid., Cols. 1023-1365.
145 Nigel Ashford, n. 133, p. 108.
146 Ibid., p. 109. The Party did not seek to play a prominent role on its own.
advised "that Europe was not a popular issue to be identified with by the electorate". 147

The massive 'Yes' vote in June 1975 was a major victory for Conservative policy on Europe and especially of Edward Heath whose personal position was considerably enhanced though the isolation he had chosen after his defeat in the leadership contest continued. The handful of leading anti-Market figures now lost whatever was left of their influence within the Party though they did not suffer any victimization. The pro-European stature of the Party was further strengthened and in the 'Direct Election' controversy the Party took an emphatic stance in its favour.

Unlike the Labour Party which had decided to boycott the EEC institutions pending a satisfactory outcome of its demands for re-negotiation and Referendum the Conservative Party had been actively participating in the working of the European Parliament since 1973. The Party had nominated a team of very experienced Parliamentarians to Strasbourg under the leadership of a committed pro-European, Peter Kirk, who made a considerable impact in revitalizing the Parliament by putting forward his own ideas as to the sort of changes that should be brought about. 148 The primary objective of the group was to increase the European Parliament's influence by introducing the "slightly improvised forceful style of the House of Commons as opposed to the more deliberate, slightly deferential style of the continental Parliament". 149

147 Ibid.
149 Ibid., pp. 28-29.
It is thus not surprising that its experience of participation, backed by the enthusiasm of its Euro-MPs, influenced the Conservative Party to support direct election. The Conservative argument in favour of Direct election to the European Parliament was justified on grounds of greater democratization of Community institutions. The Community policy of harmonization of practices throughout the EEC countries was becoming increasingly unpopular in Britain and inviting condemnation as an example of bureaucratic callousness. In the opinion of the Conservative Party, these 'stupid bureaucratic ideas' were only to be restrained by democratic control of the EEC Commission which could be brought about by direct election. 150

In her own utterances Margaret Thatcher not only put her own strong support to direct election but also attacked the Government dilatoriness in its effort to meet the May 1978 target date. 151 In a speech delivered at the Hague, on 6 December 1976, she again declared her support for direct election as well as for a European Community, "which is free, which respects the rights of the individual which acknowledges responsibility towards the weak and which is determined to play its full part in establishing a prosperous and just world order." 152

There was, however, some caution in the Party with regard to the powers of the European Parliament. As it stood then these were somewhat limited compared to those enjoyed by the national Parliaments and the issue of increasing these powers, with their

150 The Times, 7 October 1976.
151 The Times, 26 November 1976.
152 The Times, 7 December 1976.
supra-national implications, had a controversial, if not unpopular, overtone in Britain as well as some other member states. Even a committed European such as Edward Heath talked of only strengthening the powers of the European Parliament, "to supplement those of national Parliament".\(^{153}\) The Party under Margaret Thatcher leadership, while firmly supporting direct election, primarily on the ground of principle, emphasised the fact that the European Parliament could not increase its powers by its own decision. Any such step would have to be approved by national governments in the Council of Ministers followed by an endorsement by national Parliaments as an amendment to the Treaty of Rome.\(^{154}\)

In spite of the overwhelming endorsement of direct elections within the Party, which was evident in the debates in Parliament and in voting there on the issue, dissent was not altogether absent. The Conservative anti-Market MPs, though not as powerful and organized as the Left in the Labour Party, made their voices heard in the debates on direct election, basing their arguments on the fear of prospective loss of Parliamentary sovereignty and the creation of a federal Europe.\(^{155}\) Enoch Powell, no longer formally associated with the Conservative Party and quite untamed in his passionate opposition to the EEC by the referendum verdict, was emphatic that passing the bill on direct election and agreeing to participate in a directly elected Assembly would confirm on behalf of

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Britain that it accepted "the political unity of the EEC as a real and living fact". 156

As already noted the first election to the European Parliament held on 7 June 1979, followed the Conservative victory in the British General Elections in May 1979. Besides the exhaustion and boredom of the General Election campaign there was a general recognition in the Party circles that direct election or even the EEC as an institution was not popular in Britain. Hence, despite its generally positive attitude towards direct elections the Conservative Party decided to treat the event somewhat quietly. Its top level campaign was kept limited to one speech by the Prime Minister Margaret Thatcher and to a well below general election effort from the rest of the Cabinet. 157

The Party's decision to conduct a low key campaign was a wise one in the prevailing situation as the opinion pollsters were predicting that the Conservatives were poised for a substantial victory based on the General Election results. 158 The opponents of the EEC in the Party were still in a very weak position and had adopted tactics the Party could live with. For example John Biffen, one of the few members of Margaret Thatcher's Cabinet who had voted against Britain joining the Community, said in a speech that the Conservative Party was the best equipped to deal with the injustices of Europe. This was an effective reconciliation of his still very critical attitude to the Community with the official Conservative line on Europe. 159 These tactics appeared to pay off

159 Financial Times, 2 June 1979.
as the Conservatives romped home with 60 seats out of the 81 allotted to the United Kingdom.160

Two successive election victories placed Margaret Thatcher and the Conservative Party in a commanding position in British politics. In a policy declaration, which seemed to usher in a new phase in Britain's membership of the European Community, the new Government affirmed its strong commitment to the EEC and its intention of playing a full and constructive role in its further development and enlargement. But it also made clear its dissatisfaction with the operation of the Common Agricultural Policy and what it considered Britain's disproportionate contribution to the EEC budget.161

The Conservative Party under Margaret Thatcher has, however, displayed a markedly different attitude towards the EEC, compared to that of the former leader, Edward Heath. As Heath saw it the Community represented significant steps in the process of reconciliation and unity in Europe after the Second World War; it reflected the hopes and aspirations of West European states to secure peace and prosperity through common action and to project an united image of Europe in its bid to influence the course of international relations.162 For Mrs. Thatcher the Community was a vehicle for individual liberty and freedom, a harbinger for the free enterprise economy which is the very basis of the Western capitalist system.163

163 See her speech at Birmingham in the Sunday Telegraph, 3 June 1979.
While Heath's approach had a significantly idealistic element Mrs. Thatcher adopted a somewhat more detached and pragmatic view. This essential dichotomy in the attitudes of the two leaders has to be grasped for a proper understanding of the developments that followed relating to the issue of the British budget contribution. Even before they came to power the Conservatives were seeking to project what they considered a more balanced attitude towards the EEC as reflected in a speech by John Nott, then Opposition trade spokesman, in March 1979 in which he sharply criticized the Community for what he called its obsession with trivialities and needless bureaucracy. Referring to the British contribution to the Community budget which was "self-evidently far too large" Nott blamed the "current absurdity" of the agricultural policy as the heart of the problem. 164

The budget issue 165 which swiftly came up to the fore following the Conservative election victory in May 1979 and presented Mrs. Thatcher with her first serious crisis with the EEC also raised the temperature of British domestic politics. During the course of the run up to the EEC Dublin summit in November 1979 an atmosphere surcharged with tension was built up. Failure of the summit to resolve the question of the large British budget contribution led to a further deterioration of the situation and there was alround talk of a crisis of British membership, this time with a Conservative Government in power. During the period of the crisis, which lasted for nearly 6 months, Britain, which included both

165 For details see Chapters III and IV.
Conservative and Labour, pro as well as anti-Marketeers, was in an angry mood. This was shown in the Parliamentary debate of 20 March 1980 in which a critical tone was displayed against the EEC even by its staunchest supporters in the Conservative as well as the Labour Parties.

While the tactics adopted by Margaret Thatcher's Government for solving the budget problem received general approval within the Conservative Party there were one or two discordant notes that were struck. There was strong criticism of the Government's negotiating stance at the Dublin summit in 1979, by Edward Heath who suggested, in a speech delivered in London, that the seriousness with which Britain treated the problem would have been more credible to its partners if it had put forward specific proposals for more Community spending in Britain, "preferably of a sort that would benefit the European Economic Community as a whole".166

Heath was by no means alone in his disagreement with the Government tactics, though he was certainly the only one to air his views publicly. There was also a fair measure of disquiet expressed by some other pro-Market people in the Party, both within and outside the Government, who felt that Mrs. Thatcher was acting in a far too strident manner in an effort to please domestic opinion, rather than displaying some Community spirit.167

166 The Times, 8 December 1979. Heath's comments confirmed that even on an issue of vital British interest he was able to take a more Community perspective than a narrow national one.

