

BETWEEN TRADITION AND MODERNITY? BRITAIN'S FOREIGN POLICY IN THE SECOND HALF OF THE 1960s

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Abstract

This paper analyses the transformation of the British foreign policy during the first government of the Labour Prime Minister Harold Wilson (1964–70). It focuses on the genesis, wider political and economic context and impact of two landmark decisions which in effect profoundly changed Britain's international position: the second British application for membership in the European Community, and the decision to withdraw all British Armed Forces from the area east of the Suez Canal. The most important factors which influenced the reassessment of both British foreign and defence policy are identified in the long-term economic problems Britain was facing at the time and in the decolonisation process and the subsequent decline of both the economic and political importance for Britain of the Commonwealth. The contribution argues that this transformation can be interpreted as a shift from a *traditional* to a *post-traditional* era of British foreign policy.

Keywords: Britain, European Community, Suez Canal, foreign policy, 1960s

Tradition and Modernity in British Foreign Policy

Britain's international position has undergone a profound change since 1945. Its present status of a medium-ranking, largely European power bears rather little similarity to that of a global – albeit weakened – economic, political and military power which it had enjoyed at the outset of the post-war era. British foreign policy in this period certainly cannot be conceptualised as a simple, linear and basically non-problematic transition

from *tradition* to *modernity*,¹ i.e. between two types of foreign policy based on two different, or even contrasting, conceptions of Britain as an international actor. However, at least on the level of ideal types it does seem possible, in relation to the period spanning from 1945 until the present, to define a *traditional*, or initial, pole and a *modern*, or more precisely *post-traditional*, pole that opposes the initial pole in some fundamental attributes and towards which the development of British foreign (and defence, due to their intimate interconnection) policy seems to have been heading since the end of Second World War. When analysing a particular foreign policy decision, it is usually possible to recognise ideas and concepts associated with each of the two poles. Additionally, both are penetrated by a similar conviction about Britain's unique position and exceptional role in the world. Yet in spite of this, as I shall argue, it does seem possible to determine a particular point, or more precisely a several years span, when a notional shift in balance from *tradition* to *modernity* in British foreign policy took place, owing to a simultaneous impact of several long-term trends. This period is the second half of the 1960s.

Modern, or Post-Traditional?

The *traditional* concept of Britain's position in the post-war international system and its mostly reactive model of foreign policy (stemming from the fact that Britain was a *status quo* defender in decline) can be identified more or less unambiguously. In the early post-war years, Britain saw itself as a great power with global outreach, admittedly weakened economically, but definitely not undermined, possessing special responsibility for the shape and stability of the emerging post-war international order, for the development of the Empire's dependent territories, for the security and prosperity of the Commonwealth, and, after a very short respite, for a world-wide struggle against communism. The often-quoted concept of "three circles", formulated by the Leader of His Majesty's Opposition, Winston Churchill in 1948, best describes this sense of exceptionality: Britain's international position is unique due to the fact that it is situated in the intersection of

¹ The adjective *modern* is employed here in the sense of "relating to recent times or to the present", rather in its social scientific meaning as sketched e.g. in Zygmunt Bauman's contribution to the *Oxford Companion to Politics of the World*. Cf. Joel Kriegel, ed., *Oxfordský slovník světové politiky* (Praha: Ottovo nakladatelství, 2002), 513–17.

three circles, inside of each of which it plays an influential role: the Empire and Commonwealth (considered to be the source of its structural power at the time), the political, military and cultural links with the United States, and finally continental Europe, which Britain was predestined to mentor and lead (this “circle”, however, was regarded as the least important).

The *modern* pole is much more difficult to define – especially as even the foreign policy of Labour Party under Tony Blair (rebranded as New Labour) was in many ways based on traditional Churchillian tenets.² Yet it was the New Labour that, after coming to power in 1997, formulated what was probably the most self-contained alternative vision of Britain’s position in the world and a new model of foreign policy, often referred to in a much simplified way as an “ethical foreign policy” (in fact, Robin Cook, the newly appointed Foreign Secretary, talked only of an “ethical *dimension* of foreign policy” in his *Mission Statement* on 12 May 1997).³ Post-Imperial Britain is, in New Labour’s eyes, a “pivotal power” which forms a bridge between the United States and Europe, plays a leading role in the European Union (in terms of providing strategic leadership, not deepening of political integration) and assumes responsibility for global problem-solving. This vision has however been contested. It is not neither fully shared by the opposition Conservative Party (which advocates somewhat different approach to European integration) nor by the Labour Party’s left-wing (which objected to the close links Blair maintained with the American administration of George W. Bush and opposed British involvement in the Iraq war). At the same, Britain has retained until present several attributes of its former great power status: a permanent chair in the United Nations Security Council, a nuclear deterrent, significant military capacity, and the Commonwealth of Nations as a reminder of its imperial past.

New Labour’s concept of the “ethical dimension of foreign policy” under Tony Blair (and especially during Blair’s first term in 1997–2001 when Robin Cook was his secretary for foreign affairs) consisted according to Wheeler and Dunne of two main obligations. Firstly, “Britain has to play an active role in the international community, follow its rules, and

² Cf. Anne Deighton, “The Foreign Policy of British Prime Minister Tony Blair: radical or retrograde?” (lecture to Centre of European Studies, Humboldt University Berlin, 11 July 2005, http://www.gcsp.ch/e/publications/Issues_Institutions/Europe/Academic_Papers/Deighton-CBS-07.05.pdf).

