

CHAPTER 1

INTRODUCTION

The post-war project of European economic and political integration, henceforth termed the European Union (EU) rather than its previous titles of Common Market, European Economic Community (EEC) or European Community (EC), was launched by the 1951 Paris Treaty that created the six-member European Coal and Steel Community (ECSC). Six years later, the Treaty of Rome established the EEC and European Atomic Energy Community (EAEC). The EU has subsequently pursued its stated objective of ‘ever-closer union’ through a succession of treaties, including the Single European Act (1986) and the treaties of Maastricht (1992), Amsterdam (1997) and Nice (2001). These have extended EU competence over an expanding number of policy areas, in the form of the *acquis communautaire* (rights and obligations deriving from EU membership), whilst EU law increasingly takes precedence over that of member states.

Although the EU exhibits many features of statehood, such as an executive (European Council), civil service (European Commission), parliament, court of justice, single currency and single market, it is not a unitary state. Likewise, despite its mix of intergovernmental and supranational institutions, with common economic, environmental, foreign, military, social and transport policies, it is not a confederation or federation. Instead, the EU has evolved a unique system of multilevel governance, which Kleinman (2002) described as ‘incomplete federalism’.

Following two failed applications to join the EU in August 1961 and May 1967, Britain’s accession in January 1973 was preceded by a national debate, which Nairn (1973) parodied as the ‘great debate’. More than thirty years later, however, the relationship between Britain and the EU continues to be a controversial issue in British politics. In terms of its importance and longevity, it truly has been a great debate, with three defining features. First, it focused on both the nature and the ultimate objective of the EU. Second, it was dynamic, with economic and political actors shifting their position on European integration over time. Third, it crossed the political spectrum, dividing the right, centre and left alike.

The focus of this thesis is the historical and contemporary division of the British Left over European integration. The first book on this subject was Tom Nairn's *The Left against Europe?* Nairn (1973, p.2) posed a number of important questions: 'what is Europe? How is it related to the nation and national state-power? Does it provide more, or less, favourable conditions of action for the left? Do our interests in regard to it coincide with those of the ruling class, or not?' These questions encapsulate the difficult choices facing the British Left, whether to pursue a national, a European or a global strategy, whilst bringing to the fore the crucial issues of agency and structure.

The subject of European integration presents the British Left with the particular puzzle of how to respond to the paradox that is the EU. The progressive environmental and social policies of the EU, plus the rhetoric that European integration is internationalism in action, delivers peace in Europe and constitutes the only immediate way to contain the forces of globalisation, hold a logical appeal. On the other hand, the evidence that it is expanding its power over member states, whilst enforcing pro-market and monetarist doctrines without a democratic mandate to do so, leads to the conclusion that the EU is a threat to democracy and the socialist project.

As a follower of Tony Benn's political career and writings, particularly his published set of diaries spanning over fifty years as a Labour Member of Parliament (MP) and minister in several governments, I was intrigued by his journey on the issue of European integration. From the mid-1960s until the early 1970s, Benn was favourable to British entry, viewing it as a means of arresting Britain's decline and containing the growing power of multinational corporations (MNCs). One example at a practical level was his support for a European Technology Community as part of the solution to Britain's failed economic policy. However, Benn's experience as Secretary of State for Industry, and then Energy, led him to re-think his position. Benn increasingly saw the EU as a capitalist bureaucracy with a growing democratic deficit that aspired to superpower status; at a Cabinet meeting in July 1974 he announced his intention to campaign against Britain's continued membership.

Although Benn's journey is not typical, as many on the British Left have moved from a position of opposition to support for the EU, it serves to illustrate the subject's contentious and dynamic nature. As a libertarian socialist committed to contributing actively to the socialist project in Britain, I am faced with the same fundamental question that has confronted the British Left since the formation of the EU. Does the project of European integration assist or hinder the advance of socialist politics in Britain? It is the attempt to answer this question, and thereby resolve the aforementioned paradox, that stimulated my interest in this subject.