167 The present author's interview with Sir Ian Gilmour, Lord Privy Seal, 1979-83, on 4 February 1987, in London. Public disillusionment with the EEC at this time was, however, at its peak, with 59 per cent supporting a British withdrawal from the Community as against 27 per cent supporting the status quo. Sunday Telegraph, 20 April 1980.
There was also apprehension within the Cabinet about the extent to which Britain should go to precipitate a crisis that could lead to the break-up of the Community. 168

Indeed, the budget issue also highlighted the division and the vulnerability of the Thatcher Government. Mrs. Thatcher's uncompromising stance which rocked two EEC summits in a row was also beginning to strain the unity within the Party and the Government. The final deal on the budget that was negotiated by the Foreign Secretary Lord Carrington and the Lord Privy Seal Sir Ian Gilmour was considered inadequate by the Prime Minister who was inclined to reject it. It was only the possibility of a break-up of the Cabinet that forced her hand. The Prime Minister could no longer ignore the intensity of the feelings of some half-a-dozen staunch pro-Market senior Ministers and 70 MPs in this regard. 169

The budget issue, though ultimately resolved, left a damaging scar on British politics. While the Labour Party, as already noted, went in favour of withdrawal as a policy, the Conservative Party was caught in the throes of a heart-searching on Europe. There was a rising tide, as reflected in the general and private opinion of grassroot Conservatives and within the Parliamentary Party, of doubts about the whole European exercise. 170 The EEC had seemed to have failed to provide Britain with the benefits such as more jobs, better industrial and trade performance, and

169 The present author's interview with Sir Ian Gilmour on 4 February 1987; and Hugo Young, "The Day the Cabinet Nearly Split", Sunday Times, 8 June 1980.
170 Teddy Taylor, "A Face Saving Route to Siddle out of Europe", The Guardian, 10 November 1980. Teddy Taylor is one of the leading Conservative anti-Market MPs.
the like which had been promised at the time of entry and during
the Referendum campaign. Above all, there was mounting concern
that if the next election developed into a virtual referendum on
the EEC, as the Labour Party was threatening to do, "the Conserv-
vatives could fare badly and there are few Conservatives who would
wish to campaign for re-election on the basis of advantages of
Europe".171

Cashing in on the mood of the Party and the country at large,
Edward Taylor, MP and a long-time anti-Marketeer, and thirty-four
like-minded colleagues launched a Conservative European Reform
Group (CERG) in November 1980. The Group's objectives included
the ending of the Common Agricultural Policy and restoration to
national Governments of control, the reform of financing the Commu-
nity budget to take into account of the CAP and to ensure that no
country had to carry an unfair burden; the restoration to each
member state of the right to take action on unfair trading prac-
tices; and the reassertion of the power of national Parliaments.172
The significant point, which was explained later by a member of
the Group, was that the CERG planned to campaign for changes within
the EEC on the plank of continuing British membership and not
withdrawal.173

In spite of its denial of withdrawal as an objective others,
notably pro-Marketeers, were quick to point out that all but one
of the Group's aims would be inconsistent with the Government's
position and with continued membership of the Community.174 The
members of CERG, the pro-Marketeers claimed, were out to wreck

171 Ibid.
172 The Times, 19 November 1980.
173 The Times, 10 December 1980.
the EEC and what they really wanted was for Britain to pull out. 175

The appearance of open dissension on the EEC issue within the Conservative Party, usually more characteristic of the Labour Party, was a reflection of the anxiety in regard to the continuing upsurge in public hostility towards the EEC. 176 The Party leadership was beginning to feel that the facts about British membership had not got across to a large number of citizens and it had to make greater effort into getting across not only the facts but also the reasons for and the purposes of British membership. 177

Ironically the growing campaign in the Conservative Party by the opponents of the EEC focussed on what they called the 'socialist' character of the Community's economic policies. For instance the agriculture policy, according to them, was "based on massive protection from foreign competition, on huge subsidies designed to preserve employment, on the management of the industry according to central and bureaucratic plan, and on the protection and subsidising of parts of the industry for 'social' reasons". 178 A planned policy on steel was also being developed; on regional development a central plan was to be used to develop and aid the regions. In other words protection, subsidies, bureaucracy and central planning, the principal hallmarks of socialist policies, were the very anti-thesis of what the Conservative Government in

175 Financial Times, 16 December 1980.
176 Daily Telegraph, 7 May 1981.
177 Ibid.
Britain was trying to do, e.g. contain public spending, eradicate market distortion and the subsidising of inefficiency, remove bureaucratic controls, etc. 179

Thus, the only solution to the inherent socialism of the EEC, it was pointed out, was to fight for a less formal relationship with it, preferably an associate status that would preserve free trade with the other members but release Britain from the Community's agricultural policy, EEC legislation and EEC budget responsibilities. 180 Such a strategy would enable Britain to preserve its independence and its right to implement Conservative policies within the country. 181

The resurgence of the anti-Marketeers who had been all but decimated within the Conservative Party following the 1975 verdict, was one of the most notable developments in British politics after Mrs. Thatcher came to power in 1979. Although the Party had promised to play a full and constructive part in the EEC, the budget controversy and the consequent public outcry, aided and abetted by the Labour Party's adoption of a policy of withdrawal, rendered the Conservatives' room for manoeuvre extremely limited. While Mrs. Thatcher's initial hawkish postures in pursuance of the temptation of reaping domestic political capital sullied much of the Party's European reputations, its response to the situation was to strike a balance between what it called the policy of staying in but never to upset the EEC partners by speaking up forcefully, as favoured by the Liberals and the SDP and the policy

179 Ibid.
181 Teddy Taylor, n. 178.
of withdrawal as advocated by the Labour Party. Its choice was to stay in and stand up for British interests as well as strengthen the EEC and promote "a more united European response to world events".

iii. The Liberal Party

As a political party the Liberal Party occupies a rather curious position in British politics. Ever since its eclipse from the position of a ruling party in the early part of the century it has sought to hold the middle ground in British politics, a sort of balance between the right of centre Conservative Party and the left of centre Labour Party. It has always enjoyed a large and influential following though not substantial enough to carry it to power at Westminster. The strength of the Liberal Party is not always properly reflected in its representation at the House of Commons due to the curiosities of the British 'first-past-the-post' election system where the winner takes all. But small numbers in Parliament have never dampened Liberal Party's spirits and they have more than made up this deficiency by their strength of purpose and by producing some very able and articulate politicians who have been able to make their mark both at Westminster and the country at large.

183 Ibid.
185 For instance Jo Grimond, Jeremy Thorpe and currently David Steel, their present leader.
Among the established British political parties it is the Liberal Party which can claim the credit for first calling officially for the British membership in the European Common Market. When the proposal for the European Economic Community was mooted the Liberal Party not only supported it but at their Annual Party Conference in 1956 adopted a resolution calling upon the Government of Harold Macmillan to ensure that "the establishment of a Common Market should receive the active participation of Britain".186 In 1959, the Liberal Parliamentary Party also exhorted the Government "to start consultations with a view to entry of the United Kingdom into the European Economic Community".187

During the course of the first and the second applications in the 1960s the Liberal Party extended its wholehearted support to both the Governments. In fact, for the Liberal leader Jo Grimond's likings, both the Conservative and the Labour Parties were rather too late in their conversion to Europeanism.188 When Edward Heath's Government finally succeeded in negotiating British entry to the EEC the Liberal Party offered overwhelming support both in Parliament and in the country.189 On the question of the entry terms which the Labour Party had made a major issue, the Liberal Party expressed the view in a resolution, at the 1971 Liberal Assembly "that any defects in the terms of entry can best be remedied from within the enlarged Communities".190

187 Ibid.
189 All Liberal MPs, except one, voted in favour of the 1971 European Communities Bill in October 1971.
190 UK, Liberal Party, n. 186.
In terms of commitment the Liberal Party has been the most pro-European of all the major British political parties, including the likeminded groups within the Conservative and the Labour Parties. Although Liberals supported European economic integration, their greatest stress was always on the need for a political union. In their 1965 and 1967 Assemblies (Annual Conferences) the Liberals had advocated strengthening of supra-national institutions and setting up of common foreign and defence policies within the EEC. The 1971 Assembly went a step further in asserting that "only by the creation of an effective political Community in Europe which supercedes the existing sovereign nation states can we ensure the continuance of peace for our own and for succeeding generations". 191

On the issue of re-negotiation of the entry terms which the Labour Government raised with the EEC on assuming power, the Liberal Party's attitude was one of profound disagreement. As Russell Johnston, Party spokesman on Foreign Affairs, declared on 15 July 1974 the Liberals were "deeply concerned at the situation in Europe which the Government is making worse by its elevation of real short-term difficulties into long-term differences of principle". 192 The Party felt that through all its talks of re-negotiation the Labour Government "had shown both an insensitively on the question of sanctity of treaties and a complete absence of vision or idealism where the Community is concerned". 193 Indeed, the changes the Government was seeking could have been obtained without raising the question of withdrawal.