³ Cf. Nicholas J. Wheeler and Tim Dunne, *Moral Britannia? Evaluating the Ethical Dimension in Labour’s Foreign Policy* (London: Foreign Policy Centre, 2004), 5.

co-operate with its institutions.” Secondly, “It should use its influence to protect and support liberal and social-democratic values, such as human rights, democracy, poverty reduction, and good governance.”⁴ It is to be noted that these two obligations are in potential conflict with one another. The first one presupposes, among others, restraint in the threat and use of force, while the second one leads to activism in foreign policy. When combined with sufficient military and material resources, as in the case of Blair’s Britain, it can easily lead to an interventionist foreign policy (propped up by e.g. the doctrine of humanitarian intervention). Tony Blair’s *Doctrine of the International Community*, an address given in Chicago during the war in Kosovo in April 1999 (and followed by an article in the *Newsweek*), is a programmatic document of this approach; it is considered to be the most direct expression of Blair’s idealistic and interventionist views as concerns foreign policy:

“We need to enter a new millennium where dictators know that they cannot get away with ethnic cleansing or repress their people with impunity. We are fighting not for territory, but for values [...] for a new internationalism where the brutal repression of ethnic groups will not be tolerated [...] for a world where those responsible for such crimes have nowhere to hide.”⁵

As a rule, pre-1997 British foreign policy – both before and after the changes of the mid-1960s – can be interpreted as an attempt to maintain (and later to return to) its great power status and imperial role through increasingly limited means. With its idealistic “ethical foreign policy” concept, Tony Blair’s first government has thus been – not just rhetorically but (to a lesser extent) also materially – the biggest, if partial, deviation from the *traditional* model of a rather pragmatic and reactive British foreign policy so far. Of course there was still a notable degree of continuity: for example neither a relatively pro-European Blair government,

⁴ Ibid, 7.

⁵ Lawrence Freedman, “Defence”, in *The Blair Effect. The Blair Government 1997–2001*, ed. Anthony Seldon (London: Little, Brown, 2001), 299. Full text of the speech can be accessed at “Prime Minister’s speech: Doctrine of the International community” (Economic Club, Chicago, 24 April 1999), <http://www.number-10.gov.uk/output/Page1297.asp>. On the contrary, Blair’s first address, as a prime minister, on the theme of foreign policy from November 1997 is influenced by a traditional, Churchill conception of Atlantic foreign policy and Britain’s function as a bridge between Europe and America. Cf. Wheeler and Dunne, *Moral Britannia?* 13; “Speech by Prime Minister Tony Blair at Lord Mayor’s banquet” (London, 10 November 1997), <http://www.number-10.gov.uk/output/Page1070.asp>.

nor any of its predecessors have ever seriously entertained the idea of endorsing a supranational format of European political integration without reservations, or adopt any policy that would permanently “separate” Britain from the United States due to a closer political orientation towards the European Union. After all, the government’s (and Blair’s in particular) policy during the Iraq crisis of 2002–03 has reconfirmed Britain’s undiminished proximity with the United States.⁶ With regard to this continuity, it thus seems more appropriate to refer to a *post-traditional* British foreign policy rather than to a *modern* one.

Sources of Change

This gradual transformation of British foreign policy from a *traditional* to *post-traditional* model can be regarded as the result of several concurrent long-term trends, some of which had already begun to influence Britain’s position in the world during the interwar period. Two of them appear as the most important. The first one was the relative economic decline of Britain as compared to other developed Western countries. Particularly in the course of the first three decades after the end of the Second World War, the British economy experienced a significantly lower growth rate than countries in continental Europe. Since the end of the war, Britain has also been losing its positions in world markets: whereas in 1950 its share in global trade equalled 25 per cent, by 2000 it fell to a mere 5 per cent.⁷ The second defining trend was the decolonisation of the British Empire. This process took place after 1945 in two main waves, at the end of the 1940s (India) and during the 1960s (Africa). Britain’s global role was thus symbolically brought to an end by its entry into the European Community in 1973 – the remaining overseas territories notwithstanding.⁸ The pattern of British foreign trade changed as well. At the beginning of the 1960s, the European Economic Community (EEC) definitively replaced the Commonwealth as Britain’s

⁶ For an overview of Blair’s policy during the Iraq crisis see Christopher Hill, “Putting the world to right: Tony Blair’s foreign policy mission”, in *The Blair Effect 2001–5*, ed. Anthony Seldon and Dennis Kavanagh (Cambridge: Cambridge University Press, 2005), 395–407.

⁷ Caroline Schenk, “Britain in World Economy”, in *A Companion to Contemporary Britain 1939–2000*, ed. Paul Addison and Harriet Jones (Oxford: Blackwell, 2005), 463–64.

⁸ For a recent introduction into the problematic of British decolonisation era see Ronald Hyam, *Britain’s Declining Empire. The Road to Decolonisation 1918–1968* (Cambridge: Cambridge University Press, 2006).

main trade partner. After a series of unsuccessful attempts to negotiate a free trade zone between the EEC and other members of the Organisation for European Economic Co-operation (OEEC), London began to regard its entry into the Common Market as an economic necessity and the only way how to secure favourable conditions for British export. Britain's first attempt to join the EEC took place in 1961.

However these long-term trends are but a part of the picture. They constitute an objective material structure in which specific foreign policy decisions are adopted. A collective reflection of these trends then forms, together with other ideas and meanings shared by the actors involved, part of an inter-subjective ideational structure that has enabling and limiting influence on foreign policy decision-making. Every specific foreign policy decision then needs to be analysed as a unique case study in which structural factors interplay with interests and preferences of separate institutional and individual actors involved in the decision-making process. Some of these actors, such as strategically situated political entrepreneurs with a radical foreign policy agenda, can act as catalysts to changes, while others, such as bureaucratic structures (including the very system of formulation and implementation of British foreign policy) and existing ties, conversely tend to support the *status quo*. A decision that seems contradictory to the logic of the long-term trends on the *macro* level of the analysis can thus be entirely understandable after descent on the *micro* level of individual actors and institutional interests. This study seeks to take into account both levels of analysis.

