

The British Labour Party
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British Labour Party policy on the European Community has swung between outright opposition and wholehearted approval. This chapter will chart the course of the party's often tortuous attitude towards the European issue and try to find explanations for the often swift changes of policy.

The Party's Changing Attitude to European Integration

Labour was in office immediately after the war, when the first steps were taken towards closer European co-operation, but the Labour government led by Clement Attlee opposed Britain playing any role in the creation of a federal Europe, either through the evolution of the Council of Europe in a federal direction or through participation in the European Coal and Steel Community.¹ This position remained unaltered throughout the 1950s and early 1960s.

However by 1966 the Labour Party Manifesto mandated the party to join the European Economic Community 'provided essential British and Commonwealth interests are safeguarded'², although the application that was subsequently made by the government of Harold Wilson was vetoed by the French president de Gaulle.

The 1970 election saw the Labour Party committed to joining the EC in principle. Nevertheless, during this year, divisions within the Party had continued to exist. Peter Shore, a strong anti-European in the tradition of Gaitskell, was demoted from his position as Secretary of State for Economic Affairs to a Minister without Portfolio because of his stance against membership of the EC. The majority, however, were persuaded. David Owen revealed that:

All Wilson's political skills as Prime Minister and some of George Brown's oratorical skills had been deployed to persuade the majority of the Labour Party to subscribe to the view that entry was necessary.³

The Labour Party lost the 1970 election to the 'European' Edward Heath who became the Conservative Prime Minister and subsequently applied for admission to the EC in 1971. Wilson, as leader of the opposition, opposed the terms of entry negotiated by Heath in 1972. The Labour Party committed itself to renegotiating the terms of British entry and promised to place the new terms before the British people for their judgement. By April 1972 the decision was reached to support the idea of a referendum and subsequently the October 1974 manifesto promised to give the people the final say on Europe. This commitment was honoured in 1975, when a referendum resulted in a large majority for entry from the country as a whole, although many members of the Labour Party had joined the campaign for a negative vote.

Despite the referendum result, the Labour governments of Wilson and (after 1976) Callaghan continued to be less than enthusiastic members of the EC, and after the party lost office in 1979 Labour's attitude towards Europe increasingly

became hostile. In 1980 the Labour Party Conference passed a resolution advocating withdrawal from the EC without a referendum. This issue was the main reason for the split in the party which began with the formation of the 'Gang of Three', later the 'Gang of Four' (David Owen, Shirley Williams, Bill Rodgers and Roy Jenkins) and culminated in the formation of the Social Democratic Party. The importance of the EC in these developments was clearly documented by David Owen:

Europe was the first issue that was really divisive, and it was Europe that brought the Gang of Three together.⁴

The opposition to the EC was formed on a number of issues including the loss of sovereignty, unemployment, the fall in industrial production, the high price of the CAP, the unfairness to Britain of the then current budgetary arrangements, and the fact that it was felt by many on the left that the EC was not a vehicle for socialist change.

Tony Benn, a leading anti-marketeer expressed the sentiment that was shared by others in the party, and not just on the left:

I loathe the Common Market. It's bureaucratic and centralised, there's no political discussion, officials control Ministers, and it just has a horrible flavour about it.⁵

Such views reverberated throughout the Labour and trade union movement and culminated in a commitment in the 1983 General Election manifesto to withdraw from the EC. But after another humiliating defeat in that election, Labour was forced to examine a whole range of policies, including withdrawal. The election of Neil Kinnock as party leader to replace Michael Foot initiated a new phase in the party's attitude towards this controversial issue.

In 1984 Labour Party policy towards Europe was unclear. The rhetorical calls for withdrawal became fainter but outright demands, in the mainstream of Labour politics, for a policy of integration within the Community, were not yet being heard. An article by Neil Kinnock in New Socialist at this time best sums up the wariness many on the left felt towards this issue.