191 Ibid., p. 5.
192 Ibid., pp. 6-7.
193 Ibid., p. 8.
Liberal attitude to the EEC was, however, not altogether uncritical. As the ultimate objective, according to the Liberals, was a political union the institutions of the EEC had to be reformed to that end. Besides a whole set of reforms which included the progressive reduction of the protectionist nature of the CAP, a massive programme of aid to and trade with the Third World on the part of the Community on a non-discriminatory basis and a generous Community attitude in its negotiations with the former Commonwealth countries, the Party also called for a check on bureaucratic tendencies within the Community. 194

However, even such a staunchly pro-European Party as the Liberal Party too was not altogether free from controversy on the issue of British Membership of the Community. During the 1961-62 debate a small group had viewed the party policy as a betrayal of traditional liberal principles of free trade. As the world's greatest importer of foodstruff and raw materials it was in Britain's interests to buy these at the cheapest of prices, something that Common Market membership was bound to deny it. 195 As already noted, even after Britain had joined the EEC with the Liberal support, there was dissatisfaction with the EEC as it existed. There was growing uneasiness in the Party over the Common Market bureaucracy, about the way policies were being formulated and imposed on Britain "through the common agricultural pricing and producing policies". Consequently a Liberal demand for a drastic change in what they considered the EEC straight jacket was growing. 196

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So far as the attitude of the rank and file within the Liberal Party towards the EEC was concerned there have been two groups: on the one hand there are federalists like Russell Johnston who wanted an ultimate political union in Western Europe through the European Community. On the other hand there were those who accepted the Party policy on the issue as loyal Party members but deep down who were not sure about the wisdom of the chosen course. This was due to the fact that a lot of Liberal members who were otherwise talented but failed to win seats in Parliament, because of the vagaries of the electoral system, end up in local government politics which generates a certain amount of "parochialism" in their general outlook. Aspects of its policies such as the CAP, which were not expected to benefit Britain greatly, made the EEC an institution of not very great attraction to these people.

Despite these misgivings within its ranks which in any case were quite insignificant compared to the troubles faced by the Labour and Conservative Parties, the Liberal Party played an enthusiastic role in espousing the cause of a continued British membership during the course of the Labour Government's re-negotiation and referendum. Jeremy Thorpe, the able and articulate Liberal leader of the time, whole-heartedly associated himself and his Party with the pro-Market campaign group 'Britain in Europe' during the referendum campaign. Thorpe even went to the extent

197 The present author's interview with Sir Russell Johnston, Liberal Spokesman on Community affairs, on 21 January 1987, in London.
198 Ibid.
199 Ibid.
of pledging a continuing crusade in Parliament in the event of an anti-Market verdict in the referendum. 200

After the referendum on EEC was over in June 1975 the question of direct election to European Parliament became a matter of great interest to the Liberals. The Party's interest in what it considered "essential democratic control of Community activity" went back as far as 1962 when the Liberal Assembly called for "vigorous efforts to achieve closer political unity in Europe" and for "new efforts to strengthen the European Parliament by giving it greater powers and arranging for direct elections of its members". 201 The Assembly resolutions in 1967, 1969, 1971 and 1973 further reflected this opinion.

A directly elected, rather than a nominated, European Parliament was extremely important to the Liberals for the simple reason that in order to be supra-national (which is what, as the Liberals saw it, the European Community was all about) the Community needed to have its own democratic institutions to control its common activity. So long as the European Parliament was composed of delegations from national Parliaments the former could never supersede the latter in the spheres reserved for the Community. 202 Thus, it is clear that on this issue the Liberals were unequivocally federalists.

On the question of the methods to be used in these elections the Liberal choice was unambiguously for proportional representation. As already noted the British system of first-past-

200 The Times, 21 March 1975.
202 Ibid.
the-post system did not give them fair representation at Westminster; but at least they had some representation. However, since the European elections were going to be held with much larger constituencies, it was feared, that the existing system was going to produce wild distortions of political representation with possibly no Liberal Member at the European Parliament at all.203

As already noted, the Labour Government was dragging its feet over direct election due to sharp divisions in the Labour Party in this regard. The Liberals who had been campaigning for a long time on the issue, mounted pressure, along with the Conservatives, on the Government following the European Community summit decision of December 1975 to hold direct elections in May or June 1978. Their objective was, first, to get the Government take the necessary legislative measure so as to enable Britain to get ready for the elections in time; and second, to get the Government agree to introduce some form of proportional representation which was the only way to prevent distortions of political representation in the European Parliament.204

By a strange admixture of events the Liberals came to occupy a position of being able to influence Government policy when early in 1977 the Callaghan Government, having lost its majority in the House of Commons, entered into a pact with the Liberal Party. David Steel, who had become the Party Leader following the resignation of Jeremy Thorpe, and his colleagues in Parliament agreed to support the Government on the basis of a common programme which,

among other things, included direct election to the European Parliament.\textsuperscript{205} Although the Liberals did not succeed in getting what they actually wanted (a promise from the Government to support the introduction of proportional representation) the agreement promised the introduction of a Bill on direct election, a choice of electoral system in the White Paper preceding the Bill, and due consideration of the Liberal Party's strong views on the matter.\textsuperscript{206}

Throughout the rest of 1977 the pressure tactic on the Government was continued by the Liberal Party on the strength of the Lib-Lab Pact. While Steel continued to press Callaghan for the quickest possible introduction of the Bill so that the target date for May-June 1978 could be met, the Prime Minister kept pleading helpless in the face of stout resistance to direct election from the Party and threats of resignation from some Cabinet members. It was a fairly awkward position for both Party leaders who were faced with the unenviable task of reconciling the irreconcilable interests of their two parties - the Labour Party opposing proportional representation, if not direct election itself, and the Liberal Party insisting on them for the Pact and, therefore, the Labour Government to survive.\textsuperscript{207}

Callaghan had a delicate job in trying to please both the Liberals and his own Party. When the Bill was finally introduced

\begin{footnotes}
\item[205] Sir Russell Johnston, n. 197.
\item[206] David Steel, \textit{A House Divided : The Lib-Lab Pact and the Future of British Politics} (London, 1980), p. 39. After Callaghan had explained his difficulties in making specific commitments David Steel "accepted an important addition - his private assurances that when the time came he would back PR himself". Ibid.
\item[207] Ibid., pp. 38-9, 49-52.
\end{footnotes}
towards the end of 1977, a face-saving device was worked out on the method of election whereby Proportional Representation (PR) was kept as part of the Bill with the first-past-the-post system as the next option in a schedule in case PR was not accepted.\(^\text{208}\)

As the Conservative Party and large sections within the Labour Party were known to be solidly opposed to PR the objective of the Government was to try to do as much as possible to please the Liberals but also to keep the other option open.

As feared, however, when voting took place in the House of Commons on the method of election, Proportional Representation was decisively rejected with the Conservative Party as well as large sections of Labour MPs en bloc voting against.\(^\text{209}\) It was evident that the two major parties which had an entrenched interest in retaining the existing system - it had served them well over a long period of time - were not inclined to give any heed to Liberal demands. The Direct Election Bill that was passed through the final stages of Parliament on 7 February 1978 retained the first-past-the-post system which the Liberals fought so hard to replace.\(^\text{210}\)

The rejection of Proportional Representation by the House of Commons dealt a severe blow to Liberal hopes of winning any representation to the European Parliament. It was a sad irony for

\(^{208}\) Ibid., pp. 52-3.

\(^{209}\) Ibid., pp. 110-11.