The Background: Political and Economic Context and the Macmillan Legacy

As I have suggested in the introduction, the end of *traditional* British foreign policy as expressed in the "three circles" concept can be traced back to the governments of Labour Prime Minister Harold Wilson in the second half of the 1960s. Three events that took place in 1967 rounded off three different but tightly interconnected processes that kept changing Britain's position in the world since the early post-war years.

Firstly, the cabinet's decision to apply for membership of the European Economic Community in April 1967 signalled a domestic agreement (albeit temporary, as it later turned out) on the expedience of a qualitatively higher

degree of economic and political integration into continental Europe, which had been in the post-war era playing for Britain a dual role of its close ally and a potentially more successful competitor.⁹

Secondly, an amendment to defence policy reform in July 1967 called for a complete withdrawal of British military forces from the area east of the Suez Canal by mid-1970s. The end of Britain's global military role meant a final resignation to the aspiration of maintaining a status comparable to both superpowers, the United States and the Soviet Union. 19 January 1968, the day Wilson officially announced the planned withdrawal, is thus said to mark the end of the British Empire.¹⁰

Last, a devaluation of the sterling in November 1967, a measure taken by the cabinet to face up to a chronic deficit in the balance of payments, meant a *de facto* immediate end of the global role of the British currency (its "number two" status as a world reserve currency), and it was followed by the collapse of the monetary system of the former Empire, the Sterling Area. Britain would have to give up its second part – that is what remained of the imperial preferential tariff – after agreeing to EEC's common external tariff.

The following brief chapter outlines Britain's domestic and economic development in the second half of the 1960s as the context of the transformation of its foreign policy.

Political and Economic Context

The general elections of 15 October 1964 concluded a 13-year period of Conservative rule. However, the incoming Labour government of Harold Wilson could only rely on a very narrow parliamentary majority of 317 out of 630 seats in the House of Commons. Wilson therefore decided to call an early election on 31 March 1966. The vote brought the government a convincing victory as expected: the Labour Party beat the Conservatives by

⁹ A valuable overview of the academic "landscape" and main lines of interpretation in relation to the second British EC membership bid is provided in Daddow's "Introduction: The Historiography of Wilson's Attempt to take Britain into the EEC", in *Harold Wilson and European Integration. Britain's Second Application to Join the EEC*, ed. Oliver Daddow (London: Frank Cass Publishers, 2003), 1–36.

¹⁰ Cf. Denis Judd, *Impérium. Britská imperiální zkušenost od roku 1763 do současnosti* (Praha: BB Art, 1996), 389.

more than 1.5 million votes and won 363 seats in the House of Commons.¹¹ Wilson thus gained a comfortable parliamentary majority for the full electoral term, which enabled him to push through some policies that were not supported by the whole party. Despite the size of government majority, intra-party opposition was still able to block in 1969 a key reform of trade unions, proposed in the White Paper *In Place of Strife*.

Throughout his entire first government (Wilson served as Prime Minister again in 1974–76), Harold Wilson had to face the country's worsening economic situation. The fundamental problem was neither inflation nor the unemployment (as they came to be in the 1970s and 1980s). Compared to other developed countries, British economy recorded slower economic growth: in the 1960s, the economy grew on average by meagre 2.5 per cent annually. This was due to a combination of low competitiveness of British industry that stemmed from its capital underinvestment, and of Keynesian economic policies which manifested themselves by manipulation of demand and by political commitment to full employment. At the same time the economy suffered from stop-go cycle and from a chronic balance of payments deficit which undermined the stability of the sterling.¹²

Immediately after the 1964 election Wilson and his economic ministers James Callaghan (finance) and George Brown (economic affairs) decided not to devalue the sterling. This turned out to be a strategic decision of paramount importance. Over the course of the following years it required several budget cuts which significantly limited governmental policies and in effect also precipitated the dismantling of Britain's military presence in the Middle and Far East.¹³ Instead, the government asked for a stabilisation loan from International Monetary Fund, and in 1964–65 it borrowed almost £850 million.¹⁴ At the same time it introduced a temporary import surcharge.

¹¹ Bryn Morgan and Joseph Connelly, *UK Election Statistics 1945–2001. House of Commons Library Research Paper 01/37* (London: House of Commons Library, 2001), 8.

¹² The mechanism of the stop-and-go cycle is explained in Ian Budge et al., *The New British Politics* (London: Longman 2004), 63; the cycle was broken in the 1980s owing to income from North Sea oil. For sources and impacts of the deficit of the balance of payments see Schenk, "Britain in World Economy", 470–75.

¹³ Wilson, Callaghan and Brown accepted the decision not to devalue without the consultation with other ministers over the course of several hours after the electoral results were announced. Cf. Peter Hennessy, *The Prime Minister. The Office and Its Holders Since 1945* (London: Penguin Books, 2001), 289.

¹⁴ It involved a considerable amount that corresponded to approximately one fifth of the reserve fund of the International Monetary Fund. Cf. Schenk, "Britain in World Economy", 470.

The most ambitious project of Wilson government, a radical programme for economic and social modernisation of the country, was thus in sharp contrast to economic realities. The programme included re-nationalisation of the steel industry, regulation of rents, increase in pensions, stronger guarantees for trade unions and abolition of fees on medical prescriptions. Its central point was the National Plan, launched in September 1965, which called for a 25 per cent growth in GDP over the following five years. The implementation of the National Plan, which required fiscal expansion, however soon turned out to be incompatible with the effort being made to maintain the parity of the currency. The deepening budget deficit led in July 1966 to an attack on the sterling. The cabinet reacted by vast budgetary cuts and wage and price freeze that was to last for six months. These anti-inflation measures program *de facto* meant the collapse of the National Plan, i.e. the central pillar of the government's economic policy.¹⁵

The government managed to maintain the parity of the sterling even during the following Sterling Crisis in July 1967, yet on 18 November 1967 it finally gave in and adjusted the sterling parity from \$2.80 to \$2.40 for £1. Not even this devaluation however managed to entirely solve the balance of payments deficit problem and in 1968 Britain was forced to resort to another loan from the IMF.