Britain's future, like our past and present, lies with Europe. But for us as socialists, it will, still only lie within the EEC if the Common Market can be transformed to measure up to our wider vision of Europe's own future."⁶

Stephen Tindale believes there were two phases to Labour's European conversion.⁷ The period 1983-87 marked the first phase, which reflected the feeling outlined above that whilst it was no longer electorally feasible to advocate withdrawal, nor was there much enthusiasm for the EC. The end of this first phase followed the third successive defeat at the polls when Labour's Policy

regarding Europe was blamed as part of the reason for defeat.

The 1984 European election manifesto reflected the ambiguity. It acknowledged Britain had to remain in the EC until at least the next Euro-elections, but insisted the powers transferred to the European Parliament in the European Communities Act (1972) be returned. Such an unrealistic condition was incompatible with membership of the EC.

The 1987 Labour Party Manifesto contained only three sentences regarding the issue of the EC:

Labour's aim is to work constructively with our EEC partners to promote economic expansion and combat unemployment. However we will stand up for British interests within the European Community and will seek to put an end to the abuses and scandals of the Common Agricultural Policy. We shall, like other member countries, reject EEC interference with our policy for national recovery and renewal.⁸

This amazingly short statement fell short of either condemnation of remaining a member or wholehearted approval.

Indeed it was not until what Tindale describes as the second phase, from 1987, that a significant change occurred regarding Labour's European policy. The Policy Reviews established by the Annual Conference in October 1987 legitimated the conversion of Labour to Europe. Every policy of the movement was examined and the result was 'that each of its sections contain[ed] a European dimension.'⁹

As a result, in the 1989 elections to the European Parliament, Labour presented itself as the 'European Party' and gained 45 seats (40.2% of the vote), a clear victory against the Conservative's 32 seats (34.8%)¹⁰. At the Labour Party Conference later in that year, John Smith, the Shadow Chancellor at the time, persuaded the party to commit itself to entering the Exchange Rate Mechanism of the European Monetary System.

The party also swung around to a commitment to support the idea of a social dimension to the EC. At the 1988 TUC Conference held in Bournemouth, Jacques Delors, the president of the European Commission, received a standing ovation from the trade union audience for stating that the single market should benefit each and every citizen in the Community.¹¹ This, Delors believed, had to be achieved by the improvement of living and working conditions of workers within Europe.

When the Maastricht Treaty was debated in the House of Commons, early in 1992, the opposition Labour Party voted against it only on the grounds that the Social Charter was not included. With the divisions within the Conservative Party on the issue of Europe, Labour was seen at this time as being more European than the Conservatives.

The conversion appeared complete. Yet after Labour's fourth election defeat, doubts were raised regarding its amazing conversion to Europe. Opposition towards the Community never totally disappeared within certain sections of the parliamentary Labour party. Tony Benn, Dennis

Skinner, Peter Shore, Austin Mitchell, and others were never convinced as to the merits of Britain's integration with the rest of Europe. However, no-one with any real influence within the Labour Party leadership took up the mantle of Euro-opposition throughout the late 1980s and early 1990s.

Nevertheless, after the disappointment of defeat in the general election and the resignation of Kinnock, who was probably responsible more than anyone else for Labour's conversion, the issue was reopened. In the campaign for the party leadership in June 1992, Bryan Gould argued that Labour's support of the ERM made it difficult to take advantage of the failures of the government's economic policies. However, the election was won by the pro-European John Smith; and the indications were that the membership of the party was also by this time converted to support for the EC.¹²

Explanations of Labour's Positions on the EC

To explain the development of Labour's position on the EC it is necessary to understand first the traditions and culture of the party, because it was against this background that the debate was conducted. These traditions were very different from those of continental socialist parties. It is also necessary to understand how the issue of membership of the EC became tied up with factional power struggles within the party.