\(^{210}\) Sir Russell Johnston told the author that the Liberal Party had failed to fully utilise the Lib-Lab Pact. They should have demanded from Callaghan a three-line whip instead of a free vote in favour of PR, failing which an end of the pact with the inevitable general election that was to follow. Such a prospect, with the prevailing mood of unfavourable public opinion, would surely have brought the Labour Party to its sense. See the author's interview with Sir Russel Johnston on 21 January 1987 in London.
the Party that had been preaching the European gospel longer than any of the other main political parties. In public, however, the Party put on brave face and refused to accept defeat before it was an absolute fact when the campaigning for the European elections began in May 1979. In private, however, most Liberals acknowledged that the prospects of the Party were none too bright. 211

During the campaign David Steel, the Party leader, attacked what he called the "artificially drawn up constituencies" which, he claimed, "made a mockery of democracy and the theory of representation". However, he was still optimistic about the Party's prospects in view of its creditable performance at the district Council elections which were held on the same day as the general election in England and Wales. This was a proof that people voted differently in different elections and that the Liberals too could do better in the European election. 212

This optimism, however, proved to be ill-founded and the Liberals drew a blank in the elections; it also cost them £25,200 in lost deposits confirming what they had been saying all along that under the existing British electoral system they could not expect to win fair representation in any election. 213 In spite of this serious setback the Liberal Party did not lose its traditional policy perspective on the European Community. It continued to champion the ideals of the European unity movement and Britain's continued membership of the Community even in the face of the

rising tide of anti-Europeanism which followed the budget crisis and the Labour Party's call for withdrawal. While it held that there was "no future for Britain in a retreat to sour and nationalist isolationism outside the European Community, behind a high wall of protective tariff", it recognized that the Community as it stood had "some built-in disadvantages for Britain". Hence the Party felt the necessity for what it considered "a comprehensive reform of the Community's institutions and policies, including progressive changes in the Common Agricultural Policy and extension of European co-operation to new areas". 214

The position of the Liberal Party in British politics as well as on the issue of the EEC was considerably strengthened following the split in the Labour Party in early 1981 when the pro-European elements left Labour to form the Social Democratic Party. The policies of the new Party, especially on the European issue, had a lot of attraction for the Liberals and the two parties lost little time in forging an alliance which ushered in a new era in British politics. From the very beginning they committed themselves to Britain's membership of the European Community which was considered essential to Britain's future prosperity and security and its influence in the world. 215 While conceding that the European budget had been unfair to Britain and that the Common Agricultural Policy had got out of hand and had to be rectified, the Alliance reckoned that it was not just a problem for Britain but for the whole Community. 216

216 Ibid., pp. 1, 14.
It is thus evident from the foregoing account that the Liberal Party has been a potent force of Europeanism in British politics. It was the first British political party to advocate that Britain should join the Community and it did not waver from that view even when it was unpopular. Ironically enough it still does not have a representative in the directly elected European Parliament.

B. Public Opinion

There is no gainsaying that on matters of vital interest for the country the public opinion has a substantial role in influencing the actions of those who are in charge of policy-making in Britain. However, as an issue of great public importance the question of Britain's entry into the EEC received public attention almost instantly from the time when the debate on the issues commenced in British political circles. In common with other western democracies, especially the United States, the device of Public opinion polls conducted by professional bodies had become an established practice in Britain as well to measure the views of the general public in matters of common interest. The EEC issue has been a matter of exceptional interest to the opinion pollsters and, as a result, public opinion on this issue has been well recorded since 1961.

One of the most interesting aspects that strikes anyone engaged in a systematic study of British public opinion on the EEC issue is its extraordinary volatility over the last two decades. Even making concessions to the differences in the types of questions asked one cannot but notice the very significant
fluctuations that have taken place in the general public's opinions on the issue during this period.

As already noted, the EEC issue has been one of the most divisive ones in the post-War British politics and the division among the political parties was also reflected in the opinion of the people. This was evident from the very first application that Britain made in 1961. During the course of the first two British applications to join the Community in the 1960s the Public mood was correlated to its perceptions of British prospects of success. For instance in the summer of 1961 many voters were not convinced that it was in Britain's interest to apply for Common Market Membership. But after the Government announcement in July 1961 a change took place and during the period up to the French veto in January 1963 there usually was a marginal majority in favour of Britain's entry. Likewise there was a build up in public support during the run up to the Wilson Government's decision to apply for membership. However, once the decision was announced there was a clear shift in public opinion in the opposite direction.

With the advent of Edward Heath as Prime Minister and the beginning of negotiations, this time with a better prospect of success compared to the previous rounds, opposition to British entry into the EEC waned considerably and polls in the summer of 1971 showed, for a brief period, a majority in favour of entry. However during the remainder of the period of the run up to January

218 Ibid., pp. 355-57.
219 David Bulter and Uwe Kitzinger, n. 63, p. 247.
1973 when Britain joined the EEC either majority of the opinion were opposed to entry or it was almost evenly divided. According to an Opinion Research Centre (ORC) Poll, conducted for the BBC on the eve of Britain's joining, 38 per cent of Britons were in favour and 39 per cent were against the move, with 23 per cent remaining undecided.220

The extraordinary volatility of public opinion on the EEC question was linked to the great complexity of the issue as well as to Party loyalties and personal attitudes. The complexity of the problem, fuelled by different constitutional, legal and economic arguments and counter arguments preferred by the experts, had compounded the confusion in public minds and had made the possibility of ordinary voters forming an assured and consistent verdict extremely difficult. There were also close contiguity of opinions, held on the issue, to party support. Thus, traditionally Conservative supporters have displayed greater enthusiasm for Europe than Labour supporters, which was in line with the more pro-European record of the Conservative Party as opposed to that of the Labour Party. This was also reflected in the degree of support extended by each group to the policy of its own Government. Thus, in May 1969 when the Labour Government was still in power 36 per cent Conservative voters were in favour of Britain joining the EEC and 48 per cent were opposed.221 But in December 1971 when a Conservative Government was negotiating for the British entry, 57 per cent of Conservative voters were in favour and 29 per cent opposed. The corresponding figures for Labour voters were

221 Uwe Kitzinger, n. 217, pp. 369-70.
52 per cent in May 1969 and 24 per cent and 64 per cent in December 1971 respectively.\textsuperscript{222} The about turn in the support for the EEC among Labour supporters was linked to the swing of the Labour Party leadership firmly into opposition to British entry on the terms negotiated by the Heath Government.

Day to day problems of ordinary Britons also helped shape their altitude to the EEC question to a considerable extent. These were the problems related to inflation, unemployment, the welfare state and the issues related to the long term family security, the so-called bread and butter issues. Though the great majority of the people were involved in these issues to a greater or lesser degrees, the Labour supporters, who came mostly from the ranks of the working and less affluent classes, displayed greater anxiety and sensitivity about the impact of the EEC in their personal lives than the Conservative supporters, the majority of whom came from the better off sections of the society.\textsuperscript{223} In the eyes of the ordinary people the EEC was increasingly being associated with higher cost of living, greater unemployment and decreasing social welfare activities on the part of the Government.

That there was a great deal of confusion and controversy at the time Britain joined in January 1973 was evident in an opinion Research Centre (ORC) survey for \textit{The Times} on 13 January 1973. Of those questioned 10 per cent said that they were very pleased about being in the EEC, 26 per cent were quite pleased, 20 per cent were indifferent, 17 per cent were quite displeased, 16 per cent were very displeased and 11 per cent did not know.\textsuperscript{224} There was

\begin{itemize}
  \item \textsuperscript{222} Ibid.
  \item \textsuperscript{223} Ibid., pp. 359-69.
  \item \textsuperscript{224} \textit{The Times}, 13 January 1973.
\end{itemize}
also a dissatisfaction with the terms of entry as 35 per cent of those questioned felt that Britain should stay in the EEC but try to re-negotiate the terms, as opposed to 31 per cent who felt that Britain should stay in on the present terms.225

The division among the people along Party lines was well revealed in the gallup poll carried out on behalf of the Daily Telegraph at the beginning of January 1973. It found 57 per cent of Conservative supporters supporting entry and only 21 per cent opposing it; on the other hand 49 per cent of Labour supporters were opposed to entry and 22 per cent supported it. The total figures were as follows: Right to join - 38 per cent, wrong to join - 36 per cent, and don't know - 26 per cent.226

Indications of how far Britain was likely to progress on the road to Europeanisation were available in a special Euro-Poll in October 1973, carried out for The Times/ITN by Opinion Research Centre and simultaneously and with comparable questions for Le Figaro by Sofres in France. In answer to the question whether their country benefitted from the Community Membership, while 40 per cent of the Frenchmen replied in the affirmative only 29 per cent of the British shared the same opinion.227 On the other hand while 44 per cent of Britons felt their country had been harmed by EEC membership (10 months of it) only 20 per cent of those questioned in France were inclined to agree in respect of their country.228

225 Ibid.
228 Ibid.
The worries and doubts in the minds of the public had been further compounded by the controversy surrounding the decision of the Conservative Government to take Britain into the EEC on terms which, the Labour Party alleged, were damaging to British interests. The campaign by the Labour Party against the terms and its promise of re-negotiating them and allowing the people to decide the final outcome through the ballot box was beginning to influence public mind as revealed in a Market Opinion Research International (MORI) Poll in October 1974. According to its findings 76 per cent of those questioned felt that they should have the right to decide, through the ballot box, the EEC issue and only 17 per cent were against it. The figures for the individual party supporters were as follows: Conservative voters - 62 per cent in favour and 32 per cent against, Liberal voters - 76 per cent in favour and 21 per cent against, and Labour voters - 88 per cent in favour and 6 per cent against.  

