

CHAPTER 5

THE THREE GREAT CIRCLES: BRITAIN, THE EUROPEAN UNION AND THE WORLD ORDER

INTRODUCTION

Borrowing Winston Churchill's notion of the 'three great circles' (Reynolds, 1991, p.202), this chapter explores the post-war interplay between Britain's changing European policy, the evolution of the EU, and the state of world order. The first section introduces the history of European integration. The second section expands the narrative by assessing the foreign policy objectives of the Soviet Union and the US towards the EU during the Cold War and post-Cold War periods. The third section refocuses the thesis to look at the particular relationship between Britain and the EU. The purpose of this chapter is threefold. First, it provides the wider context, essential to any explanation of the British Left's European policies. Second, it describes some of the main events, actors and structures of the post-war period, key points of reference in the debate on the British Left about European integration. Third, revealing the major themes facilitates the conceptualisation of the dominant historical structures of this period. Taken together, these narratives provide an important historical account, albeit a partial one. However, this history is contested, with different scholars emphasising certain explanatory events, actors and structures over others. Consequently this chapter draws upon the historical record, specifically official and/or previously classified documents, rather than partisan accounts. Such work includes Shoup and Minter (1980), Kent (1989), Brivati and Jones (1993), Bell (1995), Curtis (1995, 1998, 2003, 2004), Greenwood (1996), Lundestad (1998), Young (1998), O'Neill (2000), Milward (2002), Booker and North (2003), and Daddow (2003).

5.1 THE HISTORY OF EUROPEAN INTEGRATION

The idea and practice of European integration predates the present-day EU. Ideas include Friedrich List's customs union (1841), Leon Trotsky's United Socialist States of Europe (1915), Friedrich Naumann's European confederation (1917), Richard Coudenhove-Karlegi's Pan-European Union (1923) and Aristide Briand's European federal union (1929). Practical attempts include the creation of a European common market through a network of tariff reducing treaties between 1860 and 1892, the Latin Monetary Union of 1865 to 1925 and the Scandinavian monetary union of 1873 to 1924. The critical point is that most of these ideas and practical attempts at European integration were intergovernmental in nature.

By contrast, the present-day EU is based on five sources of inspiration, all largely supranational in character. First, the 1919 plan devised by Louis Loucheur to integrate the coal and steel industries of France and Germany under a supranational higher authority. Second, the 1925 International Steel Agreement. Third, Arthur Salter's 1931 design for a United States of Europe with a secretariat, council of ministers, assembly and court. Fourth, the 1941 federalist manifesto produced by Altiero Spinelli, and fifth, the 1942 Nazi plans for some form of European economic community. However, the principal architect of the EU was Jean Monnet, director of the French *Commissariat du Plan*, who, working behind the scenes, put some of these ideas into practice. Monnet's preferred strategy for the integration of Europe, which later became known as the 'Monnet method' or 'Community method', was based on two principles. First, safeguarding the political autonomy of the supranational European Commission. Second, encouraging the process of 'spillover', whereby economic integration in one sector would increase pressure for further integration, in that sector and others, so that political integration would follow economic integration.

The First Attempt: The 1948 European Recovery Plan

Europe's response to the ERP was the formation of the Committee for European Economic Co-operation (CEEC) by 16 countries, including Britain, in July 1947. Chaired by British civil servant, Sir Oliver Franks, with Monnet as vice-chair, the CEEC requested \$19 billion in aid from the US. The Organisation for European Economic Co-operation (OEEC) was established in April 1948 to administer the aid, with Belgian Prime Minister Paul-Henri Spaak as its director-general. In the debate over the structure of the OEEC, Monnet and the French government advocated the creation of a supranational executive council with a permanent secretariat. However, Britain and other member states opposed this, leaving the OEEC controlled by the intergovernmental Council of Ministers. The first attempt to institutionalise the Monnet method had failed.

The Second Attempt: The 1949 Council of Europe

The Congress of Europe, held in May 1948, proposed the creation of a Council of Europe to devise a strategy for the integration of Europe. Its 'Message to Europeans' advocated 'a united Europe, throughout whose area the free movement of persons, ideas and goods is restored' (quoted in Bainbridge, 2002, p.84). However, division between supporters of federalism and advocates of intergovernmentalism was settled decisively in favour of the latter, and the Council of Europe was established on an intergovernmental basis in May 1949. The second attempt to institutionalise the Monnet method had failed.

The Third Attempt: The 1951 European Coal and Steel Community

Reflecting on his failures, Monnet (1978: pp.273-274) lamented that neither the OEEC nor the Council of Europe could 'ever give concrete expression to European unity' and that a 'start would have to be made by doing something more practical and more ambitious.' Opposition to the International Ruhr Authority, and the concomitant pressure on the French to devise an alternative solution to the 'Ruhr problem', presented Monnet with the ideal opportunity. Monnet prepared a memorandum for French Foreign Minister Robert Schuman recommending the integration of the French and German coal and steel industries under supranational control. Schuman adopted the idea, seeing it as a potential lock on Germany's war machine whilst providing the means for the reconstruction of the French economy.

The Schuman Plan of May 1950 proposed that the 'Franco-German production of coal and steel as a whole be placed under a common High Authority, within the framework of an organisation open to the participation of the other countries of Europe.' Such an arrangement would 'provide for the setting up of common foundations for economic development, as a first step in the federation of Europe' (quoted in Booker and North, 2003, p.50). The French made the acceptance in principle of a High Authority a condition of participating in the negotiations, which was unacceptable to the British. Nevertheless in April 1951, Belgium, France, Italy, Luxembourg, the Netherlands and West Germany, hereafter known as the Six, signed the Paris Treaty establishing the ECSC with its High Authority, Council of Ministers, Common Assembly and Court of Justice. As the High Authority's first president, Monnet told the delegates at the first session of the Common Assembly that they were taking part in 'the first government of Europe' (Ibid. p.57).

The First Phase: Building the European Union (1952-1957)

In response to the demands for German rearmament, and working closely with French Prime Minister Rene Pleven, Monnet advocated the creation of the EDC to complement the ECSC. Negotiations following the publication of the Pleven Plan in October 1950 culminated in the Six signing the EDC Treaty in May 1952. During these negotiations, Spaak recommended the creation of a European Political Community to incorporate the ECSC and EDC. The proposal was accepted and the subsequent draft treaty pledged to establish 'a European Community of a supranational character' (quoted in Bainbridge, 2002, p.259). The Six formally adopted the draft treaty in March 1953. However, the following year the French National Assembly voted against the EDC and European Political Community proposals. Monnet revised his tactics and prepared another memorandum for Spaak, this time advocating the integration of Europe's energy and transport sectors.

In June 1955 the Six plus Britain gathered at the Messina Conference to discuss the Spaak proposal and the Dutch plan for a European common market. Conference delegates agreed to establish a committee, with Spaak as chair, to consider these proposals in more detail. The subsequent Spaak Committee report, published in May 1956, recommended the creation of a common market, co-operation in the areas of energy, nuclear energy, transport and telecommunications, and an ECSC-type institutional structure. There were significant divisions within the Six about these proposals, and British opposition to the whole enterprise. However, concerted lobbying by Monnet's Action Committee for the United States of Europe (ACUSE), and several interventions by the US, enabled Spaak to outmanoeuvre the British. The Spaak Committee report formed the basis of the protracted intergovernmental negotiations that culminated in the Treaty of Rome and the EAEC Treaty, signed in March 1957. The preamble to these treaties pledged member states 'to lay the foundations of an ever-closer union among the peoples of Europe' (Ibid. p.84). These treaties established the European Commission, Council of Ministers, Court of Justice and an Assembly composed of delegates from national parliaments.

The Second Phase: Intergovernmental Alternatives (1959-1966)

The first intergovernmental challenge to the EU was the creation of the EFTA. Britain had proposed a free trade area for industrial products at the Messina Conference, as both a response and an alternative to the supranational ambitions of the Six. In November 1959, Austria, Britain, Denmark, Norway, Portugal, Sweden and Switzerland, hereafter known as the Seven, ratified the Stockholm Convention establishing the EFTA.

The second intergovernmental challenge followed the December 1958 election of French President Charles de Gaulle, who favoured shifting the balance of power within the EU in an intergovernmental direction. The plan produced by French minister Christian Fouchet in November 1961 advocated the creation of a union of states, which would co-exist with the EU whilst securing its independence from the US. However, many of its recommendations were deemed unacceptable to other member states. In January 1963, in an attempt to both lock in Germany and steer the European project, de Gaulle signed the Franco-German Treaty of Friendship and Reconciliation. This established biannual Franco-German summits and joint ministerial councils, effectively institutionalising the Franco-German axis, widely accepted as the motor of European integration. A further attempt by de Gaulle to curtail the supranationalism of the EU was the 1965 'empty chair crisis'. The crisis was resolved by the 'Luxembourg compromise' of January 1966 which created a national veto within the Council of Ministers.

The Third Phase: Completion, Deepening and Enlargement (1969-1979)

Having withstood the intergovernmental challenges of the previous decade, the 1970s witnessed the revival of the EU project and the third phase of its development. At the Hague Summit in December 1969, French President Georges Pompidou called for the completion, deepening and enlargement of the EU. In terms of completion, in April 1970 member states agreed to finance the CAP by providing the EU with its 'own resources', whilst sanctioning some limited budgetary powers for the European Assembly.

In terms of deepening, in October 1970 member states adopted the recommendation of the Davignon Report, to institute a system of EPC, proceeding on an intergovernmental basis through biannual meetings of EU foreign ministers. The idea of co-ordinating policy-making was extended to other areas. The Hague Summit declared that EMU should be a long-term objective of the EU, and a working group was established to consider its implementation. The Werner Plan of October 1970 set out a seven-stage process for EMU based on economic convergence and institutional reform, starting with the creation of an exchange rate management system. Initial attempts to establish such a system were undermined by exchange rate instability and the objective of EMU was postponed in 1974. However, the plan was revived in July 1978 when a new system of monetary co-ordination, the ERM, was agreed.