Until Britain joined the EC, the Labour Party, despite its membership of the socialist international, had very little contact with continental socialist parties, and Labour's thinking owed little to continental socialist thought. The party was rooted in the British working class which formed the basis of its electorate, and specifically in the trade union movement. Indeed, unlike most other European socialist parties, the Labour Party was a product of the trade union movement.

This particular national history made it very difficult for Labour to adjust to the EC. The British working class was fully imbued with the spirit of imperialism, and the attitudes that were inculcated by imperialism: a sense of national superiority, an idea of having a privileged position and a duty to spread enlightenment to others. These attitudes expressed themselves within the Labour movement, first in a strong sense of nationalism; second in the form of an attachment to the British and their kith and kin in the Commonwealth; thirdly in a sense that Britain could show the way to others less fortunate; and fourthly in attachment to a wider internationalism than was implied by the ideal of a united Europe.¹³

It is therefore not surprising that the British Labour Party's initial attitude towards the Community was less than enthusiastic.

The attitudes prevalent within the Labour Party of nationalism and attachment to the Empire and the Commonwealth were typified by the speech made by the party leader Hugh Gaitskell at the Labour Party Conference of 1962. In rejecting British membership of the EC as a betrayal of 'a thousand years of history', Gaitskell constantly referred to the fear, which was widely felt

within the Labour movement, of ties being loosened with the Commonwealth.

It is interesting and enlightening to examine the language used by Gaitskell. He spoke of Britain as the 'mother country' of the Commonwealth and stated that the link between Britain and other Commonwealth countries had to be 'protected' and 'safeguarded'. He expressed the fear that Britain would become a 'province of Europe'.¹⁴ The speech, nationalistic and paternalistic in its tone, found echoes throughout the Labour Party.

This speech was made in the context of a severely divided party which had been tearing itself apart over the issues of the unilateral nuclear disarmament and the proposed abandonment of the commitment to the nationalization of key industries. Not for the last time, rejection of membership of the EC became an issue around which the party could unite across its left-right divisions.

However, Gaitskell's attitude was also based on a pragmatic assessment of the national interest. Britain, a trading nation, relied on the markets of the Commonwealth not only to export, but also to import food from its partners. A protectionist EC was not, it was felt, in the best interests of working class people in Britain. Consequently criticism was levelled at the Conservatives' unsuccessful attempt to join the EC in 1961. Protecting the national interest required steering Britain away from a European alliance and concentrating on the traditional trading relationship with the Commonwealth partners.

There was also a commitment amongst the leadership of the party to protecting the 'Atlantic Alliance' in order to remain on the centre of the international stage.

Protecting the Commonwealth was one of the fundamental conditions on which the Labour Government entered into the unsuccessful membership negotiations of 1966. It was also one of the central objections of Labour in opposition to the terms of entry negotiated by the Conservative government of Edward Heath in 1972.

Even as late as 1975, during the renegotiation of the terms of entry, Harold Wilson made protection for agricultural exports to Britain from Australia and New Zealand one of the key issues at the final summit meeting in Dublin to agree the new terms. His statement that he had more relatives in New Zealand than he had in Huddersfield (his home town) struck exactly the right note with the British working classes: protecting the interests of our own people. Large scale emigration in the 1950s and 1960s from Britain to the white Commonwealth, mainly from working class families, had reinforced this sense of kinship.

However, whilst Wilson talked of protecting the Commonwealth, he oversaw its decline. Britain's reciprocal markets shrank and the Commonwealth's importance decreased to merely a symbolic status. The conversion of Labour, at this stage, can again be seen as acting in what was perceived to be the national interest. In the first place Britain was forced to accept its declining position in the world after the Suez debacle, and the grave problems which faced the British economy. Both Labour and the Conservatives were confronted with the reality of Britain as

a declining power. Harold Wilson was consequently able to persuade a significant section of his party to support entry into the European Community on the grounds of economics: new markets, he promised, would be available to Britain upon membership. Labour Party members were sold the idea of Europe as a pragmatic necessity. The conversion was by no means wholehearted.