1.1 THE EXISTING LITERATURE

The existing literature on the British Left and European integration, reviewed in Chapter 2, employed one of three main approaches. The institutional approach focused on the policies of the Labour Party, the Trades Union Congress (TUC), the Green Party, Plaid Cymru, the Scottish National Party (SNP) and the Social Democratic Party (SDP) towards European integration, that is their European policies. The institutional approach also discussed the influence of EU domestic and foreign policy, plus the foreign policies of the Soviet Union and the United States (US), on the British Left's debates about the EU. The discursive approach explored the discourse of the British Left on European integration, and its influence on policy, whilst the political economy approach analysed the national and global context of policy-making. However, by employing one of these approaches to the exclusion of the others, the literature presents only a partial understanding of the subject. A new approach is required that considers the totality of factors. As such, this thesis departs from previous work by developing a conceptual framework that incorporates institutional, discursive and political economy analyses. Coxian historicism and the method of historical structures, introduced in Chapter 3, represents a neo-Gramscian approach that possesses the capacity to integrate and transcend these perspectives in a way that is historically specific and empirically grounded.

1.2 THE PURPOSE OF THE THESIS

The aim of the thesis is to research the response of the British Left to the post-war European integration project. The central research question is whether the European policies of the British Left changed over the 1945 to 2004 period and, if so, how and why?

To answer the central research question, I will:

- (a) Identify the European policies of left-wing political parties, trade unions, and left-wing pressure groups and think tanks.
- (b) Define the economic and political analyses underpinning these policies.
- (c) Ascertain whether these policies and analyses have changed over time.

The data generated will be used to test four hypotheses. The first hypothesis is that the British Left supported the integration of Europe in the early post-war period. Economically, it was seen as a means of creating a socialist Europe, whilst politically it was viewed as a way of avoiding future wars and as a potential vehicle for creating an independent third force between the two Cold War superpowers.

The second hypothesis is that the British Left underwent a process of nationalisation in the 1960s, opposing European integration in favour of a national socialist strategy. Whether in the form of centre-left support for Keynesian macroeconomics, 'hard left' support for radical Keynesianism in the form of the Alternative Economic Strategy or far left support for the British road to socialism, the British Left generally believed in the efficacy of national state power to advance socialism. It subsequently developed European policies that were sceptical of, if not opposed to, the EU.

The third hypothesis is that the British Left underwent a process of Europeanisation in the 1980s. Following the end of the Cold War and the emergence of the globalisation thesis, whereby nation-states are perceived to be powerless, the British Left shifted to a pro-EU position. It was argued that national Keynesianism was redundant and that the left faced a stark choice between the European and the US models of capitalism. The British Left therefore supported a European socialist strategy, adopting European policies that were supportive of further European integration.

The fourth hypothesis is that these processes, and the associated changes in the European policies of the British Left, are functions of the transformation of historical structures. Cox (1987, 1996, 2002) defined historical structures as particular configurations of material capabilities, ideas and institutions. Historical structures can only be understood dialectically, as the product of, and the motor for, the social relations of production. These, in turn, give rise to particular social forces, and to certain forms of state and world orders. This thesis suggests that the British Left, as a constituent element of post-war historical structures, formulated and changed its European policies in response to these dynamic forces.

The key features of the early post-war historical structure, termed the Cold War, include Britain's wartime victory, its imperial legacy, its global trading links, its 'special relationship' with the US, and the establishment of a Keynesian-welfare state consensus. These factors, together with the Soviet policy of 'socialism in one country', encouraged the British Left to pursue national economic and political strategies. The demise of such strategies in the late 1980s, following the internationalisation of capital, production and the state from the late 1970s, together with significant changes in public opinion, heralded the transformation of British politics. The collapse of the Berlin Wall in 1989, and the subsequent disintegration of Soviet Communism, led to the emergence of a new post-Cold War world order. In addition to these structural changes, the transformation gave rise to the ideology of globalisation, including the mantra that 'there is no alternative' and the 'powerless state' thesis (Weiss, 1998), which encouraged sections of the British Left to

abandon national strategies for European strategies. The data presented in Chapters 6 to 9 will test these hypotheses, in order to answer the questions of how and why the European policies of the British Left have or have not changed.