Building on the success of the first, Pompidou convened another summit in October 1972 to consider the future direction of the EU. The Paris Summit pledged to transform the European Assembly of national delegates into a directly elected European Parliament by 1979, and agreed to hold regular summits of the heads of state and government, plus the European Commission President, henceforth known as European Councils.

Pompidou also agreed to the lifting of the French veto on British entry, opening the way for the first enlargement of the EU. The French referendum on enlargement in April 1972 produced a 61 per cent vote in favour. Referenda were subsequently held in three of the four applicant states, with the British preferring parliamentary ratification. Following Norway's vote against entry in September 1972, Britain, Denmark and Ireland joined in January 1973. This period also witnessed the publication of two important reports. The Tindemans Report of January 1976 set out the steps deemed necessary to achieve a more integrated EU. It recommended the extension of EU competence into new policy areas, the introduction of the concept of subsidiarity and the creation of a 'two-speed' EU to accommodate differential rates of integration. The MacDougall Report of April 1977 studied the state of member states' public finances and how the EU budget could be utilised to ameliorate regional inequalities through intra-EU redistribution.

The Fourth Phase: Socialist Challenges (1981-1982)

Exchange rate instability, global recession and declining international competitiveness all contributed to a state of malaise in EU politics in the 1970s. The election of Mitterand and the French Socialists' reflationary programme in May 1981 was one response to this malaise. Halimi et al. (1994, p.101) observed that 'before it took office, the French Left had assessed the pitfalls of a policy of reflation. And to avoid them, it had, either implicitly or explicitly, accepted the need to consider trade protection and currency devaluation.' However, devaluation and protectionism were at odds with both the Treaty of Rome and ERM membership. By defending its *franc fort* policy of shadowing the deutchsmark within the ERM, the Socialists' room for manoeuvre was severely curtailed and by 1982 the 'Mitterand experiment' had collapsed. Faced with the choice between pursuing its programme and maintaining its European policy, the French Left chose the latter.

From a broader perspective, the full implementation of Mitterand's programme, and other socialist programmes such as the British Left's AES, may have precipitated conflict with the EU. One of the possible outcomes may have been the renegotiation of member states' terms of membership and a new intergovernmental direction for the EU. Indeed, this was anticipated by the 'Out of Crisis' project, sponsored by key members of the Mitterand administration and co-ordinated by British Labour MP Stuart Holland, in which many of Europe's left-wing politicians and trade unionists participated.

Greenland, as part of Denmark, joined the EU in January 1973. However, three years later the country was granted home rule. A referendum in February 1982 led to a vote against continued membership and in July 1986 Greenland became the first country to leave the EU, thereby setting a precedent for any country to leave in the future.

The Fifth Phase: The Single Market (1985-1987)

The second response to the state of malaise in European politics was the revival of the EU project. Following the Messina Conference and the Hague Summit, the third attempt to reinvigorate the integration process was arguably the most determined and successful. The main achievement of the fifth phase of European integration was the Single Market. In June 1985, the European Council adopted the European Commission's White Paper that contained a detailed programme and timetable for the creation of a single market by 1992. The White Paper produced by Lord Arthur Cockfield, the British-appointed European Commissioner, contained over 300 legislative measures deemed necessary to implement this programme.

The European Council also discussed the recommendations of the reports produced by the Dooge Committee and the Institutional Affairs Committee, chaired by Spinelli. These reports called for a new institutional settlement and EU treaty to underpin the Single Market. Several member states wanted to convene an intergovernmental conference (IGC) to consider treaty revisions and institutional reform, whilst others did not. For the first time, the European Council resolved the issue by voting. Britain, Denmark and Greece were outvoted and an IGC was convened in September 1985 to revise the Treaty of Rome.

The stated objectives of the resulting Single European Act (SEA) were to improve EU decision-making, enhance efficiency, liberalise markets and promote cohesion. The SEA officially recognised the European Council, amended the Treaty of Rome and formalised EPC. The main changes to the Treaty of Rome included extending the use of qualified majority voting, introducing a new co-operation procedure to strengthen the role of the European Parliament in the legislative process, and new treaty articles on cohesion, environmental policy, and research and development. Following referendum votes in favour in Denmark and Ireland, the SEA came into effect in July 1987. The 1980s also witnessed two further expansions of the EU. Greece became a member in January 1981, followed by Portugal and Spain in January 1986.

The Sixth Phase: Economic and Monetary Union (1990-1999)

The sixth phase of European integration generated another round of deepening and enlargement, culminating in the launch of the European single currency. In June 1989 the European Council accepted the three-stage plan for EMU contained in the Delors Report, and agreed to hold an IGC on EMU. Responding to widespread unease about the prospect of German reunification, European Commission President Jacques Delors called for European Political Union (EPU) to assuage these concerns. The 1990-1991 IGCs on EMU and EPU elicited major disagreements over several areas, both within and between member states and EU institutions. Luxembourg's draft treaty attempted to overcome these divisions, proposing that the EU should adopt a 'temple with pillars' structure, rather than a unitary institutional structure, whereby all policy areas would come under a single treaty. Three 'pillars' would underpin the policy areas of the EU, termed the 'temple'. The first supranational pillar would revise the Treaty of Rome to include EMU, whilst the second and third pillars, the CFSP and JHA, would proceed on an intergovernmental basis. The draft treaty became the basis for the Maastricht Treaty, agreed in December 1991.

The Maastricht Treaty officially renamed the ECSC, the EEC and the EAEC as the EC, which, together with the CFSP and JHA pillars, constitute the EU. It set out the stages of EMU, detailed the new co-decision procedure, augmented the powers of the European Parliament, granted the European Court of Justice the power to fine member states, defined the principle of subsidiarity, created citizenship of the EU and extended EU competence into new policy areas. It also set out the statutes of the ECB, the excessive deficit procedure and the protocol establishing the Cohesion Fund. It was originally envisaged that the Maastricht Treaty would include a social chapter. However, Britain refused to accept it, leading the other 11 member states to adopt a separate Social Charter. Britain negotiated an opt-out from Stage III of EMU, whilst Sweden, constitutionally requiring a referendum before the adoption of any new currency, could not participate in EMU.

Stage I of EMU began in July 1990 and involved EMS entry, the abolition of exchange controls and adherence to the MCC. Stage II began in January 1994 and saw the creation of the European Monetary Institute and a network of central banks, independent of governments. Stage II also included the agreement that, by the end of 1996, the European Council would decide by qualified majority voting whether a majority of countries had satisfied the MCC and so could proceed to Stage III. This stage began in January 1999 with the launch of the ECB, given the sole objective of achieving price stability, and culminated in the launch of the single currency, known as the euro. In an effort to satisfy the MCC, several aspirant members engaged in creative accounting to improve their short-term fiscal position. Through such measures, all member states, bar Greece, met the criteria and the euro was launched as planned as a virtual currency in January 1999.

The ratification process for the Maastricht Treaty was problematic. The French and Irish referenda in 1992 produced votes in favour, although the French result was very close, prompting British Prime Minister John Major (1999) to allege that it had been rigged. The initial Danish referendum produced a vote against. However, following the negotiation of an opt-out from Stage III of EMU, the second referendum in May 1993 generated a vote in favour and the Maastricht Treaty came into force in November 1993.

The European Commission, acknowledging the difficulties of ratification, developed new economic and social policies in an attempt to counter the unpopularity of the EU. The *Growth, Competitiveness and Employment* White Paper of December 1993 established the target of creating 15 million new jobs by 2000, whilst the *European Social Policy* White Paper, adopted in December 1994, attempted to define the 'European social model'. Crucially, these documents prioritised international competitiveness rather than Euro-Keynesianism as the key to these aspirations.

In a November 1994 referendum, Norway voted against EU entry for the second time. However, the fourth enlargement occurred in January 1995 when Austria, Finland and Sweden joined the EU.

The 1996-1997 IGC was convened as a requirement of the Maastricht Treaty to address unfinished business. The resulting Amsterdam Treaty simplified the co-decision procedure, capped the number of Members of the European Parliament (MEPs) at 700, strengthened the powers of the European Commission President and introduced suspension as a sanction against member states. It also incorporated CFSP into the Treaty of Rome, transferred the provision for the free movement of persons from the JHA pillar into the supranational first pillar and introduced new rules on flexibility known as 'differentiated integration' or 'variable geometry'. However, the treaty failed to address the system of qualified majority voting, which was postponed to a future IGC. The ratification process for the Amsterdam Treaty was more straightforward. Following votes in favour in the Danish and Irish referenda, the treaty came into force in May 1999.

The austerity associated with the deflationary MCC exacerbated the already high unemployment rates across Europe, prompting member states to implement extensive privatisation programmes and welfare cuts to reduce government deficits and public debt. These measures provoked a series of demonstrations and strikes. Despite the promotion of Euro-Keynesian alternatives by French Prime Minister Lionel Jospin, German Finance Minister Oskar Lafontaine and Our Europe, a think tank established by Delors, the response of the June 1997 European Council was to implement the SGP. The primary objective of the SGP was to safeguard member states' commitment to the MCC. The European Council also established the ERM2 to co-ordinate the eurozone and non-euro currencies.

The 1990s also witnessed the development of EU foreign and military policy. It included trade agreements with the 19-member European Economic Area, the Cotonou Agreement with 77 African, Caribbean and Pacific countries, and the Euro-Mediterranean Partnership which aims to create a 40-member free trade area by 2010. The EU also pledged to create a Rapid Reaction Force, to facilitate military operations independent of NATO.