As mentioned earlier, loyalty to the Atlantic alliance was seen by the leadership to be incompatible with British membership of the European Community. The relationship between Britain and the United States remained special to Labour as much as to the Conservatives. Harold Wilson and James Callaghan were both instinctive Atlanticists and the Labour Party, until possibly as late as the 1970s and 1980s, firmly believed that Britain had a leading role to play within the world, albeit as a junior partner to the United States. Such an attitude, which was prevalent within the British labour movement, contradicted the view that Britain should play a full and integral role within the EC. But soon after coming to office in 1964, Wilson, like Harold Macmillan before him, was persuaded that membership would not damage the alliance, and that the United States actually wanted Britain to become a member.

At this stage, then, there was a Labour leadership convinced of the necessity for Britain to join the EC, but a party membership that was culturally unhappy with the idea. Into this context came a factional struggle for domination of the party. After the 1970 election defeat a new left analysis emerged of what had gone wrong, concluding that the government had failed to commit itself to genuine socialist goals. This analysis was particularly associated with the former cabinet minister, Tony Benn, who in opposition emerged as the leading figure of the left.

The project of the left was to take control of the party and ensure that policies were enacted that would move Britain towards some form of state-directed capitalism that was described as socialism by its advocates. Such a programme was unacceptable to the social democrats within the party, who occupied many of the leadership positions, and it would probably not have received backing from a majority of the parliamentary party, although it was supported by a number of constituency parties, and by enough of the big trade unions to make its imposition feasible.

The attraction for the left of the issue of membership of the EC was that it offered them the possibility of building a majority coalition against the leadership, because there were serious doubts about the EC amongst members of the party who did not support the more radical economic policies of the left. Thus there was the potential for a coalition that the left could lead and utilize to strengthen its position within the party. It was also an issue that might be used to lever out of key positions leading social democrats such as Roy Jenkins, then deputy leader of the party, because the necessity of membership of the EC was an issue on which many of the social democrats felt extremely strongly.

Wilson's commitment when in opposition in 1970-4 to renegotiate the terms of entry to the EC can be seen as a

tactical device to hold the party together. The decision to hold a referendum was a high risk tactic to silence the left once and for all, and it appeared to have worked. However, the refusal of either Wilson or Callaghan to embrace the ideal of European unity and to give a strong lead to the party in this direction allowed the old cultural distrust to continue, and allowed the left to return to the issue again after the 1979 election defeat. Their victory this time in driving out of the party leading social democrats and getting a commitment to withdrawal from the EC effectively built on the legacy of distaste for membership that lingered on in the party, and was reinforced by the coincidence of British membership with economic problems in Britain.

Why then did Labour shift so dramatically on the issue of Europe in the 1980s? The reasons for the shift are numerous.

The chauvinistic belief of the British Labour movement that they had a superior system of socialism and that the rest of world should model themselves upon such a prototype became woefully out of date. The British Labour Party had been out of government since the late 1970s and as a consequence many of the achievements of which the movement was so proud were being eroded. The Health Service, low unemployment, welfare and social rights, the prerogative of the trade unions to advise and influence government were under attack from Mrs Thatcher's Conservative government. Yet Labour seemed incapable of wresting power from the Conservatives, while at the same time socialist parties were winning elections and taking office in other European countries.