The run-up to the referendum in June 1975 revealed the great twists and turns in the public opinion in Britain on the EEC question. In almost all the opinion polls between August 1974 and January 1975 the majority of those questioned expressed themselves in favour of voting for a British withdrawal from the Community in a referendum on the existing situation. A completely different answer was however obtained to a slightly modified question - that if the Government negotiated new terms for Britain's membership of the Common Market and that it thought Britain should continue to remain a member - 71 per cent of those questioned supported Britain's continued membership and only 29 per cent against.

229 The Times, 2 October 1974. What is noteworthy here is that even the Conservative supporters had now turned in favour of a referendum to settle the issue.
advocated withdrawal.230 This was very close to a similar vote recorded in the referendum after the Labour Government of Harold Wilson recommended to the people the re-negotiated terms.231

The referendum verdict made it amply clear that public opinion can be heavily influenced if not guided, especially in complex issues like the EEC, by the Government and the political establishment and more so if they join hands together.232 It seems possible that people who were opposed to the Community voted in favour because they were strongly urged to do so by some of the figures they respected most.

Thus, the fragile basis of British support for continued Community membership shaped their long-term outlook on Europe which did not envisage, unlike the people in the original six countries, the goals such as a European political union and a directly elected European Parliament. This limited British commitment was underscored by an opinion poll carried out by independent research organisations on behalf of the EEC Commission in July 1975.233

231 In the referendum 67 per cent voted 'yes' and 32 per cent voted 'no'. Ibid., pp. 153-54.
232 As has already been shown the pro-European forces had the support of the entire British establishment. See the present author's interview with Anthony Wedgewood Benn on 10 December 1986.
233 The findings of the survey are given in the following table. The questions asked were:
1. Is the common market a good or bad thing?
2. Should the European Parliament be elected by Universal suffrage?
3. Should progress be sought towards the Political union of Europe?
The grudging British support for the Community became more and more manifest as the weeks and months rolled by; the high expectations of the initial years turned into disillusionment with the EEC. By May 1976 the proportion of supporters of British membership in the EEC had come down to 39 per cent (with 35 per cent considering it a bad thing and 18 per cent indifferent) from 50 per cent in October-November 1975. This compared with an approval rate of 75 per cent in Holland, 63 per cent in Italy, 57 per cent in France, and 48 per cent in Germany.\textsuperscript{234} The situation did not change by the autumn of 1978 when the approval rating in Britain was still 39 per cent (though it was better than that in the Autumn of 1977 when it had gone down to 35 per cent),\textsuperscript{235} and by the spring of 1979 a majority of people questioned thought that the EEC was a bad thing (34 per cent against 33 per cent with 26 per cent indifferent). This compared with approval rating of 65 per cent for Belgium, 66 per cent for Germany, 56 per cent for France, 78 per cent for Italy and 84 per cent for Holland.\textsuperscript{236}

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     & The Six & Ireland & UK & Denmark & Nine \\
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1 & Good & 93 & 71 & 69 & 59 & 87 \\
    & Bad & 7 & 29 & 31 & 41 & 13 \\
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2 & Yes & 87 & 71 & 49 & 51 & 78 \\
    & No & 13 & 29 & 51 & 49 & 22 \\
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3 & Yes & 84 & 49 & 44 & 28 & 74 \\
    & No & 16 & 51 & 56 & 72 & 26 \\
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\textit{The Times,} 8 July 1975.

\textsuperscript{234} EC Commission, \textit{Bulletin of the European Communities}, Vol. 9, No. 9, 1976, Table 2, pp. 106-7.

\textsuperscript{235} EC Commission, \textit{Bulletin of the European Communities}, Vol. 12, No. 1, 1979, Table 15, p. 126.

\textsuperscript{236} EC Commission, \textit{Bulletin of the European Communities}, Vol. 12, No. 6, 1979, Table 5, p. 134.
The distinct lack of enthusiasm of the British public over the EEC made a further demonstration in June 1979 when the first ever direct elections to the European Parliament was held. An average of only 32 per cent of the British voters deemed it fit to exercise their franchise compared to figures of over 60 per cent in the Continent.\(^237\) As already noted the issue of direct elections had raised a fierce storm of controversy with much of the Labour Party and some sections of the Conservative Party opposing the move altogether. No doubt, the people in Britain were already disenchanted with the EEC which was now more associated in public minds with the butter mountains and wine lakes — by-products of the much maligned Common Agricultural Policy — than with any grand ideal of unifying the peoples of the Continent.

As already noted, the arrival of the Conservative Government under Margaret Thatcher was followed by a rise in tension in British politics over the issue of excessive British contribution to the Community budget. The strident campaign of Mrs. Thatcher about her money back as well as the mounting bellicosity of the Labour Party added fuel to the fire of public disenchantment with the EEC. A Gallup Poll conducted exclusively for the *Sunday Telegraph* in April 1980 revealed that the wheel had turned full circle since the referendum; that given another chance the British public would reverse their decision of 1975 and vote to leave the Common Market.\(^238\) In answer to the question how they would vote on the issue 59 per cent replied that they would vote to leave as against 27 per cent who supported staying in. Even the majority

\(^{237}\) *Financial Times*, 9 June 1979.

\(^{238}\) *Sunday Telegraph*, 20 April 1980.
of Conservative supporters (49 per cent) supported withdrawal as against 38 per cent who wanted to stay in. The figures for the Labour supporters were 68 per cent and 18 per cent respectively.\textsuperscript{239}

Apparently, the British public was now convinced that membership of the Community was a bad thing for the country. The majority believed that the prices for food and other goods would be lower outside the EEC, that Britain's relationship with the Commonwealth would be better and the level of wages, taxation, employment and the general standard of living was likely to improve.\textsuperscript{240} The Community was also seen as an unequal partnership with France and Germany having the most influence.

This public disenchantment with the EEC continued even after a short-term solution was found to the budget issue in May 1980. In fact there was no improvement in the situation right through to the end of 1982, the last year of the period under review in this study. For instance, a Gallup Poll, conducted jointly for the \textit{Daily Telegraph} and a British television company in November 1982, found that 54 per cent of those questioned would vote to leave the Community as against 36 per cent who would prefer to stay in. A majority of the public was even critical of the Government's policy on the EEC, 54 per cent thinking they were not tough enough.\textsuperscript{241}

The doubts, suspicions and hesitations which were the chief characteristic features of the attitude of the British political establishment during these decades of debate on the membership

\textsuperscript{239} Ibid.
\textsuperscript{240} Ibid.
\textsuperscript{241} \textit{Daily Telegraph}, 27 November 1982.
issue naturally influenced the behaviour of the British public in ample measure. Barring the brief period during and following the 1975 referendum British attitude towards Community membership has remained consistently negative as compared to the other member countries. The following table would give a clear indication of this:

**GENERAL ATTITUDE TOWARDS COMMUNITY MEMBERSHIP**

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The table shows that while the other member states especially the six founder members, registered a consistently high rating of approval ("the EEC is a good thing") - Italy, Luxembourg and the Netherlands scoring a mean-rating - (between 1974 and 1982)

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as high as 73, 75, 75 respectively - the figures for the United Kingdom were persistently in the low 30s. In fact Britain was the only country which registered a regular disapproval of Community membership. 243

Ironically, although British attitude to membership of the Community was not very favourable the same was not the case with regard to the issue of Western European unification. 244 For instance, if the general support for Western European unification (i.e. including those who are very much for and to some extent for the same) is taken into consideration the British mean average of 60 during the period 1975 to 1983 would not compare too unfavourably with Belgium's 65, Denmark's 44, Germany's 78, France's 76, Ireland's 60, Italy's 81, Luxembourg's 83 and the Netherlands' 78. 245 It is evident that while the British people took cognizance of the need for some form of West European unity, they did not seem convinced that membership of the Community was necessarily in British national interest.