As in West European countries, the second half of the 1960s was also a period of social polarisation in Britain. Apart from the left-wing student and environmental movements, national movements started up in Scotland and Wales and regional parties, Scottish National Party and Plaid Cymru won their first mandates in Westminster. Big industrial centres faced growing problems related to the coexistence of the white majority and ethnic minorities of Caribbean and Asian descent and the problem of racial discrimination and concerns about the racial riots going on in the United States were brought to the fore. In the event the British government gradually introduced quotas to limit immigration from the Commonwealth's newly independent countries. The situation in Northern Ireland posed a peculiar problem. The non-violent movement for civil rights of the Catholic community escalated the so-called Troubles in 1969 after Protestant paramilitary units attacked Catholic districts in Londonderry and Belfast and British military troops entered the territory. Harold Wilson

¹⁵ See David Gowland and Arthur Turner, *Reluctant Europeans. Britain and European Integration 1945–1998* (London: Pearson Education, 1999), 155–59.

remained the Prime Minister until the Labour defeat in the general election on 18 June 1970. Having received almost a million votes more than the Labour Party, the Tories gained 330 seats out of 630 and Wilson was replaced by the Conservative leader Edward Heath.¹⁶

“Three Circles” at the Beginning of the Wilson Government

The limits to the leeway the Labour government had for its foreign policy were initially set by external factors, most importantly by the legacy of the previous Conservative government of Harold Macmillan (1957–63). The other given fact on which Britain had rather little influence was the state of relations between both superpowers. The Caribbean Crisis in 1962 marked the end of the turbulence at the turn of the 1950s and 1960s and open into the *détente*, a relatively long and stable ease in relations between the East and the West, which was to last until the Soviet invasion of Afghanistan in 1979. For West European countries, *détente* meant an opportunity for a more independent foreign policy both towards the Soviet bloc (e.g. German *Ostpolitik*) and the United States (foreign policy of Gaullist France, attempts to find a common European approach within NATO, and the establishment of European Political Cooperation should be mentioned in this context). This space for increased autonomy in foreign policy was equally open for London. What was then the state of the “three circles” of British foreign policy at the outset of the Wilson era?

Harold Macmillan’s oft-quoted *Winds of Change* speech,¹⁷ delivered on 3 February 1960 in Cape Town, is interpreted as an official sign that London was ready to negotiate the transfer of power into the hands of the native majorities in its African colonies (the first British colony in Sub-Saharan Africa to gain independence had been Ghana in 1957). While up to that point the decolonisation process mainly concerned British colonies in Southeast Asia, by 1964 almost half of Britain’s African and the first of Caribbean possessions had gained independence. The British Empire was *de facto* replaced by the Commonwealth, in which Britain was only “the first among equals”. Both pillars of the imperial economic system survived until the turn of the 1960s and the 1970s: the preferential customs (“imperial” or

¹⁶ Morgan and Connelly, *UK Election Statistics 1945–2001*, 8.

¹⁷ “Wind of Change Speech”, speech by Prime Minister Harold Macmillan (South Africa Parliament, 3 February 1960; extracts), http://africanhistory.about.com/od/eraindependence/p/wind_of_change2.htm.

“Commonwealth”) tariff and the Sterling Area, a monetary system in which the British pound was the reserve currency. It can be however argued that at the beginning of the Wilson government, the Commonwealth was more psychological and symbolic than political and economic asset; as of the early 1960s, the Commonwealth’s share in Britain’s foreign trade permanently fell behind that of the EEC’s member states.

A primary importance was attached, as in the times when the concept of “three circles” was formulated, to Britain’s “special relationship” with the United States. Not even Macmillan’s personal friendship with President John F. Kennedy could however conceal the fact that this relationship was completely unbalanced. While generations of British statesmen were keen on a privileged bilateral partnership, Washington for most of the time valued Britain as a supportive and culturally proximate European power with a leading role in a unifying Europe, which was however not supposed to enjoy special treatment.¹⁸ Seen from London, the “special relationship” was to fulfil several basic functions. First of all, the alliance between the USA and Britain was the axis of NATO, which in turn was the linchpin of the security of Western countries in the course of the Cold War. The British also believed that through the “special relationship”, they would be able to influence American policy and especially restrain its hawkish tendencies. Finally, since the Suez Crisis in 1956 the governments in London had been clearly aware of the fact that in the end, Britain’s international position was dependent on American goodwill, and often directly on its active support. As a 1959 government paper stated: “In many cases, the United States will be the only Power capable of supporting our interests in the world outside Europe. We shall become increasingly dependent on their support [...] and our status in the world will largely depend upon their readiness to treat us as their closest ally.”¹⁹ Some American administrations appreciated Britain’s role as a competent military ally with a global outlook, yet a part of American political representation took a rather critical or condescending attitude towards it. London was especially outraged by a speech by the former Secretary of State Dean Acheson at West Point in December 1962. According to Acheson, Britain “lost an empire and not yet found a [new] role”, and its old role was “about played out”.²⁰

¹⁸ Petr Luňák, *Západ. Spojené státy a Západní Evropa ve studené válce* (Praha: Libri, 1997), 177.

¹⁹ For The Future Policy Study, 1960–1970, see David Gowland and Arthur Turner, eds., *Britain and European Integration 1945–1998: a Documentary History* (London: Routledge, 2000), 53.

²⁰ Quoted in Hugo Young, *This Blessed Plot: Britain and Europe from Churchill to Blair* (Basingstoke: Macmillan, 1998), 171.