The Seventh Phase: The European Constitution (2000-)

Conflict within and between member states and EU institutions, over both the nature and direction of the EU project, marks the seventh and most recent phase of European integration. Following the launch of the euro, economic divergence within the eurozone increased. One measure of this was the Interest Rate Convergence Index (IRCI) developed by Chantrey Vellacott (2001). With perfect convergence set at zero, the IRCI for the euro-11

in January 1999 was 62. One year later it was 111. This divergence was compounded by and reflected in the decline of the euro's value *vis-à-vis* the dollar and sterling. These falls, which undermined the expectation that the euro would rival the dollar as a reserve currency, prompted the ECB to intervene in the currency markets in September and October 2000. Nevertheless, a 2001 survey of eurozone citizens found that 52 per cent of those polled were dissatisfied about the euro replacing their national currency (Travis, 2001). The weakness of the euro also contributed to the 53 per cent vote against euro entry in the Danish referendum in September 2000.

The primary focus of the 2000 IGC, culminating in the 2001 Nice Treaty, was the need to reform the decision-making procedures of the EU. The treaty re-weighted the voting system of the Council of Ministers to employ a double majority system, fixed the number of representatives in the European Parliament, set the number of commissioners to one per member state and extended qualified majority voting to 27 new policy areas. It also provided for enhanced co-operation and thus the development of a 'two-speed' EU.

The European Commission, in alliance with several member states, aimed to incorporate the Charter of Fundamental Rights into the treaty. British opposition, however, led to its voluntary adoption outside the treaty framework. As with the Maastricht Treaty, the ratification process for the Nice Treaty was problematic. The first Irish referendum produced a 54 per cent vote against. However, a second Irish referendum in October 2002 delivered a vote in favour and the Nice Treaty came into force in February 2003.

The Lisbon Summit in March 2000 set a new strategic goal for the EU to become 'the most competitive and dynamic knowledge-based economy in the world' (quoted in Booker and North, 2003, p.376) generating 15 million jobs by 2010. The strategy, based on supply-side measures to reform the 'European social model', identified the construction of a single financial market, the full implementation of the Single Market and changes to welfare provision as its key instruments. Several eurozone economies subsequently introduced programmes to reform their health and pension systems, and their labour markets.

January 2001 witnessed the technically successful launch of the euro as an actual currency. The launch was preceded by a €80 million advertising campaign to sell the euro to EU citizens (Miller, 2001). Additionally, substantial changeover costs were borne by each member state. It was widely expected that the introduction of the euro would reduce prices. However, a 2002 UBS Warburg study estimated that the first month of the changeover cost eurozone citizens approximately €3 billion in higher prices (Islam and Keegan, 2002). A European Commission survey in March 2002 found that 67 per cent of citizens felt that retailers had rounded up prices upon conversion to the euro (Barber and Guerrero, 2002),

whilst a second survey in June showed that 69 per cent of people believed that prices had increased (Dombey, 2002). Consequently, a 2002 Forsa Institute survey found that 61 per cent of Germans wanted to replace the euro with the deutschmark (No Campaign, 2002).

Since 2001 the European Commission has reprimanded Britain, France, Germany, Ireland, Italy, the Netherlands and Portugal for breaching the SGP. In response, Britain instituted its 'golden rules' for public finances, Germany imposed a stability pact upon its *Länder* and local authorities, Portugal introduced an austerity package to reduce public spending, whilst Spain enacted a zero deficit law. In September 2002 the European Commission reformed the SGP by extending the deadline for budgets to be balanced, whilst demanding reductions in structural deficits by 0.5 per cent per year. However, in November 2003 the Council of Economics and Finance Ministers suspended the SGP sanctions mechanism, designed to enforce fiscal discipline, against France and Germany, prompting the European Commission to take these countries to the European Court of Justice for failing to uphold treaty obligations.

The Laeken Declaration of December 2001 proposed 'a simpler Union, one that is stronger in the pursuit of its essential objectives and more definitely present in the world' (quoted in Bainbridge, 2002, p.345). The European Council duly established a Convention on the Future of Europe to prepare a constitution for the EU. At its inauguration in February 2002, parallels were drawn with the 1787 Philadelphia Convention that produced the US constitution. Former French President Giscard D'Estaing chaired the 105-member Convention. In February 2003 it produced its draft European constitution and the IGC began. However, disagreement over the voting system of the Council of Ministers, the mutual defence clause, economic, defence and foreign policies, the size of the European Commission, Britain's budget rebate and the status of God in the constitution, proved insurmountable. The 2003 ICG was a failure; however, following further negotiations, a European Constitution was agreed in June 2004. It grants the EU a legal identity, reforms EU decision-making, creates the posts of EU Foreign Minister and President, and extends qualified majority voting to 30 new policy areas.

In June 2003 France and Germany signed the Versailles Declaration to reinvigorate the Franco-German axis. In September a Swedish euro referendum produced a 56 per cent vote against entry, and in December the European Council agreed to the fifth enlargement of the EU. Following a series of referendum votes in favour of entry, Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland and Slovenia joined the EU in May 2004.

The seventh phase of European integration also witnessed the further development of EU foreign and military policy. These included adopting a common policy on Iran, a common policy on weapons of mass destruction and a new security doctrine. The EU undertook police missions in Bosnia and led military operations in the Congo and Macedonia. It initiated free trade negotiations with Mercosur and NAFTA, pursued its neo-liberal agenda through the World Trade Organisation, and agreed to establish a European Armaments Agency and an independent EU military planning unit within NATO.

The main achievements of the current phase include the launch of the euro and the end of the Cold War division of Europe. However, in addition to the disputes described above, the EU faces a number of significant problems. These include conflict over the completion of the Single Market, the size of the EU budget, the reform of the European Commission, CAP, ECB, SGP and EU structural funds, the Franco-German pioneer group proposal, Turkish accession, and the Anglo-US war on Iraq. Nevertheless, the EU has certainly made significant progress over the last fifty years towards a United States of Europe.

5.2 POST-WAR WORLD ORDER AND EUROPEAN INTEGRATION

This section assesses the foreign policy objectives of the Soviet Union and the US towards European integration, thus providing the wider context essential to understanding the post-war development of the EU.

Soviet Foreign Policy and the European Union

The principal objective of Soviet foreign policy during the Cold War was to prevent independent economic and political development within the Soviet sphere of influence, specifically Russia, Eastern Europe and Central Asia, under the pretext of 'defending the revolution'. Until 1947 the Soviet Union supported some form of co-ordinated European recovery plan and was ambivalent about the formation of a European federation. However, the prospect of the US domination of Europe, denounced at the Paris Conference in June 1947, precipitated a major policy reversal. Directed by the Communist Party of the Soviet Union, communist parties in Western Europe adopted a policy of opposition to the ERP and European integration. With the exception of the French, Italian and Spanish parties, which later adopted the more independent trajectory of Eurocommunism whilst seeking to transform the EU from within, most communist parties sustained their opposition to European integration throughout the Cold War period. However, the end of the Cold War precipitated another policy reversal, as Russia sought to re-develop its economic and political links with Western Europe, including the EU.

United States Foreign Policy and the European Union

The US supported European integration throughout the Cold War period. Lundestad (1998) set out five motives behind this support: promoting the US economic and political model, constructing an economically efficient Europe, reducing the US burden of global governance, opposing the Soviet Union and containing Germany. Two additional motives can be identified: overcoming the dollar gap and restraining European socialism.

The Second World War and the Cold War division of Europe severely disrupted the multilateral trading system between Britain and its colonies, Western Europe and its Eastern European hinterland, and the US. This situation, which was compounded by the fact that the US uniquely benefited from the war and was increasingly self-sufficient, precipitated a shortage of dollars in Western Europe, known as the dollar gap. The Council on Foreign Relations (CFR), a prominent private planning group, devised the Grand Area plan to overcome the dollar gap and achieve the wider goal of post-war US hegemony.

From 1939 to 1945 the CFR conducted an extensive series of studies into possible post-war world orders. These recommended that the Western Hemisphere, centred on the US, should unite with another bloc as such an alliance would provide new sources of raw materials and export markets, obviating the need to radically reconstruct the US economy. In the early stages of its planning, the Grand Area was conceived as a non-German bloc including the Western Hemisphere, the Far East and the British Empire. When the Allied victory was imminent, the concept was revised and extended into a global vision centred on Europe, Japan and the US. In this new conception, Europe and Japan had their place in this system as consumers of US goods and services. The South was to serve the needs of these industrial centres: Africa to aid the reconstruction of Europe, Southeast Asia to serve Europe and Japan, and the Americas and Middle East to serve the US (see Shoup and Minter, 1977).

The implementation of the Grand Area plan was the primary objective of post-war US foreign policy, requiring the displacement of Britain as a Great Power to a new and subordinate role. Former US Secretary of State Dean Acheson declared in December 1962 that 'Britain has lost an empire and has not yet found a role.'

The attempt to play a separate power role, that is a role apart from Europe, a role based on a 'special relationship' with the United States, a role based on being the head of a 'commonwealth' which has no political structure, or unity, or strength and enjoys a fragile and precarious economic relationship by means of the sterling area and preferences in the British market, this role is about to be played out (quoted in Evans, 1975, p.123).

Britain's displacement was achieved by diplomatic, economic and parapolitical means. The US acted unilaterally, using the Lend-Lease scheme during the Second World War and conditional loans following the war, plus other measures, to induce a state of British dependence (see Milward, 1984; Newton and Porter, 1988; Newton, 1998; Skidelsky, 2000). The US also acted multilaterally, using the IMF and other means, to undermine British attempts to pursue an independent foreign policy (see Cairncross and Eichengreen, 1983; Institute of Contemporary British History, 1989; Burk and Cairncross, 1992; Harmon, 1997; Ramsay, 1998).