1.3 THE KEY CONCEPTS

A common feature of the existing literature is the lack of conceptual clarity. Concepts need to be defined if scholars are to converse effectively. Otherwise, 'each begins their analysis from a particular assumption that determines the kind of question they ask, and therefore the answer they find. They are like toy trains on separate tracks, travelling from different starting points and ending at different (predetermined) destinations, and never crossing each other's path' (Strange, 1994, p.16). Defining the three key concepts of the thesis, European integration, the left and policy, is therefore critical.

European Integration

After several years of intensive theoretical work on European integration, Haas (1971) was still grappling with what he termed the dependent variable problem, that is the difficulty of definition. A cursory survey of the theories of European integration identifies a variety of interpretations. Haas (1968, p.16), for example, defined European integration as the 'process whereby political actors in several distinct national settings are persuaded to shift their loyalties, expectations and political activities towards a new centre, whose institutions possess or demand jurisdiction over pre-existing national states.' The end result, 'is a new political community, superimposed over the pre-existing ones.' Elsewhere, Haas (1971, p.4) characterised it as 'the voluntary creation of larger political units involving the self conscious eschewal of force in relations between participating institutions.' For Hodges (1972, p.13), it was 'the formation of new political systems out of hitherto separate political systems.' For Harrison (1974, p.14), it was 'the attainment within an area of the bonds of political community, of central institutions with binding decision-making powers and methods of control', whilst, for Wallace (1990, p.9), it represented the 'creation and maintenance of intense and diversified patterns of interaction among previously autonomous units.'

It is notable that these definitions focus on political rather than economic integration. Indeed, theorising the latter has developed into a separate literature (Balassa, 1962; El-Agraa and Jones, 1981; El-Agraa, 1997; Robson, 1998). However, the distinction is a false one. Europe's bureaucratic and political elites, and to a lesser extent business leaders, have deliberately pursued a policy of economic integration as a means to the ultimate goal of political integration. It is also notable that contemporary definitions tend to be more generic.

These reflect the gradual retreat from grand theories such as federalism, functionalism, transactionalism, neo-functionalism and intergovernmentalism, towards more middle-range theories such as multilevel governance, new institutionalism and policy networks.

Rosamond (2000) argued that specific definitions depended upon whether European integration was perceived to be a process or an outcome. However, the distinction oversimplifies the problem. Within the social sciences, concept definition and theorising are difficult propositions, particularly when attempting to understand and explain change. In the case of European integration, the inherent ambiguity within EU treaties concerning their intergovernmental and supranational characteristics, plus the momentum for change built into the objective of 'ever-closer union', make these problems even more difficult. Nevertheless, for the purpose of this thesis, European integration is defined as the progressive transfer of economic and political sovereignty from the national level to new intergovernmental and supranational institutions and processes at the European level.

The Left

Defining the left raises two inter-related questions. What is the meaning of the word and which political actors constitute the left? The meaning of the word is spatially specific. The *Oxford English Dictionary* defined the left as 'a group or section favouring socialist or radical left-wing views' (Thompson, 1995, p.776). Robertson (1993, p.277), by contrast, claimed that in the West, it 'has come to signify belief in state intervention in society and the economy to enhance political and economic liberty and equality.' Robertson noted, however, that in the Communist bloc, 'the labels are reversed, limiting the consistent application of the term 'the left' to radical opposition to an establishment.'

The meaning of the word is also temporally specific. Cliff and Gluckstein (1996), Thompson (1996) and Foote (1997) traced the evolution of British socialism from the 1880s to the present. The period began with conflict between the (Marxist) Social Democratic Federation, the (reformist) Fabian Society and the (radical Christian and libertarian) Ethical Socialists of the Independent Labour Party (ILP). This period also witnessed the development of Labourism, and the emergence of corporate socialism. The former, according to Foote (1997, pp.8-12), exhibited six main characteristics. First, it was based on the notion that labour needed to organise, in the form of trade unions, to ensure its rightful share of the national wealth. This notion was underpinned by the Ricardian labour theory of value, the dominant school of economic thought in the early 19th Century. Second, it was committed to redistributing this wealth by struggling for higher wages. Third, it was opposed to capitalists but not to capital itself. Fourth, it believed that labour should engage in political

action that was independent of the state, and fifth, it preferred national rather than international action to achieve these goals. The latter, according to Foote (1997, pp.82-83), attempted to bring together organised business and organised labour, under the direction of the state, in order to reshape society. Syndicalism and Guild Socialism (both committed to the workers' control of industry), and later Keynesianism, challenged the hegemony of Labourism, whilst the New Left, the Bennites and the supply-side socialism of New Labour progressively eroded the Keynesian consensus underpinning corporate socialism. These authors demonstrated how, at each stage in this history, the meaning of the word left was challenged and the concept reformulated.