Leaders of British political parties, especially pro-Marketeteers, were aware of the jaundiced view that the public took of the EEC. However, they felt that this was due to the Community being associated - wrongly in their view - "with things going wrong rather than with things going right". 246 It was Britain's

243 The approval rating in Britain showed a marked improvement from 1983 onwards when it was (in 1983) 32 against 30 (a good thing vs. a bad thing), 34 against 30 in March-April 1984, 38 against 23 in October-November 1984, and 37 against 30 in March-April 1985. Ibid., pp. 57-8
244 Evidently there was a change of attitude on this point since 1975 (See footnote 233).
245 EC Eurobarometer, n. 242.
246 The present author's interview with Sir Ian Gilmour on 6 February 1987 in London.
misfortune that the very year it joined the Community witnessed the massive rise in oil prices which threw the industrialized world into the severest recession since the Second World War. Consequently, it was unable to reap the kind of benefits envisaged from EEC membership.247

C. Parliament

As the country where Parliamentary Democracy originated and took the shape that prevails in most of the liberal democracies of the West, Britain accords a very unique position and prestige to its Parliament. The sovereign powers of state authority, traditionally exercised by the Monarch until the beginning of the 13th century, were gradually transferred to the Parliament during the process of the long constitutional struggles for supremacy that was waged through several centuries. Thus, Parliament became the repository of supreme power in the country, exercised now by the Cabinet responsible to it. The special position of Parliament is further buttressed by the fact that Britain's constitution is unwritten and hence Parliament is regarded as the supreme guardian of individual freedom and liberty. Thus, any loss or diminution in its power and authority is potentially a source of danger to the survival of the individual freedom and that of a free society.

This being the position of Parliament in Britain it was no wonder that the possible impact of Britain's membership of a supra-national organisation such as the EEC on its sovereign status became one of the focal points in the whole debate almost right from the beginning. As in the cases of other aspects of

247 Ibid.
the issue, concern on this point also came to be voiced by people both in the Conservative as well as the Labour parties. In the very first Parliamentary debate following Harold Macmillan's announcement of the Government's decision to seek openings into the EEC in July 1961, strong opposition to the move was voiced by a leading Conservative MP who argued that this would involve surrender of a part of sovereignty (effectively sovereignty of Parliament) which would affect the character of the British state and Britain's relationship with the Commonwealth.248

People who opposed the British move on the ground that it would be damaging to Parliamentary sovereignty stressed the different historical and institutional experience of Britain on the one hand and the West European states on the other. Unlike the latter, it was held Britain was never a part of the Holy Roman Empire. The practice of national sovereignty here was separate and preceded the Holy Roman Empire; however, on the continent the formalisation of the modern doctrine of sovereignty was a somewhat later development. In the subsequent centuries while Britain continued to experience an independent and separate development, the continental states were repeatedly subjected to defeat and occupation by one great power or the other. Besides, Parliamentary roots were less deep in the continental countries where evolution of representative form the Government was a relatively later phenomenon.249

Thus, the different historical and constitutional experiences had made a reconciliation of British and continental interests

249 Ibid., Cols. 1507-12.
difficult if not impossible. While political union, which was thought to be the ultimate objective of the EEC, for the Six original Members was simply a re-union and rediscovery, for Britain it would be a departure and a divergence. Parliamentary sovereignty for Britain was the principal pillar of its independent existence; much of it had already been compromised by British membership of such International bodies as the UN, EFTA, GATT, WEU, NATO and the OEEC; Membership of the EEC would lead to the disappearance of the most vital powers of Parliament which would mean the end of Britain as it had existed through centuries.250

Much of the debate on the issue of Parliamentary sovereignty stemmed from the rather unique nature of the European Economic Community in comparison to other similar groupings of nation states. The EEC, which is more than a free trade area and a customs union, is essentially a body of neighbouring countries who have a lot in common in their histories, cultures, economic and political developments and who have come together in their desire to preserve peace and to build a better Europe through economic integration.251 In order to attain these goals the Community follows common policies for the benefit of all its members, over a wide range of commercial, economic and social matters.

In its declared objectives the EEC goes well beyond other international groupings and consequently its institutions are correspondingly more developed necessitating a greater pooling of sovereignty than other organisations. This exercise is

essential for the achievement of effective and worthwhile co-operation and common action.

The principal method of giving shape to the Community objective of co-operation and common action is through direct applicability of Community law in member countries. The collective decision taken by the principal policy making body of the Community, i.e. The Council of Ministers, have to be implemented by means of common rules applying uniformly throughout the Community and not depending on separate national legislation.252

"National courts are required to apply directly applicable Community law and to give it priority should it conflict with national legislation".253 It is this aspect of Community membership that affects, to a significant degree, the sovereignty of British Parliament.

As the Labour Government of Harold Wilson, prior to its application for EEC membership in 1967, had pointed out, accession into the EEC as a member would necessitate passing of "legislation giving the force of law to those provisions of the Treaties and Community instruments which are intended to take direct internal effect within the Member States. This legislation would be needed because, under our constitutional law, adherence to a treaty does not of itself have the effect of changing our internal law even where provisions of the treaty are intended to have direct internal effect as law within the participating states".254

252 UK, HMSO, n. 250, p. 36.
253 Ibid., p. 39.
According to the opponents of the EEC British Membership envisaged a fundamental change in the relationship between the Parliament and British courts of law. In British constitutional practices the Parliament had been the supreme law-making body in the country and the courts were subordinate to it because Parliament was capable of over-ruling any decision made by a court by a legislative act. However, this would no longer be the case once Britain was inside the Community as Parliament would have no jurisdiction to challenge a British court decision to enforce and interpret the Community law. This could only be done by way of an appeal to the European Court of Justice which was the highest court of the EEC. 255

There are three principal instruments, besides others, through which Community law takes direct internal effect within the member states. These are - Regulation, Directives, and Decision.

According to the EEC and Euratom treaties a Regulation is a legal act which has general application, is binding in its entirety and is directly applicable in all Member States. 256 General applicability has been defined to mean "that the act is addressed to an indeterminate category of individuals and covers a multitude of unspecified circumstances. Binding effect means that the acts confer rights and impose obligations on those to whom they are addressed." 257 Direct applicability involves legal

257 Ibid.
effects occurring without any intervention by Member States or their institutions.\textsuperscript{258}

Directives have been defined as legal acts which "are binding as to the result to be achieved upon each Member state" which is obliged to take steps to ensure that the result is achieved. "The choice of the form of the measures and the methods used in achieving the results required under Community law is left, on the other hand, to the national authorities".\textsuperscript{259}

Decisions are acts which are binding in their entirety and "are directed exclusively at individual determinable addresses" who "may...be one or more Member states or one or more individuals in the Member States".\textsuperscript{260} These which may be expressed either in concrete or in abstract terms are directly applicable in the same way as directives.\textsuperscript{261}

The process through which Community laws (Regulation, Directives and Decisions) are made is held by the opponents of the EEC to be grossly undemocratic. The principal laws of the Community are enacted as a result of a complex process of interaction between the Council of Ministers and the EEC Commission. The two institutions, it was argued, which meet in secret and rely on a massive network of advisory committees "constitute a powerful, non-elected supra-national bureaucracy armed with legislative as well as executive powers, and with law enforcement powers in addition".\textsuperscript{262} The British Parliament, like other national Parliaments, had ceased to exercise its authority of law-making

\textsuperscript{258} Ibid.
\textsuperscript{259} Ibid., p. 18.
\textsuperscript{260} Ibid.
\textsuperscript{261} Ibid.
\textsuperscript{262} UK, Labour Party, n. 255, p. 8.
in vital areas such as Agriculture, Trade and the Labour Market.\textsuperscript{263} "Decisions of the greatest Moment" could not now be debated before or after they were taken because they were Community decisions and the British Government alone could not be held responsible for them.\textsuperscript{264}

The issue of Parliamentary sovereignty, however, has been sought to be viewed in a different perspective by the policymakers in the two major parties in particular as well as the pro-Marketeers in general. In their view no country in the world now enjoys unqualified freedom of action, not even the super-powers. Most countries have to operate with their freedom of action limited by political, military and economic realities outside their control.\textsuperscript{265}

This awareness of the limitations of their supreme power to act in defence of their interests have influenced many countries to come together in interdependent groupings resulting in the creation of various international organisations with specific objectives, political, economic, social, cultural, educational etc. Each of these organisations imposes rights and duties on its members which match the purposes of the organisation. Acceptance of these obligations have the effect of curbing the sovereign powers of the member countries in varying degrees according to the nature and requirements of these organisations.