A change occurred in the intellectual thinking of the left, in response to events. The Alternative Economic Strategy was abandoned because it was decided it was not possible to implement socialism in isolation. The traditional view of the world system in which the sovereign nation states were all-powerful was coming into conflict with reality. Because of changing world circumstances, power had to be shared on a supranational basis. Ken Livingstone, previously an opponent of the European Community clarified the feeling of many on the left:

In a world moving towards more protectionist regional blocs there is little attraction in being on the outside of one of these groups. If Britain pursues a path outside Europe, it will inevitably end up in a totally subordinate role to Japan or more likely the U.S.A. It is better that we should fight, instead to reform the EEC with a proper programme of democratic and social reforms, as well as seeking its enlargement to include the whole of Europe and become a common trading bloc with the USSR.¹⁵

The increasing realisation of the limits of individual states was reinforced by the failure of the French socialist government of the early 1980s which tried to implement its own programme of reforms unilaterally and pitifully failed:

The economy was reflatd, the minimum wage doubled and public expenditure increased by 27 per cent. However,

France was reflating at time when the world economy was in recession, and the resulting trade deficit, combined with inflation and a weakening of the franc due to loss of international confidence, forced the government into a humiliating U-turn.¹⁶

To add to the pro Europeans' arguments, concern regarding the power of multinational corporations which could not be dealt with at a national level was being expressed. The issue of the environment, a subject that rose high on the political agenda in the 1980s could not be dealt with within national borders: supranational controls had to be agreed and adhered to. David Martin, in a Fabian pamphlet argued that British socialists ought to be leading the environmental lobby not merely responding to others' initiatives.¹⁷

It has been argued that the Labour Members of the European Parliament (MEPs) played a role in the conversion of Labour towards Europe. However, Stafford Thomas has suggested MEPs have little influence on policy in British politics.¹⁸ David Martin, the leader of the British Labour Group, in a reply to Thomas's article took issue with this argument, claiming that many of the ideas in his Fabian pamphlet Bringing Common Sense to the Common Market later became official Labour Party policy. In addition, Martin asserted the 'Three Martin Reports' pre-empted Labour Party policy regarding economic and monetary union, majority voting on environmental and social policy, a common foreign policy, fundamental rights and freedoms for a citizens' Europe, more say for the European Community's regions, the right for the European Parliament to initiate legislation and the right of the European Parliament to appoint the President of the Commission. All the above points were subsequently incorporated into Labour Party policy.¹⁹

How Labour MEP's were converted themselves to the European Community is in itself revealing. It is not surprising, given the anti-EC attitude prevalent in the Labour movement in the early 1980s, that MEPs should have reflected this antagonism towards Europe. However, experience changed attitudes. Labour MEPs working alongside their European comrades in the Socialist Group learned that socialist aims could be achieved on a European basis. Ann Clwyd, an MEP who subsequently became an MP, outlined her conversion in a House of Commons debate.

Members of this place who were formerly Members of the European Parliament will remember working with parliamentarians of other nationalities from day to day. I can assure the House that that is a sobering experience. Initially I was opposed to the European Community, but I found after a period as a Member of the European Parliament that there were advantages in working with people of other nationalities from day to day ... It had a profound effect on me and it changed my attitudes towards the European Community.²⁰

Mrs Clwyd emphasised the importance of the Socialist Group and the influence her European comrades had upon her.

I had an advantage over members of some other groups. That is because the members of the Socialist group worked with parliamentarians from 10 countries.²¹

Richard Caborn MP, another former MEP, similarly acknowledged the influence his socialist colleagues had upon his own conversion.

Working and socialising with European colleagues, on a day to day basis and hearing their own views of how the European Community can play a part in the aims and aspirations of a socialist, did play a part in my conversion to the workability of a European Community.²²

Labour Members of the British Parliament have increasingly developed links with socialists throughout Europe. Opportunity Britain cited 'our strong links with our sister parties in Europe' as an advantage for Labour making it more capable 'to defend Britain's interests and build a stronger Community.'²³

The Labour Party recognised that mutual goals could be achieved through the engine of the European Community. George Robertson, in a debate in the House of Commons, stated:

In discussions with Social Democratic and Socialist colleagues it became clear that their priority is that of the Labour party, which is to use the engine of European economic growth to get our people back to work....²⁴

Co-operation and consultation with European colleagues, meant Labour could have a voice again on issues of importance to itself.