During the Macmillan era, British co-operation with, and dependence on, the United States deepened in the field of military technologies, especially as concerned nuclear weapon carriers. After the signing of a bilateral Mutual Defence Agreement in July 1958, American McMahon Act of 1946 prohibiting the administration from sharing information about nuclear technologies with other countries ceased to apply to Britain. London thus gained privileged access to classified American information concerning nuclear technologies. An imminent trust crisis caused by the termination of the American *Skybolt* missile programme (which was foreseen as the main British nuclear weapons carrier) was quickly averted during a bilateral Macmillan–Kennedy meeting in Nassau in December 1962. On the basis of the agreements concluded in Nassau the United States would provide Britain with *Polaris* submarine-launched ballistic missiles. The outcome of the Nassau meeting in turn served as pretext for the French President Charles de Gaulle to veto in January 1963 the British application for EEC membership.

The Macmillan government was quick to realise that the European Free Trade Association (EFTA, or the “Seven”), the establishment of which it had instigated, had no potential to become the intended counterweight to an emerging ECSC-EEC continental political and trade bloc. The government was also afraid that Britain’s ongoing absence from the main flow of the European integration process could threaten it with economic and political marginalisation, and therefore it decided in July 1961 to apply for EEC membership. However, as it turned out in the course of the accession negotiations, Britain was not ready for membership, above all psychologically. London was at the time not yet willing to accept obligations following from the EEC’s common trade and agricultural policy and to give up its preferential trade relations with Commonwealth countries. According to the French president, who was the most vigorous opponent of British membership, London was too closely linked to the United States in the spheres of foreign and defence policy. From de Gaulle’s point of view, the Nassau Agreement *de facto* negated earlier considerations about possible bilateral Franco-British co-operation in the development of nuclear weapons, and it also confirmed British voluntary dependence on the United States. It seems that de Gaulle had planned to veto the British application in the EEC even before Nassau; the contents of the agreement offered to him a convenient pretext.

The first British attempt to join the EEC does not, however, constitute a real turning point in its post-war foreign policy. There are two main

reasons for this. First, there was a remarkable lack of identification with the integration project, and even Macmillan's address in the Commons on 31 July 1961, in which he announced the application, lacked any signs of enthusiasm.²¹ As for the accession negotiations, it was apparent that the government was not willing to sacrifice anything essential from the complex of traditional bonds that tied Britain to the Commonwealth and the United States. Secondly, the prospective membership of the EEC was not a matter of domestic political consensus. Throughout 1962, the opposition Labour Party, led by Hugh Gaitskell, kept – also because of its internal divisions – an evasive attitude towards the EEC issue. Gaitskell only took a clear position at the annual party conference in October. In his address he entirely sided with the opponents of membership. He accused the government of betraying the independence of Britain and the Commonwealth and of shifting “thousands of years” of national history into reverse, and he posed five unrealistic conditions for his support of entry into the EEC: guarantees for the interests of British agriculture; guarantees for the interests of the Commonwealth; guarantees for the interests of the EFTA countries; assurance of British right to pursue an independent foreign policy; and assurance of British right to pursue national economic planning.²² These five conditions were the official Labour Party position when Harold Wilson became the party leader after Gaitskell's sudden death in January 1963.

“Tradition”: 1964–1966

Wilson became the Labour Party leader – and Prime Minister in October 1964 – with the reputation of being a “Commonwealth man” with a sceptical attitude towards Britain's possible membership in the EEC. During his tenure as Shadow Foreign Secretary he supported Gaitskell's line and, conversely, he was convinced of the prospects of political and trade co-operation with the former Empire, with which he was also connected through his former academic interests. He is recorded to having said that “the UK's frontiers are the Himalayas”.²³ Despite a freeze on military

²¹ Cf. Gowland and Turner, *Documentary History*, 85; Young, *This Blessed Plot*, 128–29.

²² Gowland and Turner, *Reluctant Europeans*, 132.

²³ Intervention of David Greenwood at “The Decision to Withdraw from East of Suez” (Seminar held on 16 November 1990 at the Institute for Contemporary British History, transcript published in 2002), <http://www.icbh.ac.uk/witness/esuez>, 17.

expenses, Wilson's first cabinet was positively committed to the global presence of the British Armed Forces. "I want to make it quite clear that [...] we can not afford to relinquish our world role," he was quoted as saying.²⁴ As a matter of fact the situation in the House of Commons in 1964–66 where the government had a wafer-thin majority of three seats and the Parliamentary Labour Party was not united in practically any fundamental issue of the foreign and defence policy, starting with the attitude towards the EEC and finishing with an independent British nuclear deterrent, in principle excluded any radical initiative.

The then-prevailing Labour Party's orientation towards the Commonwealth rather than towards European co-operation was reflected in the 1964 election manifesto: "Though we shall seek to achieve closer links with our European neighbours, the Labour Party is convinced that the first responsibility of a British Government is still to the Commonwealth."²⁵ The manifesto entirely disregarded the question of the future British relationship with the EEC; on the contrary, it paid considerable attention to proposals concerning the enhancement of institutional ties and trade exchanges with Commonwealth countries. It also denounced the Conservative Party for defeatism and for the fact that over the course of its 13-year administration it had allowed a sharp drop in the Commonwealth's share in British foreign trade.²⁶

Yet the development of political and business relations with the Commonwealth was for Wilson a distinct disappointment. The share of former colonies in British foreign trade could not be reversed and the government soon realised that the vision of the post-war Foreign Secretary Ernest Bevin – restoration of Britain's great power status based on the resources of the transformed Empire – was at odds with economic and political realities.²⁷ Two events of 1965 are cited as the main reasons for

²⁴ See Gowland and Turner, *Documentary History*, 115.

²⁵ See "The New Britain. 1964 Labour Party Election Manifesto", <http://www.labour-party.org.uk/manifestos/1964/1964-labour-manifesto.shtml>.