To construct the Grand Area, state planners devised programmes such as the ERP which aimed to boost the US economy, to reconstruct the European economies and thus help to overcome the dollar gap, to export Fordism and Taylorism, and to encourage currency convertibility and multilateralism. The US also promoted European integration with the aim of containing Germany, countering European socialism and ensuring Europe's commitment to liberal capitalism and US designs. However, the implementation of the ERP was far from straightforward. In the US, Congress was reluctant to fund the programme, whilst in Europe it encountered widespread opposition. To counter this hostility, the US initiated a number of covert operations using the newly formed CIA.

The CIA's first major assignment was to assist the ERP through economic, political and psychological operations, and, where necessary, paramilitary activity. The CIA also launched operations to 'roll back' communism in Europe. Despite the Cold War rhetoric, the State Department Policy Planning Staff acknowledged that communism was not at 'the root of the difficulties of Western Europe.' Rather, 'the present crisis results in large part from the disruptive effects of the war on the economic, political and social structure' (State Department, 1947, pp.224-225). Nevertheless, the CIA pursued a large number of covert projects across Western Europe. These included subverting successive Italian elections and funding political parties such as the British Labour Party and German Social Democratic Party, amongst others.

The US ran other covert operations to support European integration. Aldrich (2001) claimed that between 1949 and 1960 the US channelled approximately \$4 million into supporting various federalist activities. Peters (1996) revealed that the European Movement was one of the principal recipients, receiving substantial contributions from both secret US government funds and private sources. These covert operations were complemented by 'Operation Stay Behind', a network of extra-state armies under NATO command, ostensibly to defend Western Europe from the Soviet Union, in reality to prevent the left from coming to power (see Norton-Taylor, 1990; *Open Eye*, 1991; Ganser, 2005).

The US also helped to found and fund the annual Bilderberg Conference, established in May 1954 in response to the rising tide of anti-Americanism across Western Europe. With a membership composed of European and North American elites, such as academics, bankers, industrialists, politicians and trade unionists, its aim was to act as a clearing house for transatlantic relations. In May 1956 a Bilderberg (1956) meeting agreed to support the formation of a European free market and to establish committees in various European countries 'to promote among the public an understanding of the problems involved and to direct publicity in its favour.' George McGhee, the Under-Secretary of State for Political Affairs, confirmed the importance of the Bilderberg Conference, stating that 'the Treaty of Rome, which brought the Common Market into being, was nurtured at these meetings' (quoted in Thompson, 1980, p.170).

Although the US supported European integration, it was opposed to the development of an independent, third force EU. In September 1942 the CFR (1942) warned that a 'united Europe might develop as an autarkic entity with a nationalist economic policy characterised by a high tariff.' In June 1951 the Policy Planning Staff warned that 'Western Europe might emerge as a separate entity of great potential power not allied to us in a dependable fashion' (State Department, 1951, pp.99-100). Such fears prompted the US to encourage Britain to lead the European integration process, viewing its ally as a 'Trojan horse' for US interests in Europe. Britain 'should be applying its talents and resources to the leadership of Western Europe', because it 'would provide the balance in Europe that might tend to check the dangerous tendencies which French nationalism is already producing' (State Department, 1966). For public purposes, Britain was projected as a 'bridge' between the EU and the US. In private, state planners acknowledged that 'the UK will, in own interests, take on at times the role of a Trojan Horse' in the EU, 'but its effectiveness will depend on not appearing to act as a US stooge' (Foreign Office, 1972).

The end of the Cold War precipitated an important shift in US policy. The objective of supporting European integration as a bulwark against Soviet and domestic socialism was replaced by the objective of undermining the EU as a rival economic, political and military bloc. A leaked 1992 Pentagon report recommended that the US should 'discourage advanced industrial nations from challenging our leadership or even aspiring to a larger regional or global role' (Wolfowitz and Libby, 1992). Similarly, the Project for the New American Century (2000) set out a 'blueprint for maintaining global US pre-eminence, precluding the rise of a great rival power, and shaping the international security order in line with American principles and interests.'

The recent period has witnessed the proliferation of conflict between the EU and US over a whole range of issues, including the euro-dollar exchange rate, subsidies and tariffs, genetically modified products, the International Criminal Court, the Kyoto Protocol, the Anglo-US war on Iraq and the structure of world order generally. The shift in US policy was such that, in April 2003, the CFR established a taskforce to assess ‘whether the US needs to re-orient its relationship with Europe’ and ‘whether a close working relationship with Europe remains important to US interests’ (Alden, 2003).

5.3 BRITAIN AND THE EUROPEAN UNION

The European policy of the British State shifted several times over the post-war period. Between 1945 and 1948 it was enthusiastic about European integration. However, between 1949 and 1960 it tried to steer the process towards an intergovernmental direction, in an attempt to contain the supranational ambitions of the Six. Its failure precipitated a process of gradual engagement, including two failed applications to join the EU in August 1961 and May 1967, culminating in Britain’s accession in January 1973. Contrary to expectations, the referendum on continued membership in June 1975 did not settle the issue, leading Britain to be dubbed the ‘awkward partner’ (George, 1990) and Britons, the ‘reluctant Europeans’ (Worcester, 2000). Post-war British policy towards European integration should be situated within the wider context of the post-war world order, with particular reference to the ‘special relationship’ with the US. Consequently, where appropriate, the analysis will be expanded to consider this wider context.

A Restoration of Empire Strategy

The primary objective of state planners following the Second World War was to preserve Britain’s role and status as a ‘great power’. Following a number of studies conducted in 1944, the Foreign Office concluded that, to maintain its ‘great power’ status, Britain should restore its empire after the war. However, Britain’s economic weakness in the early post-war period negated such a strategy. The war cost £7.3 billion, which amounted to one quarter of Britain’s pre-war wealth. Britain had also accumulated £3.3 billion worth of debt (Her Majesty’s Government [HMG], 1945). The *restoration of Empire* strategy was abandoned in favour of an imperial third force policy.

The First Phase: A European Third Force (1945-1948)

The *European third force* policy, pursued by the Foreign Office between 1945 and 1948, envisaged the creation of some form of European entity led by Britain. Three schemes were devised: Anglo-French economic co-ordination, the 'Euro-Africa' plan based on the common exploitation of Europe's colonies, and a European customs union (see Chapter 6.5). However, the policy was abandoned in 1948 in favour of an Anglo-US 'special relationship'.

The Anglo-American 'Special Relationship'

Although Britain was initially resistant to US designs, exploring the possibilities of a restoration of Empire strategy, plus an imperial third force policy, its dependence on the US precipitated the cultivation of a 'special relationship' with the US as an alternative means of preserving British power. The primary objective of British foreign policy since 1948 has been to maintain the 'special relationship' which has guided the actions of successive British governments to the present.

In February 1949 Bevin sanctioned the creation of the Permanent Under-Secretary's Committee, equivalent to the US State Department Policy Planning Staff, to consider long-term questions of foreign policy and to make recommendations. One such report, produced in March 1949, identified the centrality of Anglo-American relations to British policy. 'In the face of implacable Soviet hostility and in view of our economic dependence on the United States, the immediate problem is to define the nature of our relationship with the United States' (Foreign Office, 1949a). Another report produced in March 1949 highlighted the 'importance of our maintaining control of the periphery' around the Soviet Union 'which runs round from Oslo to Tokyo.' It recommended that 'this policy should be concerted with the United States' (Foreign Office, 1949b). In January 1960 the Cabinet Office (1960d) noted that 'our partnership with the United States is an existing source of world power and our status in the world will largely depend on their readiness to treat us as their closest ally.' In September 1964 the Foreign Office (1964) conceded that the 'alliance with the United States is the single most important factor in our foreign policy. The possibility of a hostile United States reaction is as considerable deterrent to our adopting a given policy as the certainty of United States support is an encouragement.'

Critically, the one-sided nature of the 'special relationship', a situation of British dependence rather than Anglo-US partnership, was acknowledged as early as August 1945. Britain was a 'junior partner in an orbit of power predominantly under American aegis' (Foreign Office, 1945d). Likewise, the Foreign Office's 1947 assessment warned that 'too great independence of the United States would be a dangerous luxury', whilst

acknowledging that the US was ‘consciously or unconsciously tending to claim global leadership’ (Foreign Office, 1947c). The stark reality of the ‘special relationship’ was exposed during the September 1949 sterling crisis and the November 1956 Suez crisis. Post-1948, British policy towards European integration was framed within the context of the ‘special relationship’.

The Second Phase: Limited Liability (1949-1955)

In January 1949 an interdepartmental meeting of Foreign Office, Treasury, and other officials outlined the essential characteristics of the *limited liability* policy, which operated between 1949 and 1955:

Our policy should be to assist Europe to recover as far as we can. But the concept must be one of limited liability. In no circumstances must we assist them beyond the point at which the assistance leaves us too weak to be a worthwhile ally for the US if Europe collapses, i.e. beyond the point at which our own viability was impaired. Nor can we embark upon measures of “co-operation” which surrender our sovereignty and which lead us down paths along which there is no return (quoted in Clarke, 1982, p.209).

The results of this policy include the Labour’s rejection of the Schuman Plan, and the Conservatives’ opposition to the EDC and EPC in favour of the Eden Plan, plus its attempts to wreck the June 1955 Messina Conference. The Eden Plan, published in February 1952, advocated the reform of the Council of Europe to incorporate the Schuman Plan and the EDC. It aimed to provide an alternative to the ‘small group of states which are moving towards political federation by the progressive establishment of organisations exercising supranational powers’ (Cabinet Office, 1952). Although the plan was rejected, such efforts led Spaak (1971, p.225) to conclude that ‘we must do without Britain’s support if we are to make any headway.’ Spaak agreed with Monnet that they should ‘create a united Europe and Britain will join.’