\textsuperscript{264} J. Enoch Powell, n. 132, p. 109.

\textsuperscript{265} Tufton Beamish and Norman St. John Stevas, \textit{Sovereignty: Substance or Shadows} (London, 1971), (Conservative Political Centre booklet), p. 5.
The question of Parliamentary sovereignty has been viewed, as far as the policy-makers are concerned, from two aspects. Firstly, on the general issue of whether Parliament's ultimate sovereignty has been weakened. Secondly, whether Parliament could still play an effective role in the making of any particular new Community law. On the admission of the Labour Government of Harold Wilson, which re-negotiated the terms of Britain's membership of the EEC in 1975, the British Parliament had authorised, by the European Communities Act of 1972, the application in Britain of directly applicable Community law and to that extent had delegated its powers. However, it was argued by the Government, it was within the authority of the Parliament to repeal that Act on which Britain's ability to fulfil its treaty obligations still depended. Thus, as the Government White Paper on Re-negotiation put it, "Our membership of the Community in the future depends on the continuing assent of Parliament". 266

On the question of whether Parliament could still play an effective role in the making of any particular new Community law it has been argued that since the Council of Ministers in the Community, where Ministers from all the member countries are represented, act as the principal law-making body the British Ministers necessarily take part in its discussions and decisions. By the European Communities Act of 1972 the Parliament has effectively remitted to the Government responsibility for safeguarding British interests in the Council deliberations which create the directly applicable Community law. Since the Ministers represented in the

266 UK, HMSO, n. 250, p. 39.
Council are answerable to the Parliament in particular and since the Government in general is also dependent on the continuing support of the House of Commons, the Parliament manages to exercise influence in the Community law making process. The threat of withdrawal of Parliamentary confidence, it is argued, would thus continue to influence decision-making in the Council of Ministers in Brussels.267

In order that Parliament can effectively exercise control and restraint over the European Community legislation it must, it was felt, have sufficient information as well as opportunity to make its views known to Ministers. That the Government was alive to this requirement was evident from the very beginning.

Between January 1973 and February 1974, proceedings in the House of Commons on Europe were largely on an ad hoc basis. A Select Committee (The Select Committee on European Community Secondary Legislation of 1972-73), also known as the Foster Committee, was set up on 21 December 1972 "to consider procedures for scrutiny of proposals for European Community Secondary Legislation and to make recommendations".268

The report of the Foster Committee which was published in November 1973 recognised the significant changes in the status of the Parliament brought about by the British membership of the European Community. As a consequence substantial and important part of British law, previously the exclusive preserve of the

267 Ibid., p. 40.
Parliament, was to be made "In new and different ways and with new and different consequences". It further remarked that the executive, acting through the Council of Ministers, had assumed "the constitutional power and function of Parliament" and that whatever Parliamentary control remained it would be "extremely difficult to assert". However, it went on, so far as the British concept and structure of Parliamentary democracy was concerned the control of the law-making process lay with the Parliament and new and special procedures were necessary "to make good so far as may be done the in-roads made into that concept and structure by these new methods of making law".

Thus, the Committee felt, the principal objective for all concerned was "to restore to Parliament responsibilities for, and opportunities to exercise its constitutional rights in respect of, the making of these laws...." In order to achieve this objective the Committee recommended that "Parliament must both (a) receive the fullest and most accurate information about all proposals for European Community Secondary Legislation at the earliest possible stage, and, thereafter, whenever new facts emerge or changes occur and (b) provide for itself special facilities for reaching and expressing a conclusion on proposals before they are brought to decision in the Council of Ministers". These objectives could be achieved by setting up a new kind of committee which would regularly scrutinise Commission documents and advise the House of Commons on how it should consider them further.

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270 Ibid.
271 Ibid., p. xiii.
272 Ibid., p. xvi.
Though the Report of the Foster Committee was published in November 1973, Edward Heath's Government was unable to implement its recommendations due to the elections in February 1974. The Labour Government of Harold Wilson accepted most of the recommendations and announced on 2 May 1974 that they would move to appoint a Scrutiny Committee. Regular timing was allotted for debate regarding EEC matters in the House. The European Secondary Legislation Committee (the Scrutiny Committee) was first set up on 7 May 1974 and again after the General Election in October 1974 as a permanent committee for the remainder of the Parliament on 18 November 1974.

The Committee's responsibility is to scrutinize the draft legislation proposal by the European Commission to the Council of Ministers and report "what matter of principle or policy may be affected" by Community documents. It also recommends particular documents to be thoroughly debated in the House before the matter was taken up at the Council of Ministers of the EEC the purpose of this being to take note of the views of the House.\textsuperscript{273}

The House of Commons has adopted a pragmatic approach to the question of legislation scrutiny. In the ordinary course of business the House will debate and pass judgments on the policies, proposals and actions of the Government and a Minister will reply to the debate before it is concluded. This has now become practice concerning the EEC as well; Ministers are now expected to explain to the House the Government's policies, proposals and actions in the context of the EEC as they are expected to do in the national context.

\textsuperscript{273} Sir David Lidderdale, n. 268.
So far as the scrutiny of legislation goes, the Committee concerned decides what information to give to the House and the extent to which it should be given depending on whether the matter is or is not of sufficient importance to be debated on the floor of the House. To ensure that the House is able to scrutinize Community legislation adequately and in good time, it has been agreed that only in exceptional circumstances will the Minister represent Britain in the Council for discussion before the Scrutiny Committee has had an opportunity to report and a debate has taken place in the House.274

It is a standard Community practice to publish proposals on a whole range of Council instruments so that they are available for public examination and discussion prior to their being taken up for discussion in the Council of Ministers. This practice enables the Parliament in many cases "to consider proposals at a much earlier stage in the policy making process than if the proposals were for United Kingdom subordinate legislation".275 In fact, James Callaghan, then Foreign Secretary, acknowledged during the course of a debate on European Communities in the House of Commons in December 1974 that greater number of regulations and directives being issued from the Commission were subjected to the scrutiny of the House of Commons "than would be the administrative decisions that would have been taken by Ministers in this country which would not have been challenged except by way of questions in the House or in correspondence".276

felt, the Government was being subjected to a "greater degree of control by Parliament as a result of the transference of these powers than would otherwise be the case. Government Ministers would not have been required to come to the House and answer questions on matters covered by legislative proposals of the Commission of the EEC if these matters had remained under the administrative control of Ministers in the United Kingdom". 277

Similar opinion was also expressed by two studies the Directorate General of the European Parliament had undertaken in 1974-75 to investigate the issue of Parliamentary Sovereignty. The Principal finding of the studies was that the loss of sovereignty was more apparent than real. 278

According to the report the Community legislation has made very few dents in the powers of national parliaments and this is so because a national parliament theoretically possessed a certain power to legislate itself or to control legislation but in fact it has rarely or never exercised it. As the study concludes:

For instance, in Britain through statutory instruments the Parliament has delegated power to the Government to act on its behalf and in such cases it is inconceivable for Parliament to act in this field again. 279

Another large area where national parliamentary powers had already been eroded significantly is International Agreements signed by member-states before they joined the EEC. These were

277 Ibid.


279 Ibid., pp. 287-88.
so that accession to EEC made no difference to them. Other examples where such powers were lost are customs duties and transport agreements. Even before Britain joined the Communities the British Parliament's powers to impose or vary customs or excise duties had been reduced when Britain signed the General Agreements on Trade and Tariffs (GATT).

So far as ratification of international agreement is concerned, no loss of sovereignty was sustained by the British Parliament by the EEC accession, since it did not have the power to ratify trade, or any other agreements. Since parliamentary time is limited, Britain has been increasingly governed by a mass of delegated legislation under which Government departments, local authorities and nationalized industries make regulations and order and most of these do not need to be brought before the Parliament let alone be subject to its control. There is a practice of subjecting these to an "affirmative resolution", i.e. that they should not come into effect until Parliament has approved them. But this is a rare practice and sometimes the most far reaching orders and regulations are not even included in this exercise.