²⁶ Ibidem. Between 1951 and 1964, the Commonwealth share dropped from 44 to 30 per cent. From a long-term perspective, however, its percentage in early post-war years was rather exceptional and it can be ascribed to a lack of dollar reserves and the activity of the Sterling Area.

²⁷ These developments were already conceded in the *Future Policy Study*: "The Commonwealth is likely to become less of an economic unit [...]. Britain cannot expect to increase her proportion of the trade of other Commonwealth countries." Wyn Rees, "Britain's Contribution to Global Order", in *Britain and Defence. A Policy Re-evaluation*, ed. Stuart Croft et al. (London: Longman, 2001), 39.

disillusion related to the Commonwealth's political development. The first one involved the fact that India and Pakistan, succession states of the former "jewel in the British Crown", chose the Soviet Union instead of Britain as their mediator in the conflict over Kashmir. The second was the unilateral declaration of independence of South Rhodesia in November.²⁸ This act was the only one of its kind in the whole process of the post-war British decolonisation and it was all the more degrading for Britain in that it provocatively copied the 1776 Declaration of Independence of thirteen North American colonies. London decided to enforce obedience of Ian Smith's rebellious regime by imposing a trade embargo. The chosen tactic however failed and the white minority regime survived, with help from South Africa, until the late 1970s. On the contrary, the Wilson government became subject to sharp criticism from both African countries and the Labour left, which considered its policy an exercise in alibism. With the entry of newly independent Third World countries and the decreasing share of "white" members, the Commonwealth was inadvertently becoming less and less a *British* Commonwealth. Even the setting-up of a permanent secretariat in London in 1965 did little to reverse the decline of both Commonwealth's political importance for Britain and the international standing of Britain itself.

Europe

Even though the Wilson government officially changed its policy towards the European Communities (or the "Common Market" as was a standard reference to the EEC in the British discourse at the time) only in the first year of its second electoral term, first clear signs of a new approach already appeared before the March 1966 elections. While the attention of the cabinet was focused primarily on overseas events in 1965, several key ministers were keen supporters of British participation in the European integration project. This group included the Deputy Leader of the party George Brown and the Home Secretary, Roy Jenkins, both of whom had ranked among the minority that had disagreed with the negative position that Hugh Gaitskell took to the Macmillan government's application in 1962. In 1965, a group of high officials at the Foreign Office, whose

²⁸ Gowland and Turner, *Documentary History*, 110. For South Rhodesia see Judd, *Impérium*, 384-97.

pro-European views were shaped during the first accession negotiations with the EEC in 1961–63, discretely started to work (through material presented to the cabinet) towards the revision of the existing Labour orthodoxy of “five conditions”.²⁹ The Foreign Secretary, Michael Stewart, also supported a reassessment of the policy towards the EEC and in December 1965 he advised Wilson to apply again immediately.³⁰

An equally significant factor was the developments taking place within the EEC (since 1965, the European Community, EC) itself. In July 1965, the Community went through a deep internal crisis when France under President de Gaulle opted for an obstructive “empty chair” policy in order to thwart an attempt to strengthen the authority of the supranational institutions, the Commission and the Parliament (the Hallstein Plan). The crisis lasted until the Luxembourg Compromise was reached in January 1966, which enabled the member states to retain the right to veto in matters that affected their “vital interests”.³¹ The Luxembourg Compromise undoubtedly facilitated the later decision of the Wilson government to apply for EC membership in that it weakened the British concerns about the Community’s hasty progress towards the establishment of a European federation and a full assertion of a supranational form of integration.

There is circumstantial evidence that Wilson “converted” to support the EC membership some time in early 1966. Among these are e.g. the diaries of Cecil King, Chairman of the pro-Labour tabloid *Daily Mirror* Board.³² King’s testimony may have been influenced by his pro-European orientation; it is nevertheless confirmed by a February 1966 diary entry of Richard Crossmann, a prominent left wing minister and Labour Party ideologist who was opposed to EC membership: “As he [Wilson] sees it, the difficulties of staying outside Europe and surviving as an independent power are very great compared with entering on the right conditions.”³³ In any case, in January 1966 Wilson and the Foreign Secretary, Michael Stewart, established a secret committee under the chairmanship of Sir Eric Roll, Permanent

²⁹ Young, *This Blessed Plot*, 184–85.

³⁰ Gowland and Turner, *Reluctant Europeans*, 156.

³¹ Desmond Dinan, *Ever Closer Union? An Introduction to European Integration* (Basingstoke: Palgrave, 1999), 46–49.

³² After his lunch with Brown on 20 January 1966, King noted: “Wilson has decided to enter the Common Market!” Shortly after the election, on 19 April 1966, King met Wilson. According to King, Wilson said that he thought that Britain “should be in [the EC] in two or three years.” See Young, *This Blessed Plot*, 186–89.

³³ Gowland and Turner, *Reluctant Europeans*, 153.

Secretary at the Ministry of Economic Affairs and former key member of Harold Macmillan's negotiation team, consisting of high-ranking officials from the Foreign Office, Treasury, Board of Trade and others ministries. Its objective was to work out an analysis of the overall economic impact of potential EC membership and the Common Agricultural Policy on Britain. Other resort ministers were to be informed about the existence and results of the Roll committee only after its deliberation has ended.³⁴

Unlike two years before, in the 1966 election the Labour Party could no longer afford to ignore the European community issue. In the election campaign, the Conservatives under their new leader, Edward Heath, who had been Macmillan's chief negotiator with the EEC and was known as a politician with strong pro-European leanings, promised once in government, the party would renew Britain's application for EC membership. The Labour Party thus also had to clarify its position, and its manifesto reflected a circumspect yet not necessarily disapproving attitude: "Labour believes that Britain, in consultation with her E.F.T.A. partners, should be ready to enter the European Economic Community, provided essential British and Commonwealth interests are safeguarded."³⁵ In one of his key speeches in the campaign, Wilson paraphrased this passage as "We are ready to join if [...]". At the same time he distanced himself from the political dimension of European integration: "We believe that, given the right conditions, it would be possible to and right to join the EEC as an economic community. But we reject any idea of supranational control over Britain's foreign and defence policies. We are in Europe, but our power and influence are not, and must never be, confined to Europe."³⁶

Defence Policy

As a *status quo* global power, post-war Britain was a typical example of a country with a reversed relationship between its foreign and defence policy. Whereas most governments deploy military assets to support basic objectives and interests set by their foreign policy concept, British foreign policy often found itself in an entirely pragmatic service of existing

³⁴ Young, *This Blessed Plot*, 186.