The post-Messina period was problematic for the British. In November 1955 the Foreign Office (1955) declared that Britain was not

against special groupings of OEEC member countries for functional purposes. But we shall remain a bit sceptical and suspicious of the Monnets of the European world who, having failed so far in their special political objectives, are now using the slogan of ‘economic integration’ as their stalking horse.

Before Messina, Treasury economists who had been studying the customs union proposal for several years repeated their work, concluding that its benefits would exceed any loss of Commonwealth markets. The Foreign Office disagreed, warning that a common market would be 'a discriminatory bloc most unwelcome to us' (Ibid.). However, the Cabinet Mutual Aid Committee assessment in October 1955 ruled it out on the grounds that it would 'increase the relative importance of our trade with Europe and reduce our economic links with the Commonwealth.' This would have 'a profound effect on the readiness of other Commonwealth countries to co-operate with us in the Sterling Area' and would 'damage the Imperial Preference system.' Furthermore, 'once we became members of a common market, we should be subject to strong political pressures to extend the 'harmonisation' of our policies with those of other members beyond the field of tariffs into other fields both of internal and external policy' (Cabinet Office, 1955).

Although the Six had invited Britain to join the Spaak Committee without preconditions, in November 1955 the Cabinet decided to withdraw. Nevertheless by April 1956 it was clear that the limited liability policy was redundant. The Foreign Office (1956) declared that 'if a proposal for a common market of the 'Six' came into being' it would be so 'dangerous to our economic interests that we should have to make special arrangements with it, even at the expense of our interests elsewhere.'

The Third Phase: Partial Engagement (1956-1959)

The 1956 Suez crisis precipitated a shift in policy, to one of *partial engagement*, as Britain attempted to re-capture the leadership of Europe. One manifestation was the plan for a free trade area in manufactured goods, presented to the Cabinet by Harold Macmillan in September 1956. 'Plan G' was one of the seven options devised by the Treasury in anticipation of Messina. It envisaged the creation of a 17-member Free Trade Area (FTA), in which the Six would constitute the core of a wider membership. In an attempt to reinstate the intergovernmental principle, and thus supplant the Six, the British recommended the integration of the FTA within the OEEC. However, France and the US rejected the FTA proposal. George Ball (1968, p.79), Under-Secretary of State for Economic Affairs, set out why the US supported British entry.

If Britain is now prepared to recognise that the Rome Treaty is not a static document but a process that could eventually lead to an evolving European Community, something in the nature of a European federation, and if Britain can make the great national decision to join Europe on these terms, I am confident that my government will regard this as a major contribution to Western solidarity and the stability of the free world.

Following the rejection of the FTA proposal in November 1956, Britain opted for the smaller EFTA, whilst Macmillan (1959) decided to turn his attention to 'how to live with the Common Market economically, and turn its political effects into harmless channels for us.' However, Sir Roderick Barclay (1960), head of the British delegation to the European Commission, warned that the aim of the EU 'was not merely harmonisation but the unification of policies in every field of the economic union, economic policy, social policy, commercial policy, tariff policy and fiscal policy.'

The Fourth Phase: Near Identification and the First Application (1960-1963)

During the early 1960s a new generation of pro-EU officials joined the civil service, displacing those loyal to the Commonwealth. This precipitated the development of a new pro-entry orthodoxy within the Foreign Office and the Treasury, a process assisted by the transfer of Sir Frank Lee to the Treasury in January 1960. As noted by Bell (1995, p.i), the shift 'amounted to a revolution in political thought; in a short period at the beginning of the sixties entry to the EU was turned from an impossibility into an imperative.' The rationale behind this new orthodoxy was identified by Evans (1975, pp.81-82): the Foreign Office began to see the EU as 'an empire on our doorstep', whilst the Treasury believed that 'if Britain could acquire an expanded home market, then industrial revival would follow.'

In March 1960 an interdepartmental committee of senior civil servants, chaired by Lee, was established to review Britain's European policy. The Lee memorandum, published in May, argued that negotiating entry would involve 'difficult and unpalatable decisions', including some surrender of sovereignty (Cabinet Office, 1960a). It recommended a policy of *near identification*, that is, accepting many of its obligations without formal membership. Macmillan subsequently stated that the 'policies of "near identification" and of joining the Common Market were so similar that one might well lead to the other, and if we were prepared to accept near identification, it might be preferable to contemplate full membership' (Cabinet Office, 1960b).

In June 1960 Macmillan circulated a memorandum to officials, asking them to answer 23 questions. The subsequent report, discussed by a Cabinet committee, stated that

We cannot join the Common Market on the cheap. First we must accept that there will have to be a political content in our action – we must show ourselves prepared to join with the Six in their institutional arrangements and in any development towards closer political integration. Without this we cannot achieve our foreign policy aims. Secondly, there must be a real intention to have a "common market", in general we must accept the common tariff (Cabinet Office, 1960c).

The memorandum also considered the issue of timing, recommending a delay of between 12 and 18 months, rather than an immediate application.

The Cabinet discussed the Lee memorandum, plus the answers to the 23 questions, in July 1960. However, it was apparent that it was divided on the benefits and costs of entry. Two weeks later, Macmillan restructured the Cabinet in favour of pro-EU ministers. Looking back on this period, Young (1998, p.123) noted that no ministerial paper was put to the Cabinet, making this 'an officials' operation'. In other words, Macmillan's new European policy, in effect a decision to join the EU, was made by civil servants. Denman (1996, p.211) charged that 'it must be the only occasion in British history when a memorandum by an official was largely responsible for a momentous change in British foreign policy.'

In March 1961 George Ball re-emphasised US support for British entry. In a meeting with Heath and Lee, Ball stated that 'the United States deeply regretted that the United Kingdom had not yet felt able to accept the Rome Treaty commitments. British membership of the Community would represent a contribution of great importance to the cohesion of the Free World' (Foreign Office, 1961).

Between April and July 1961 several Cabinet committee meetings discussed the implications of entry. The Cabinet considered several papers that had been produced by a number of officials. The Lord Chancellor assessed the legal implications, warning that

(a) Parliament would be required to surrender some of its functions to the organs of the Community. (b) The Crown would be called on to transfer part of its treaty-making power to those organs. (c) Our courts of law would sacrifice some degree of independence by becoming subordinate in certain respects to the European Court of Justice. In the long run, we shall have to decide whether the economic factors require us to make some sacrifices of sovereignty. My concern is to ensure that we should see exactly what it is that we are being called on to sacrifice, and how serious our loss would be (Foreign Office, 1960).

Other officials acknowledged the loss of sovereignty, stating that
In the past, the loss of national sovereignty has been the most potent argument against British participation in supranational institutions. It was to a large extent responsible for our decision, in 1950, not to join the ECSC and, in 1955, to withdraw from the discussions which led eventually to the drafting of the Treaty of Rome. Although the Treaty of Rome does not express this explicitly, it has underlying political objectives, which are to be brought about by a gradual surrender of sovereignty (Cabinet Office, 1961).

Officials also conceded the risks involved in qualified majority voting. By signing the Treaty of Rome, Britain ‘would be committing itself to a range of indefinite obligations over a wide field of action within the economic and social sphere.’ Officials warned that these ‘might subsequently be translated into specific obligations by means of a decision, regulation or directive adopted by the Council with which we would not necessarily agree’ (Ibid.). However, these assessments, and that of Kilmuir, were never placed in the public domain.

In June and July of 1961 Macmillan consulted with the Commonwealth about British entry. In July the Cabinet agreed to open negotiations with the Six. Macmillan announced his decision to Parliament on the 31st July, giving an undertaking that he would consult parliament before entering into any agreement. However, he refused to publish a White Paper. Furthermore, as noted by Bell (1995, p.72), paraphrasing Camps (1964), once the House of Commons ‘had approved the government’s motion it would be extremely difficult for it to oppose entry unless the terms were clearly unsatisfactory. By the use of the argument that they were seeking approval only for the terms, the government got the House onto the narrow technical ground.’ On the 9th August Macmillan formally submitted Britain’s first application to join the EU and the negotiations opened in October.

The First National Pro-EU Propaganda Campaign (1962-1963)

While the negotiations were proceeding, Macmillan turned his attention to preparing public opinion for entry. Public support for European integration stood at 78 per cent in 1954. However, by 1962, it had fallen to 47 per cent (see Table 1).

Table 1: Public Support for European Integration (1952-1962)

Q. Are you in general for or against making efforts towards uniting Western Europe?

	For very much	Against to some extent	No reply
	%	%	%
1952	58	15	27
1954	78	4	18
1955	67	10	23
1956	65	16	19
1957	64	12	24
1962	47	22	23

Source: United States Information Agency in European Commission, 1995

There was a significant decline in public support for entry whilst negotiations were proceeding. A Gallup poll in October 1961 found that 48 per cent supported entry. However, by June 1962 support had fallen to 36 per cent (see Table 2).

Table 2: Public Support for Entry to the European Union (1960-1963)

Q. If the British Government was to decide that Britain's interest would best be served by joining the European Common Market, would you approve or disapprove?