Besides the work of the Scrutiny Committees, the loss of Parliamentary sovereignty has also been reduced due to developments not anticipated in the Rome Treaties. The treaties envisaged that the Commission alone would have the right to initiate legislation and would thus have a controlling influence over the Community. If this had come about British fears of sovereignty being lost to a "faceless bureaucracy" would have had some justification. However, developments in the way the Community operates,
as opposed to theories laid down in the treaties, have reduced this danger considerably. The summit meetings of the Ministers (responsible to national Parliaments) usually draw up the programmes which lay down the initiatives to be taken and the time table to be followed by the Commission. 280 Besides, other bodies representing the interests of member countries such as the Committee of Permanent Representatives (COREPER), Management Committee, Expert Working Parties, etc., scrutinize Community legislation and ensure that national interests are safeguarded.

The most important development, however, that has made safeguarding of national interests easier, was the "Luxembourg Compromise" that has made the Council of Ministers, the ultimate decision making body on Community legislation, subject to a procedure by which any country can effectively block, in the Council, any Community legislation which it considers against its national interests and to which it objects strongly. This practice was evolved in 1965-66 when General de Gaulle boycotted the Community institutions for nine months because he felt that France's national interests were being trampled. The veto power, originally unforeseen by the Rome Treaty, considerably reduces loss of sovereignty, national or parliamentary. 281

These are all important arguments no doubt but the day to day experience of the Parliament so far as Community matters are concerned have not always gone along anticipated lines.

280 Ibid., p. 292.
One of the serious problems that has hampered the House of Commons' attempt to monitor Community legislation was a shortage of time. There has been a persistent complaint from both Government and back-benchers that not enough time was available to debate ordinary domestic legislation let alone Community legislation. There have been complaints from the Scrutiny Committee itself that debates are held too late, often at the last minute immediately before final decisions are due to be made by the Council itself. In many cases a good deal of agreement on the main issues is reached by the member states' Governments even before a formal Council meeting, "following discussion and amendment of the Commission's proposal in working parties and in the Committee of Permanent Representatives".

In May, 1976 the Commons Select Committee on European Secondary Legislation (the Scrutiny Committee) issued a Report which complained of restrictions under which the Committee has to work. For instance some issues of paramount importance such as the Tindemans Report were kept outside the Committee's terms of reference. This prevented the Committee from making any comment on such matters and consequently there were no debates either. In some instances the Committee received no appropriate documents for


284 In 1974 the EEC Heads of States and Governments Commissioned Leo Tindemans, the then Belgian Prime Minister, to prepare a report on EEC procedures and institutions. Harold Wilson, n. 6, p. 89.
examination. The Report asked for a widening of the Committee's terms of reference to cover such matters. 285

On the issue of matters that were within their competence the Committee also felt hampered by the lack of attention given to their reports by the House and the Government. It drew attention to the fact that reports on 44 EEC instruments still awaited a debate in the House of Commons. 286

Doubts about how effective the procedure on scrutiny of European Community legislation really is have also been voiced in the House of Commons itself. Members have complained about cases when the Commission of the Community offers new proposals for consideration of the Council of Ministers after the Commons had debated the old proposals and because of pressure of time both at the Council and the Commons the new proposals do not get debated properly. 287

The principal problem of the Scrutiny Committee, as pointed out by a Labour M.P., who was himself a member of the Committee, was the sheer weight of the voluminous number of instruments of legislation (the 'Regulation', 'decisions' and 'directives') which "were now pouring out of Brussels from the Council and Commission together at the rate of several thousand a year". Faced with this avalanche the Scrutiny Committee could do no more than "pick out a few as important, and recommend the House to debate them for at

286 Ibid. The Report also urged the Council of Ministers to take into consideration the views expressed in debates in the national Parliaments on Commission proposals before acting upon them.
least one and a half hours" thus doing scant justice to its avowed objective of providing parliament with the opportunity of exercising a degree of effective control over Community legislation.\(^\text{288}\)

While the House of Commons was experiencing myriad difficulties in its operation of an effective system of scrutinizing European Community Secondary Legislation, the House of Lords was more successful in devising and operating a different set of arrangements. As in the case of the Commons, the House of Lords too appointed a Select Committee, on 19 December 1972, under the Chairmanship of Lord Maybray King to consider procedures for scrutiny of proposals for European Community Instruments which recommended the appointment of a Select Committee to scrutinise the Community proposals for legislation.\(^\text{289}\) Consequently, a new committee was set up in May 1974 called the "Select Committee on the European Communities".

Since its appointment the Lords Committee has played a somewhat different role in its functioning compared to its Commons counterpart, more comprehensive in so far as its scrutiny of Community legislation is concerned. Instead of simply recommending further action by the House it prepares "reports itself on Commission proposals 'which raise important questions of policy or

\(^{288}\) Douglas Jay, n. 17, p. 478. The inadequacy of the scrutiny system has been an especially favourite theme of the anti-Marketeers in the Commons; even those MPs who were not anti-Marketeers felt that there was sufficient scope for improving upon the existing system. UK, Commons, Parliamentary Debates, Session 1976-77, Vol. 923, Col. 1139.

principle". 290 Usually, these reports are substantial documents providing background materials to Commission proposals and offering the Committee's own opinion. There is a provision for written and oral evidence from Ministers, civil servants, and other private sources such as the Confederation of British Industries, trade associations and trade unions. In an effort to invest the Committee's work with greater authenticity its members have often visited the Community's institutions for first hand knowledge and information. The Committee also has made attempts to generate public interest in its work by trying to involve the press and members of the public through hearing of evidence in public. 291

The Lords Committee enjoys a major advantage over its Commons counterpart as it does not suffer the same amount of time constraint as the latter. The House of Lords is also less divided politically over the issue of membership compared to the House of Commons. Consequently, it is able to provide "a much greater service to the public outside Parliament, likely to be affected by Community measures, than the House of Commons" in dealing with the wider legal and administrative implications of measures in a more detached and thorough way. 292

Institution of a fairly elaborate system of scrutiny of the European Community's legislation by the two Houses of Parliament was an indication of the disturbing questions that EEC membership had raised in British minds about the actual extent to

290 Hansard Society, n. 283, p. 38.
292 Ibid., p. 40.
which Parliamentary influence and control was to be affected. As already noted, it was widely accepted, even by the most extreme pro-Marketeers that acceding into the EEC which was unmistakably supra-national in its avowed objectives would involve some degree of erosion of Parliamentary sovereignty. The differences between the pro and anti-Marketeers centred on the fundamental question of the role of the nation state in the latter part of the twentieth century. Hence, some pro-Marketeers, especially federalists, even argued that in the changed circumstances of the period the proper forum to defend British interests was no longer the House of Commons but the European Parliament which reflected the hopes and aspirations of the people of all the Community countries. 293

As Roy Hattersley, a leading Labour pro-Marketeer MP, remarked during a debate at the House of Commons, real sovereignty was "a twentieth century concept of having the economic muscle and the political influence to do the things which are necessary on behalf of the British people and our constituents". It was not worth, he felt, preserving British sovereignty only to ensure that by 1980 Britain had "half the Gross domestic product or Wealth of the Federal Republic and are a rather poorer country than Italy". 294

Parliamentary sovereignty in Britain, as Lord Denning, the noted Jurist, observed, has been compromised as a result of EEC Membership and replaced by Community sovereignty. 295

293 See the author's interview with Sir Russell Johnston on 21 January 1987 in London.


295 Lord Denning, "Farewell to our Sovereignty", The Times, 3 November 1986.
constitutional principle has arisen whereby Community law, as declared by the European Court, is superior over any act of the British Parliament that is inconsistent with it. However, while it may be the case that Parliament in Britain is no longer what it used to be in power and position, it can be argued that this transformation was necessitated by a new reality, - the reality of European integration.

**Conclusion**

It would be apt to conclude on the basis of the foregoing analysis, that the issue of Membership of the European Community had created deep fissures in the political life of Britain during the period under review. The Political process, whether it is party politics or political institutions such as Parliament, had undergone an abiding metamorphosis under what had virtually turned out to be the trauma of the EEC connection. Established political Parties were rocked by severe dissensions which went to the extent of producing a rift within the Labour Movement and the emergence of Britain's fourth political party - the Social Democratic Party. Despite being a part of the Community for a decade most of the country's populace were still reluctant to consider themselves as strictly European. Large sections of the Labour Party and the Trade Unions had not only not accepted EEC Membership as a *fait accompli* but were committed to pulling Britain out. In spite of a clear referendum verdict, the question of continued British Membership hung precariously over what can be termed in a state of suspended animation at the end of the period under review.