Therefore, as its meaning varies through space and changes over time, it is necessary for this thesis to define the left within a post-1945 British context. Drawing on the work of Durbin (1984), Eatwell and Green (1984), Butler (1995) and Foote (1997), it is possible to construct an economic, moral, political and sociological framework within which the British Left can be defined. This framework provides four criteria by which institutions that label themselves left, or that are considered to be on the left, can be evaluated. Economically, the left is dedicated to the progressive redistribution of wealth. Morally, it is committed to equality, of opportunity or outcome, and collectivism. Politically, it advances an actionable programme for social progress and/or socialist transformation through reforms or revolution. Sociologically, it employs an empirical and materialist analysis of capitalism. Applying these criteria, the British Left includes the Labour Party, the TUC and wider trade union movement, the Co-operative Party, the Green parties, the ILP, the SDP, Anarchist organisations, Communist parties, Nationalist parties, Socialist parties, and left-wing pressure groups and think tanks.

Policy

Parsons (1995) traced the etymology of the word and argued that its meaning should be understood within an historical context, whilst Hecló (1972) claimed that policy was one term where there seemed to be some definitional agreement within the social sciences. Policy is usually considered to be something bigger than particular decisions, but smaller than a social movement. It also implies purposefulness of some kind. However, Hecló acknowledged that there were differences about whether policy is more than an intended course of action. Parsons (1995, p.13) argued that policy 'may also be something that is not intended, but is none the less carried out in the practice of implementation or administration.' For the purpose of this thesis, policy will be defined in the modern sense outlined by Hecló and revised by Parsons.

1.4 THE ORIGINALITY AND THE RELEVANCE OF THE THESIS

This thesis is an original contribution to knowledge in several senses. It is the first to apply the Coxian approach to the study of the British Left and European integration. It is original in focusing on the European policies of the whole range of economic and political actors that constitute the British Left, rather than using the Labour Party and the TUC as proxies. It is unique in analysing European policies across the whole post-war period rather than particular time frames. It studies the European policies of certain left-wing institutions for the first time. These include the engineers' union, the National Union of Miners (NUM), the municipal workers' union, the Transport and General Workers' Union (TGWU), UNISON, the Green parties, the ILP, the Anarchists, plus pressure groups and think tanks. Whereas previous research adopted an institutional, discursive or political economy approach to the subject, the thesis breaks new ground by examining policy change with reference to all three.

The subject of this thesis is also topical. The British Left faces difficult choices over whether to support the EU constitutional treaty and British entry to the euro at some point in the future. These two issues, constitutional and economic, bring to the fore the problematic nature of the relationship between Britain and the EU, whilst raising fundamental questions about the future of democracy and socialism.

1.5 THE THESIS IN OUTLINE

Following a brief review of the relevant literature, this chapter has isolated the central research question, defined the three key concepts, and established the purpose and relevance of the thesis. The remainder of the thesis is divided into ten chapters. Chapter 2 reviews the existing research on the British Left and European integration. It begins with some general criticisms of the literature as a whole, before criticising the three main approaches to date. It also highlights the gaps in the literature, thus preparing the way for Chapter 3, which states how this thesis will attempt to address these gaps and thus advance the state of knowledge on the subject. Chapter 3 explores the potential of alternative ontological, epistemological and methodological perspectives, before detailing the approach employed by this thesis: Coxian historicism. Chapter 4 sets out the research methodology, whilst Chapter 5 provides some important background information about the post-war development of the EU, the economic and geopolitical context of its development, and the specific relationship between Britain and the EU. Chapter 6 presents the data on the European policy of the Labour Party. Chapter 7 focuses on the European policy of the TUC. Chapter 8 concentrates on the European policies of other left-wing political parties. Chapter 9 discusses the European policies of left-wing pressure groups and think tanks. Chapter 10 interprets this data, whilst Chapter 11 concludes.