	Approve	Disapprove	Don't know
	%	%	%
Jul 1960	49	13	38
Jun 1960	44	20	36
Jul 1961	40	24	36
Aug 1961	49	19	32
Sep 1961	51	18	31
Oct 1961	48	18	34
Nov 1961	52	19	29
Dec 1961	53	19	28
Jan 1962	47	22	31
Mar 1962	49	23	28
Apr 1962	47	27	26
May 1962	47	21	32
Jun 1962	36	30	34
Jul 1962	42	25	33
Aug 1962	40	34	26
Sep 1962	46	30	24
Oct 1962	58	22	20
Nov 1962	50	23	27
Dec 1962	37	29	34
Jan 1963	41	30	29

Source: Gallup, 1968, pp.49-50

In July 1962 the Cabinet agreed that it 'would be necessary for the government to undertake as soon as practicable a campaign to present membership of the Common Market in a fairer light' (Cabinet Office, 1962a). In September the Cabinet decided that 'public opinion was getting dangerously sceptical and needed correction' (Cabinet Office, 1962b). To counter public scepticism, the Conservatives enlisted the services of Lee, who set about devising a propaganda campaign to sell the concept of entry. As noted by Kitsch (1964, p.163),

At the Treasury, Sir Frank Lee held the national purse strings. He controlled public expenditure. He was at the nerve centre of Britain's communications; in an exceptional position to orchestrate and manipulate the entire complex of Britain's government and civil service communications system with the machinery of private enterprise. The situation was unique. It was the first observable example of the entire machinery of Britain's public and private communications system being co-ordinated and geared for a single objective.

That objective was joining the EU. Kitsch revealed that ‘the planning and co-ordination of the exercise had been intensively organised during the final twelve months of the negotiations’ (Ibid.) The Conservatives subsequently launched Britain’s first national pro-EU propaganda campaign.

For Macmillan, facing the difficulty of projecting one intention to EU member states and another to its domestic and Commonwealth constituencies, the issue of presentation was critical. For the domestic audience, the Conservatives highlighted the economic benefits of entry whilst minimising its political consequences. The campaign included the publication of a government booklet and another produced by the Central Office of Information, plus the widespread distribution of leaflets and ‘fact-sheets’ to the business sector, the media, politicians, trade unions and the general public.

Macmillan’s campaign was augmented by a number of others. They included campaigns by the Conservative, Labour and Liberal parties, the Federal Union, the United Europe Association, the business sector, and by the EU itself. Furthermore, Foreign Office officials were instrumental in establishing the cross-party Common Market Campaign. Although no official record of the first pro-EU propaganda campaign exists, making it difficult to assess its cost, Kitsch estimated that millions of pounds had been spent (Ibid.). The campaign’s aim was to swing the business sector, the media, political parties, trade unions and ultimately the general public behind entry. It appears to have been a success. A Gallup poll in February 1963 found that 42 per cent felt supported entry. By March 1965 support had increased to 57 per cent. Although de Gaulle vetoed Britain’s first application in January 1963, the downward trend in public support was reversed (see Table 3).

Table 3: Public Support for Entry to the European Union (1963-1965)

Q. If any opportunity occurs for Britain to join the Common Market, would you like to see us try or drop the idea altogether?

	Try to join	Drop the idea	Don’t know
	%	%	%
Feb 1963	42	37	21
Jun 1963	46	25	29
Sep 1963	46	36	18
Nov 1963	49	32	19
Dec 1963	42	34	24
Jan 1964	36	40	24
Feb 1964	42	33	25
Jul 1964	41	37	22
Nov 1964	44	28	28
Jan 1965	48	30	22
Feb 1965	53	25	22
Mar 1965	57	22	21

Source: Gallup, 1968, p.233

The Fifth Phase: The Second Application (1964-1967)

Following Labour's 1964 General Election victory, Harold Wilson reaffirmed the party's five conditions for entry: safeguarding Britain's trade with the Commonwealth, its freedom to pursue an independent foreign policy, its obligations to the EFTA, its ability to plan the economy and its commitment to British agriculture. However, under the influence of pro-EU civil servants, Wilson began to shift in favour of entry. In April 1965 Michael Palliser from the Foreign Office (1965) announced that Labour was conducting a 'genuine reappraisal' of its European policy and warned that 'any continuing insistence on the five conditions will seriously hamper' Labour's 'efforts in this direction.' Shore (2000, p.71) charged that Palliser, then Private Secretary to the Prime Minister, 'ensured that no Eurosceptic argument or critique put to Wilson went unchallenged.' Whitehall's campaign to sideline the conditions also included Sir Con O'Neill's paper, 'How to get into the Common Market', circulated in August 1966. The paper concluded that 'though the consequences of early entry' may seem 'economically bleak, the long-term economic consequences of continuing on our present relatively independent course look much bleaker; and as time passes, the difficulty and price of entering the Community will both grow greater' (Foreign Office, 1966).

By the spring of 1967 Wilson was determined to join and, together with Foreign Secretary George Brown, embarked on an official tour of the European capitals to sound out opinion. At the end of April the Cabinet voted 13-8 in favour of reopening negotiations with the Six, with a view to joining the EU. When the decision was put to the House of Commons in May, three-line whips were imposed on both Conservative and Labour MPs. The decision was carried by 488 votes to 62, with 35 Labour MPs voting against. Britain's second application to join the EU was formally submitted on the 10th May 1967, only to be vetoed by de Gaulle in November. Nevertheless, Shore (1993, 2000) revealed that a Cabinet sub-committee of pro-EU ministers was established in 1969 to prepare positions and papers for a third application. However, the full Cabinet was not informed of this.

The Sixth Phase: Accession (1970-1972)

The primary objective of the Conservatives, following their 1970 General Election victory, was to secure entry. Heath (1998, p.724) expressed his 'belief in the general benefit for Europe, as well as for Britain, of our being a full, and full-hearted, member.' To achieve this, Heath established the European Secretariat in the Cabinet Office and the third leg of Britain's negotiations began. Heath inherited Labour's negotiating team and proceeded on that basis between July 1970 and January 1972.

O'Neill (2000), who led the negotiations, claimed that there was no discontinuity between the third application and those submitted by previous governments. However, there was one aspect of discontinuity: the direction and responsibility for the negotiations was transferred from the Foreign Office to the Cabinet Office, in order to facilitate direct executive control.

The Conservatives' White Paper, stressing the economic and political benefits of entry, was published on the 7th July 1971. It conceded that food prices would rise and that Britain's contribution to the EU budget may become a burden, unless the CAP was reformed. However, it neglected to mention EMU, even though the Six had already pledged to create a single currency by 1980. The White Paper also dismissed the notion that entry would undermine national sovereignty. 'What is proposed' it claimed, 'is a sharing and an enlargement of individual national sovereignties in the general interest' (HMG, 1971).

O'Neill (2000, p.355) declared that Britain's priority was 'to get into the Community, and thereby restore our position at the centre of European affairs which, since 1958, we had lost.' However, he acknowledged that post-war US foreign policy, long supportive of European integration, had shifted to a more sceptical position under President Richard Nixon. The shift was based on the fear that, 'in the long term the EEC may develop into a gigantic trading area which will effectively discriminate against US interests.' O'Neill advised Heath to assuage US concerns by emphasising 'the importance we attach to making progress with the political integration of Europe, including closer defence co-operation alongside the economic development' (Ibid. p.371-372). Looking back on the negotiations, O'Neill conceded that mistakes had been made, specifically the terms relating to fishing and Britain's contributions to the EU Budget. However, he argued that, on balance, the final entry terms constituted a good deal.

Although most sections of Whitehall were in favour of entry, there were a number of sceptical voices. A report by Permanent Secretary Bill Nield estimated that the annual cost of entry would be 'between £100 million and £8-900 million' (Benn, 1989, p.227). Furthermore, the Treasury was officially against entry, submitting a paper to that effect. However, these dissenting voices were sidelined. Meanwhile, in May 1971 following a meeting between Heath and Pompidou, the French President signalled that the veto would be lifted and that a third application would be successful.

The Second National Pro-European Propaganda Campaign (1971-1972)

Heath acknowledged the need to win over the Conservative Parliamentary Party, the Conservative associations, the Parliamentary Labour Party (PLP) and public opinion, if accession was to be accomplished. The fourth task was particularly difficult. Gallup polls throughout 1965, 1966 and the early part of 1967 found a clear majority (ranging from 43 to 71 per cent) in favour of entry (Gallup, 1968, p.246). However, in the late 1960s, public support began to decline and by November 1970 it stood at 16 per cent, with 66 per cent against. In an effort to increase public support for entry, the Conservatives enlisted the assistance of the Information Research Department (IRD). This covert unit, established by Labour in 1948, financed from the Secret Intelligence Services budget with close links to MI6, was judged to be the most effective conduit for Britain's second national pro-EU propaganda campaign. Additional, secret funding for the campaign, provided by the CIA, was channelled through the cross-party Economic League for European Co-operation (ELEC) (Dorril, 2000).

Following extensive survey research commissioned by the European Movement, the Conservatives, together with other pro-EU forces, decided to concentrate upon several themes for the campaign, found to be effective in influencing opinion. These included the notions that entry would deliver higher standards of living, better social welfare, strengthen trade links, safeguard peace and security, and protect Britain's national interest whilst enhancing its global role. The campaign incorporated three stages.

The first stage began in the spring of 1971 when the Conservatives issued 12 'fact-sheets' and distributed 6 million copies of a booklet outlining the benefits of entry. Pro-EU campaigners flooded the press with letters, whilst ministers made 280 speeches on the issue between July and October. Furthermore, a special IRD organisation, the European Unit, was created to work closely with pro-EU forces to rebut the claims of the anti-EU campaign, which enjoyed less funding and fewer resources.

The second stage witnessed the lobbying of Conservative MPs by the parliamentary Conservative Group for Europe and party whips, plus the negotiation of a secret alliance with the 69-strong pro-EU wing of the PLP to ensure a successful House of Commons vote (Jenkins, 1998). Conservative Central Office, the Conservative Research Department and the Conservative Political Centre targeted Conservative associations, through constituency chairs, party agents and officers.