³⁵ See "Time for Decision. 1966 Labour Party Election Manifesto", <http://www.labour-party.org.uk/manifestos/1966/1966-labour-manifesto.shtml>.

³⁶ Harold Wilson, speech in Bristol, 18 March 1966. See also Gowland and Turner, *Documentary History*, 112–13.

military obligations. These obligations were all perceived as vital as their abandonment would, according to British policy-makers, lessen Britain's power status. Given the financial straits, the Wilson government started in October 1964 to prepare a defence policy reform (Defence Review) in order to adjust it to the financial means that were at its disposal for military expenses, yet these savings were supposed not to entail any considerable reductions of existing military obligations. In November 1964, the government adopted two decisions that were to influence fundamentally the shape of British defence policy in the following years.

The first one was the reduction, in the upcoming years, of the defence expenditure from £2.4 to £2.0 billion (in 1964 prices). This decision was however not followed by a corresponding reduction of military obligations and, as mentioned above, only a month later, on 16 December, Wilson stated in his House of Commons speech that “[W]e cannot afford to relinquish our world role.” According to critics, this elementary contradiction doomed the forthcoming defence policy in advance.³⁷ This cut was logical from the point of view of the requirements of domestic politics (the government's difficult financial situation, the National Plan, the expensive socio-economic modernisation program) but in a medium-term perspective, it precipitated and emphasised the financial indefensibility of continuing British military presence in the Far as well as the Middle East. Its impact was further aggravated by the growing weapons system costs. In the second key decision, a committee consisting of Wilson and his defence and foreign ministers (Denis Healey and Patrick Gordon-Walker) agreed to continue the construction of submarines designed to carry the *Polaris* missiles. The government thus dispelled earlier uncertainties caused by the promise to renegotiate the Nassau Agreements, which the Labour party made in the 1964 election campaign with regard to the anti-nuclear orientation of its left wing.³⁸

The review of British defence policy was concluded in February 1966 by the publication of two documents, the Defence Review White Paper and the Statement On The Defence Estimates 1966 (Cmnd 2901). The Ministry of Defence was convinced that it was possible to meet, in the coming years, the existing obligations by rationalisation of expenditures. Several major armament programmes, including the development of a universal

³⁷ Intervention of Lord Mayhew at “The Decision to Withdraw from East of Suez”, 23.

³⁸ Hennessy, *The Prime Minister*, 290–91.

TSR-2 supersonic aircraft (subsequently replaced by American F-111) were terminated. For the years 1966–69, the defence budget was to stay at the level of £2.0 billion (in 1964 prices) and thus drop from more than 7 to 6 per cent of GDP by the end of the decade.³⁹ The White Paper however stated that in the long term, a partial reduction of global military obligations would be inevitable:

“[In the 1970s, Britain will still have military commitments in many places overseas.] Nevertheless, to maintain all our current military tasks and capabilities outside Europe would impose an unacceptable strain on our overstretched forces, and bear too heavily both on our domestic economy and on our reserves of foreign exchange. For all these reasons we have decided that, while Britain should retain a major capability outside Europe, she should in future be subject to certain general limitations.”⁴⁰

The White Paper also set restrictive principles for future military engagements overseas: no large-scale operations without allies, no unofficial military assistance, and no operations out of the flying range of aircraft based on the mainland.⁴¹ Beside financial restrictions, another problem emerged in the course of the 1960s in the form of a critical lack of military personnel: the 1957 Sandys Defence Review ended the National Service and the strength of the British Armed Forces gradually decreased from 690,000 to 375,000. As there was no corresponding back-scaling in commitments, the Armed Forces became threatened by overstretch. After the publication of the White Paper, the Navy Minister, Christopher Mayhew, resigned in protest as in his view the 1966 reform deeply undermined the credibility of British defence policy.

As Hyam points out, however, the lengthy process of reassessment of the East of Suez role had actually begun even before the Wilson government took office. Whereas on the political level the Defence Review was initiated by Labour ministers in autumn 1964, on the expert level officials already started their reappraisal of the international role of the British Armed Forces towards the end of the Conservative era.⁴²

³⁹ Andrew Dorman, “Crises and Reviews in British Defence Policy”, in *Britain and Defence. A Policy Re-evaluation*, ed. Stuart Croft et al. (London: Longman, 2001), 16.

⁴⁰ Statement on the Defence Estimates 1966, paragraph 19 as quoted in Gowland and Turner, *Documentary History*, 116.

⁴¹ Intervention of David Greenwood at “The Decision to Withdraw from East of Suez”, 13–14.

⁴² Hyam, *Britain's Declining Empire*, 388.