The British trade union movement, with declining power as a result of anti-trade union legislation passed by the Thatcher government, began to look to Europe for support in implementing its own agenda. Labour MEPs and trade unionists found that whereas their views were totally ignored in the British arena, they were actively sought in the consensual framework of the EC, and actually influenced policy. This change was remarkable for a previously nationalistic group which had tended to regard other European unions as inferior to itself.

Tony Benn outlined the mutual need of the British trade unionists and European integrationists.

The TUC never gets invited to tea at No. 10 these days, but it is invited to three-course lunches in Brussels because M. Delors needs the TUC.²⁵

Probably the most important influence on the trade unions' conversion to the EC was the issue of the social dimension. The Single European Act, signed in 1986, and due to come into force at the end of 1992, was criticised by many in the movement for being a tool of capitalism.

Momentum grew for a 'human side' to the Single European Act. The Social Charter, ratified by all except the British, is a product of such pressures. George Foulkes articulated the views of many regarding this issue.

But Europe must be a real community as well as a market. It must be a community of co-operation and diversity. The two concepts of economic efficiency and social justice are complementary.... We want a community in which the market works to the advantage of the people, not one in which the people serve the convenience of the market.²⁶

The social charter proposed by Jacques Delors influenced anti-EC factions into becoming pro-European. It championed the rights of workers, women and pensioners, and it was therefore almost impossible for anyone on the left to argue against it, especially when Mrs Thatcher spoke so vehemently against it. 'Socialism through the back door' was the cry of Thatcher; and some within the Labour movement hoped her prediction would prove to be correct.

Conclusion

The British Labour Party approached the EC from a very distinctive national political tradition in which imperialism and nationalism featured strongly. There were no positive associations with Europe as a concept, and the experience of the early years of British membership, when a world economic crisis affected living conditions in Britain rather badly, reinforced a negative view. There was also considerable resistance to the surrender of national sovereignty, based on the belief that the British democratic tradition offered Labour an opportunity to realise its socialist aspirations in Britain, whereas the EC would act as a constraint on the achievement of those objectives.

Given this cultural context, the issue of whether Britain should even be a member of the EC became an internal political battle ground within the party, utilised by the left-wing as a means of attracting support in their efforts to oust the social democrats from leadership positions.

The eventual victory of the left, after years of divisive and damaging struggle, contributed directly to the inability of Labour to present itself as a credible alternative party of government to the Conservatives after 1979, and in turn led to a re-appraisal of policy on the EC. Under Neil Kinnock there was a steady adaptation to accepting the EC not only as a necessity, but eventually as a positive factor that could help Labour to achieve its objectives. This pragmatic approach was fed by the experience of MEPs and trade unionists who had experience of working within the EC and consequently had changed their attitudes to it. In the case of the constituency membership it was helped tremendously by the opposition of Margaret Thatcher to developments in the EC, and particularly to the social charter, which embodied most of the ideals that Labour wished to realise.

By the time that Kinnock stood down in 1992, the party had started to see EC membership as an opportunity rather

than as a constraint, and to discuss the issue in terms of the type of Europe that it wanted to see rather than in terms of whether Britain ought to be a member of any type of EC. This represented a major change of view, bringing Labour after a long and difficult evolution into line with the positions of other European socialist parties.

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18 Stafford Thomas, 'Assessing MEP Influence on British EC Policy', Government and Opposition, 27, (1), 1992.

19 David Martin, Comment on 'Assessing MEP Influence on British EC Policy' by Stafford T. Thomas, Government and Opposition, 27, (1), 1992.

20 Hansard 23 April 1986, col 358.

21 *ibid.*

22 Interview with authors, 2 May 1992.

23 Opportunity Britain (First Reprint, April 1991), pp 52.

24 Hansard 23 April 1986, col 328.

25 Hansard 18 May 1989, col 546.

26 Hansard 23 February 1989, col 1239.