The third stage of the campaign was a national one, aimed at influencing the general public through the media. To this end, Geoffrey Tucker, a public relations expert who had worked for the Conservative Party, organised a series of cross-party breakfast meetings of between 20 and 30 people at London's Connaught Hotel. Business leaders, civil servants, media representatives and politicians attended these IRD-funded meetings. Furthermore, Geoffrey Rippon and Crispin Tickell, from the British negotiating team, reportedly attended some of these meetings (British Management Data Foundation, 2000). Radio and television media were particularly targeted, including such programmes as News at Ten, Panorama, Today, 24 Hours, Women's Hour and World at One. The national campaign was augmented by specific ones organised by the Conservative Party for Europe, the Labour Party for Europe, the Liberal Party for Europe and the European Movement, co-ordinated by a government committee.

The European Movement campaign involved the recruitment of over 200 speakers, who addressed over 1000 public meetings, the publication of over 10 million leaflets and the distribution of the *British European* newsletter. It also included major advertising in the British press, billboard advertising, the distribution of prepared articles and letters to local and national newspapers, plus the release of a pop record called 'We've got to get in to get on'. As with the first campaign, no official record of the second campaign exists, making it difficult to estimate its expenditure. However, Wistrich (2001) reported that the European Movement alone spent over £1 million, in stark contrast to the anti-EU campaign, which only spent £50,000 (Evans, 1975). In terms of countering public opposition, the second national pro-EU propaganda campaign also seems to have been a success; support for entry increased, and was sustained, during the 1970-72 period (see Tables 4 and 5).

Table 4: Public Support for Entry to the European Union (1970-1971)

Q. Do you approve or disapprove of the Government applying for membership of the European Common Market?

	Approve	Disapprove	Don't know
	%	%	%
Feb 1970	22	57	21
Apr 1970	19	59	22
Jul 1970	24	55	21
Sep 1970	21	56	23
Oct 1970	22	56	22
Nov 1970	16	66	18
Jan 1971	22	58	20
Mar 1971	19	60	22
Apr 1971	22	60	19
May 1971	23	59	18
Jun 1971	27	58	15

Source: Gallup in Zakheim, 1973, p.192

Table 5: Public Support for Entry to the European Union (1971-1972)

Q. On the facts as you know them at present, are you for or against Britain joining the Common Market?

	For	Against	Don't know
	%	%	%
Jul 1971	25	57	18
Aug 1971	39	43	17
Sep 1971	35	47	18
Oct 1971	32	51	17
Dec 1971	38	47	16
Feb 1972	42	41	17
Apr 1972	43	43	14
May 1972	41	45	14

Source: Gallup in Zakheim, 1973, p.192

Following the successful conclusion of the negotiations, and with public opinion moving in the required direction, the Conservatives decided to act. The House of Commons debated a motion in favour of entry in October 1971. As a result of the 69 Labour MPs defying the party whip and voting with the Conservatives, the motion was carried in the final division on the 28th October: 356 MPs voted for entry with 244 against. In January 1972 the Conservatives signed the Treaty of Accession and published the European Communities Bill. There were 104 votes during the Bill's passage, and although government majorities fell to single figures several times, not one vote was lost. Using the guillotine measure to expedite its passage, the Bill was passed on the 17th October 1972. Britain joined the EU on the 1st January 1973.

The Seventh Phase: Labour's European Policy (1974-1978)

The hope that Britain's entry would settle the issue of European integration was not realised. The general public was divided on the issue. In January 1973 Gallup found that 38 per cent believed that Britain was right to have joined, whilst 36 per cent believed that it was wrong. As a result of Tony Benn's campaign for a referendum, Wilson went into both general elections in 1974 with the pledge to renegotiate the terms of membership and to put the decision to the British people. Following Labour's election, and in anticipation of a referendum, Wilson created two new cabinet committees, one for European strategy and another for tactics.

During the renegotiations of 1974-1975 Wilson and Foreign Secretary James Callaghan managed to secure some concessions. However, several commentators believed that the renegotiation tactic was part of strategy to swing public opinion behind continued membership. Indeed, Palliser stated that 'the whole object of the exercise was to keep Britain

in, and get something that could be presented to the British as politically adequate' (quoted in Young, 1998, p.281). In March 1975 following the conclusion of the renegotiations, the Cabinet voted 16-7 in favour of continued membership. When the decision was presented to the House of Commons, it received a large majority, mainly due to Conservative support. On the Labour side, 137 voted for continued membership, whilst 145 MPs voted against and 33 abstained. However, at the Labour Party Special Conference in April, 3.7 million votes were cast in favour of withdrawal compared to 1.98 million against. To avoid exacerbating these divisions, Wilson agreed that ministers could campaign both for and against continued membership in the forthcoming referendum.

The Third National Pro-European Propaganda Campaign (1974-1975)

Following accession, public opinion returned to a position where a majority opposed continued membership (see Table 6).

Table 6: Public Support for European Union Membership (1973-1974)

Q. If you were told tomorrow that Britain was leaving the EEC would you be very sorry about it, indifferent or relieved?

	Very sorry %	Indifferent %	Relieved %	No reply %
Sep 1973	20	33	37	10
May 1974	24	28	40	8
Nov 1974	31	22	38	9

Source: Gallup in Butler and Kitinger, 1996, p.247

Public opposition, together with the increasing hostility within the Labour Party, prompted the reconstitution of the pro-EU propaganda infrastructure that had been effectively dismantled upon entry. In the spring of 1974 an elite group known as 'the principals' launched a series of secret meetings to co-ordinate the campaign, led by Tucker and ELEC. Wistrich, who was then the national organiser of Britain in Europe, reported that within a month of the February 1974 election, we had set up a campaign committee involving not just the European Movement but representatives of political parties and others. We conducted a major attitude survey in June. In July we distributed 6.5 million leaflets to try and recruit the troops to conduct a referendum, as a result of which we got about 12,000 people involved. (cited in Broad and Geiger, 1996, p.89).

These preparations presaged Britain's third national pro-EU propaganda campaign.

There were three stages to this campaign: the first whilst Labour was renegotiating the terms, the second during the passage of the Referendum Bill and the third during the final weeks of the referendum campaign. The No and Yes campaigns broadly coalesced around two organisations: the National Referendum Campaign (NRC) brought together opponents of the EU, whilst Britain in Europe (BiE) united most of the pro-EU forces. BiE (1975) published *Why you Should Vote Yes*, the NRC (1975) issued *Why You Should Vote No*, whilst Labour (HMG, 1975) distributed its pamphlet in favour of continued membership, *New Deal for Europe*, to every household in Britain. Shore (2000, p.13) highlighted two assurances in the Labour's document that turned out to be untrue. First, the statement that 'here was a threat to employment in Britain from the movement in the Common Market towards an Economic and Monetary Union. This could have forced us to accept fixed exchange rates for the pound, restricting industrial growth and so putting jobs at risk. This threat has been removed.' And second, the statement that 'no important new policy can be decided in Brussels or anywhere else without the consent of a British Minister answerable to a British government and British Parliament. The Minister representing Britain can veto any proposals for a new law or new tax if he considers it to be against British interest.'

Recalling the themes and strategy of the pro-EU campaign, MORI's Robert Worcester stated that polls at the time indicated that economic rather than political issues were decisive: 58 per cent of those polled said the issue of the cost of living was central to how they would decide. Others said that food prices (37 per cent) and unemployment (15 per cent) were key, whilst only 9 per cent felt independence and sovereignty were important (Broad and Geiger, 1996). Butler and Kitzinger (1999) argued that the electorate was divided into three roughly equal groups: pro-EU, anti-EU and the 'hesitants'. Yes campaigners concluded that the 'hesitants' were more likely to be persuaded by another hesitant rather than a pro, and this belief became central to their strategy.

BiE recruited 17 regional co-ordinators and trained 600 speakers who addressed thousands of public meetings. It created cross-party committees, leading to 374 local campaigning groups, developing a network of campaigning groups for professionals such as doctors and solicitors. High profile public personalities were enlisted, millions of leaflets, posters and other promotional materials were distributed, and shops in prominent locations in many town and cities were rented. The campaign also included the staging of mass public meetings, the screening of Party Political Broadcast-style television programmes, the launch of a newspaper campaign using the local and national press, plus billboard advertising.

Subsequent analyses of the referendum revealed a number of disparities. The Yes campaign officially employed 163 people whereas the No campaign only possessed 6. Both the pro- and anti-EU campaigns enjoyed access to government grants of £125,000 for publicity. However, BiE managed to raise an additional £1.8 million from business and other sources, whereas the NRC merely secured an extra £8,610 (Butler and Kitzinger, 1996). Furthermore, Labour and the official opposition actively assisted the Yes campaign. O'Neill played a central role in BiE, whilst the cross-party initiative enabled Heath, Roy Jenkins, and the Liberal Leader, Jeremy Thorpe, to share the same platform several times during the campaign. By contrast, Wilson and Callaghan kept a relatively low profile during the campaign. Butler and Kitzinger (1996) surmised that their seemingly reluctant, but ultimate call for a Yes vote, was designed to carry the 'hesitants'.

The business sector was united in favour of a Yes vote. A Confederation of British Industry (CBI) survey found that 415 out of 419 companies favoured continued membership. The civil service was not neutral during the referendum campaign. In addition to helping produce Labour's pamphlet, Whitehall assisted a number of task forces and liaison committees to support the Yes campaign. Sean Stewart, who worked for Peter Shore MP, complained of Civil Service bias:

Peter Shore was my minister. Most of my colleagues thought that he was a 'fellow traveller', and Benn was regarded as a Communist. In the whole of Whitehall, at the middle level, there was fear all over the place, and the 'antis' were being labelled as Communists and 'fellow travellers' (quoted in Broad and Geiger, 1996, p.103).

The EU intervened in the referendum campaign through its British commissioners, prompting one commentator to remark that 'in the deployment of two international civil servants, the pro-EU campaigners displayed an extraordinary lack of sensitivity to the constitutional ethics of non-interference in the domestic policies of a nation-state' (Sharpe, 1996, p.305). It was also alleged that the CIA intervened. Conservative MP Richard Body recounted how

At the very beginning of the campaign, two CIA agents came to see me in the House of Commons. They were Anglophiles and they were very upset at the way their agency was going to interfere in the referendum campaign. They said the new station head [Cord Meyer] was going to be appointed who was not a normal CIA man, he was well known in the federalist movement and they were going to interfere in different ways (quoted in Broad and Geiger, 1996, p.93).

As with previous pro-EU propaganda campaigns, the media played a central role during the Referendum. The press was united in favour of continued membership, with only the *Morning Star* campaigning against. In terms of press coverage, Butler and Kitzinger (1996, p.224) revealed the 'grossly unequal treatment of the two sides as far as sympathetic column inches were concerned', the 'mean balance was 54 per cent pro- and 21 per cent anti- (the rest neutral)'. They insisted that these figures did not reflect public opinion or the final result. Likewise, Broad and Geiger (1996) noted that the media were almost all pro-EU, yet public opinion polls between mid-1973 and January 1975 showed a narrow majority in favour of withdrawal.

Press bias was also identified by a British Business for World Markets (1975) study. The systematic media bias led one member of the Press Association to state that what the referendum revealed was the power of the press when linked with the big battalions of politics. It is probably true that newspapers do not shape people's opinions, at least not directly. Readers read the news columns and do not automatically adopt the opinions of the leader columns. But when the news is opinion, as it was during the campaign...with no facts to go on, and the emphasis is in one direction then readers are swayed in that direction (quoted in Hollingsworth, 1986, p.50).

Broad and Geiger (1996) questioned whether a shadow referendum on Benn and Enoch Powell, amongst others, was the real influence in terms of public opinion and the actual result. A BiE survey in April 1975, for example, found that of the leading 21 political figures in the campaign, each of the 13 pro-EU figures enjoyed a positive rating, whereas 6 of the 8 anti-EU campaigners had a negative rating (Broad and Geiger, 1996). Hollingsworth (1986, p.48) argued that 'the personalisation of the referendum was so intense that a 'Yes' or 'No' vote really meant whether you were 'for' or 'against' Tony Benn as an individual politician.'

The 22 per cent swing took place over the first three months of 1975. In January, Gallup found that 55 per cent supported withdrawal and 45 per cent supported continued membership. By early March these figures had reversed. By the end of March, 66 per cent supported continued membership and only 34 per cent supported withdrawal (Worcester, 2000). On the 5th June 1975 the British people were asked, do you think that the United Kingdom should stay in the European Community (Common Market)? The Referendum result was decisive: 67.2 per cent voted Yes and 32.8 per cent voted No.

The Eighth Phase: The Conservatives' European Policy I (1979-1989)

Margaret Thatcher's election in May 1979 brought a change of style to Britain's relationship with the EU. Importantly, it was a stylistic rather than substantive change, for Thatcher during her three terms in office 'took Britain further into Europe than anyone except Heath' (Young, 1998, p.306). The first objective of Thatcher's European policy was to revise Britain's contribution to the EU Budget. After several years of negotiations the 1984 Fontainebleau Agreement established a correction mechanism for dealing with budgetary imbalances, whilst Britain was granted an abatement.

Thatcher's second objective was the creation of a single market, which, through a policy of deregulation, would lead to the formation of a 'free trade and free enterprise area' (Thatcher, 1992, p.546). Cockfield, appointed to the European Commission by Thatcher, was asked to prepare a plan for its implementation. Thatcher argued that a single market could be achieved through a non-legal agreement with implementation proceeding on the basis on unanimity, thus preserving the national veto, without any revision to the Treaty of Rome. At the 1985 Milan Summit, the British proposal was defeated and an IGC was established to agree a new treaty. The price for the creation of the Single Market was the extension of qualified majority voting to 12 new policy areas and a treaty commitment to introduce EMU.

The European Communities (Amendment) Bill, incorporating the SEA into British law, was presented to the House of Commons in April 1986. The Bill passed through all of its stages in six days and, following the imposition of the guillotine measure, was carried by 270 votes to 153, with Labour officially opposed.

Thatcher's third objective was to derail the federalist and social democratic plans of Delors. She feared his 1988 prediction that 'in ten years, 80 per cent of economic legislation, and perhaps tax and social regulation, will be directed from the Community' (quoted in Reynolds, 1991, p.271). Furthermore, she opposed the European Commission taking advantage of its exclusive powers to initiate legislation, charged it with issuing directives using qualified majority voting where unanimity was required and denounced Delors' speech at the 1988 TUC at which he called for a social dimension to the Single Market. Thatcher's response was the 1988 Bruges speech in which she proclaimed that 'we have not successfully rolled back the frontiers of the state in Britain, only to see them re-imposed at a European level, with a European superstate exercising a new dominance from Brussels' (quoted in Reynolds, 1991, p.271).

Thatcher's fourth objective was to resist British membership of EMU. Following the Conservatives' abandonment of monetarism, some ministers began to see the exchange rate as the answer to the Conservatives' need for a new counter-inflationary strategy. Between 1983 and 1985 Foreign Secretary Geoffrey Howe and Chancellor Nigel Lawson lobbied the sceptical Bank of England and the Treasury to support the idea of ERM entry. Thatcher, however, opposed it. Nevertheless, Lawson began to secretly shadow the deutchsmark as if part of the ERM.

Howe and Lawson, with the aid of officials from the Foreign office and the Treasury, produced a memorandum for Thatcher in preparation for the 1989 Madrid Summit, the main agenda item of which was Delors' plan for EMU. The memorandum argued that EMU would happen with or without British involvement, that ERM entry would provide Britain with some leverage over the future direction of EMU, and that British membership of EMU would preclude the development of a two-speed EU. Howe and Lawson threatened to resign if Thatcher did not reverse her opposition. She conceded defeat and duly announced that Britain would join the ERM. Following the Madrid Summit, Thatcher removed Howe from the Cabinet and Lawson resigned. The new Chancellor, John Major was fully committed to ERM entry, but not to EMU. In a last ditch effort to forestall EMU, Major proposed a number of alternatives. However, these failed to elicit any support from other member states.

Thatcher's negative public opinion poll ratings and the Poll Tax crisis precipitated a leadership challenge in December 1989, in which she was ousted. There was a European dimension to her downfall, in that Thatcher's stance on the ERM had become a liability for the Conservatives, traditionally the pro-EU party, and the wider British Establishment. Having lost the battle over EMU, Thatcher accused the EU of attempting to 'extinguish democracy', whilst introducing a federal Europe 'by the back door' (Young, 1998, p.367). To many, Thatcher had crossed the Rubicon. Moreover, Thatcher's increasingly sceptical position on the EU was at odds with public opinion, which, following a period of opposition in the early 1980s, was generally supportive of continued membership by 1990 (see Table 7).

Table 7: Public Support for European Union Membership (1976-2000)

Q. Generally speaking, do you think that Britain's membership of the Common Market is a good thing, a bad thing or neither good nor bad?

	Good	Bad	Neither	Don't know
Jan 1976	50	24	17	9
Jun 1977	33	42	18	7
Jul 1978	25	48	20	7
May 1979	34	36	22	7
Apr 1980	22	57	13	8
Mar 1981	24	52	21	4
Mar 1982	23	48	23	7
May 1983	43	30	22	5
Mar 1984	25	48	20	7
Jan 1985	32	39	21	7
Jul 1987	28	39	25	8
Sep 1988	36	36	18	9
Mar 1989	36	30	27	7
Nov 1990	56	13	21	10
Nov 1991	49	22	20	9
Jun 1992	49	22	20	10
Jan 1993	41	29	19	10
Mar 1994	40	23	28	8
Feb 1995	36	29	22	13
Jun 1996	34	34	22	9
Dec 1998	36	31	27	6
Jun 1999	43	24	29	4
Mar 2000	38	28	31	3

Source: Gallup in King, 2001, pp.301-302

The Ninth Phase: The Conservatives' European Policy II (1990-1996)

Following Thatcher's succession by John Major in January 1990 the Conservative anti-EU faction grew in number and strength, exploiting the government's narrow majority of 21 after the 1992 General Election. Although the rhetorical aim of Major's European policy was to put Britain 'at the heart of Europe', his actual objectives were to create an intergovernmental and market economy-based EU. Major duly returned from the 1990-1991 IGCs having successfully lobbied for Luxembourg's 'temple with pillars' treaty model and having negotiated opt-outs from the Social Chapter and Stage III of EMU. Nevertheless, Britain participated in Stage 1 of EMU and duly joined the ERM in October 1990. Despite the setbacks of the Danish referendum No vote in June 1992, and the ejection of sterling from the ERM in September, Major steered the European Communities (Amendment) Bill, incorporating the Maastricht Treaty, through parliament in 1992 and 1993. In April 1996 Major formally announced that a future Conservative government would not contemplate entering EMU without first holding a referendum.

The Tenth Phase: New Labour's European Policy (1997-)

New Labour's 1997 General Election victory heralded a sea change in Britain's relationship with the EU, both rhetorically and in terms of policy. Rhetorically, New Labour promised to put Britain at the heart of Europe. Policy-wise, where previous governments had exercised caution and introduced a measure of reluctance and scepticism in the relationship with the EU, New Labour has pursued an overtly pro-EU agenda (see Chapter 6.13).

CONCLUSION

Four essential points should be noted from these complementary narratives. The first point is that plans for the present-day EU can be traced back to the 1920s. The second point is that the long-term objective of these plans is some form of supranational entity. The third point is that geopolitical factors, particularly post-war US foreign policy, played a critical role in the development of the EU. The fourth point is that Britain's engagement with the process of European integration has been pursued by an elite which has deliberately misled the British public about the nature of the British-EU relationship, resorting to successive propaganda campaigns to shape public opinion. These narratives provide the essential backdrop to the data presented in the next four chapters.