“Modernity”: 1966–1970

One of the characteristic traits of the post-war British foreign policy was the endeavour to play an active role on the “top floor” of world politics despite the conditions of the bipolar world. This aspiration was based on reminiscences of the “Big Three” era, and following Stalin’s death in 1953 and the subsequent partial warming of the relations between both blocs (“Geneva spirit”), it translated into an interest in highest-level contacts in quadrilateral format (United States, Soviet Union, Britain and France). Like his predecessor Harold Macmillan (excluding the short tenure of Lord Home), Wilson attempted to capitalise, in the *détente* conditions, on his good personal relations with Soviet leaders, especially with the Chairman of the Council of Ministers Alexei Kosygin whom he got to know during his tenure as President of the Board of Trade in the post-war Attlee government. In the 1960s, Wilson visited Moscow four times (in 1964 as an opposition leader at the head of a party delegation, three times as Prime Minister – in February and July 1966 and in January 1968). Like Macmillan’s in 1959, Wilson’s visits to Moscow led to the signature of a series of agreements aiming at intensification of scientific and technical co-operation and cultural contacts (most of which were already in progress). The reality of the Cold War, Soviet espionage and its subversive activities in the Third World however stood in the way of a more tangible improvement of relations in the political sphere. During his visit to London in February 1967, Kosygin offered Britain a Treaty of friendship. The Wilson government took a reserved attitude towards the Soviet proposal, and the occupation of Czechoslovakia by the Warsaw Pact armies, which Wilson, who otherwise fully realised how powerless Britain was in this matter, denounced in the Commons as a “flagrant aggression”, led to a (temporary) downgrade which put an end to all deliberation about the treaty.⁴³

The main objective of the Wilson-Kosygin talks was the Vietnam War. As Keeble put it, “Wilson sought to use the British relationship with the Soviet Union as a means of bringing about a ceasefire between the United States and North Vietnam.”⁴⁴ The Vietnam War placed Wilson in a tricky situation: on one side the Labour Party’s strong left wing required the government to dissociate

⁴³ Curtis Keeble, “The Historical Perspective”, in *Soviet-British relations since the 1970s*, ed. Alex Pravda and Peter Duncan (Cambridge: Cambridge University Press/RIIA, 1990), 38–39.

⁴⁴ Curtis Keeble, *Britain and the Soviet Union, 1917–1989* (Basingstoke: Macmillan, 1990), 274.

itself from the American policy. On the other hand, the U.S. administration expected Britain to carry out its traditional role of American “closest ally”. In the event Wilson managed to resist American pressure to involve British troops directly in the war, he did however not dare refuse to support his main ally politically. In fact the Soviets supported British efforts to mediate a diplomatic solution to the Vietnam War only so long as it was advantageous for North Vietnamese troops but they were not willing to let the British arrange an agreement that would be acceptable for the United States. Therefore, Britain had no real possibility to help end the Vietnam War through its relationship with the Soviet Union.

During Wilson’s two visits of President Johnson in Washington in December 1964 and December 1965, an informal agreement on the principles of co-operation between both countries was reached: the United States would help Britain maintain the parity of the sterling and the trade embargo on South Rhodesia while the British would assist the United States to combat communism on a global scale and keep their military troops in Malaysia and the Royal Navy in the Persian Gulf and the Indian Ocean.⁴⁵ From this perspective, the subsequent decision of the Wilson government to withdraw British troops from East of Suez was very disappointing both for the US and other British allies in the area.

One of the main British diplomatic successes at the time was thus in 1968 the signing of the Treaty on Non-Proliferation of Nuclear Weapons. The NPT Treaty would in the future sanction Britain’s status as one of the world’s five countries that can legitimately stock nuclear weapons, symbol of a great power status in the second half of the twentieth century.

In the previous chapter, I tried to show that both key decisions that in my opinion moved the British foreign policy into the *post-traditional* era, that is the second application for European Community membership and the withdrawal of troops from the area East of Suez, emerged from trends that had already become manifest during first electoral term of the Wilson government in 1964–66. Foremost among them appear to have been a worsening economic situation, including persistent deficits in budget and in balance of payments, and an unsatisfactory development of political and trade relations with the Commonwealth. The following chapter looks at the genesis of both decisions after the March 1966 elections and at their immediate consequences in greater detail.

⁴⁵ Gowland and Turner, *Reluctant Europeans*, 155.

Europe

As shown above, the Labour Party fought the spring 1966 general election with a position which could be paraphrased as “joining the European Community in principle yes, as long as it will be possible to negotiate favourable conditions for Britain and its trade partners from outside the EC”. By that time, Harold Wilson had probably already personally decided in favour of a second application, or at least he was very close to this decision. Evidence to this shift was the appointment as Foreign Secretary of George Brown, Deputy Leader of the party and the cabinet’s most prominent supporter of Britain’s European orientation. During 1966, and especially after the July monetary crisis, it became generally accepted that an entry into the European Community would entail a devaluation of the sterling.⁴⁶

The first time the cabinet discussed the policy toward the European community was on 22 October 1966 at an all-day meeting that took place at Chequers, the country residence of British Prime Ministers. As it turned out during the debate, the cabinet was, as concerned the question of joining the EC, practically divided in half: nine ministers declared to be in favour, eight were against.⁴⁷ The Prime Minister did eventually not take a side. Instead, he put through a proposal that he and the Foreign Secretary would embark on a tour around capitals of all six EC member countries to discover what opinions prevailed on the continent with regards to potential British application and to convince their counterparts of the seriousness of the British intentions. This “Probe” was scheduled to take place between January and March of the following year. The key negotiation with French President Charles de Gaulle was to take place on 24 and 25 January 1967 in Paris.⁴⁸ On 10 November 1966 Wilson informed the House of Commons that his government intended to join the EC if it was possible to negotiate guarantees for the fundamental interests of Britain and the Commonwealth.⁴⁹

⁴⁶ Gowland and Turner, *Documentary History*, 110.

⁴⁷ Cf. Gowland and Turner, *Reluctant Europeans*, 163. Douglas Jay, an atypical member of the party’s right wing and the President of the Board of Trade, was the most emphatic objector to EC membership in Wilson’s cabinet.

⁴⁸ Wilson and Brown’s task in Paris was rendered even more difficult by a disastrous outcome of a July 1966 visit to London by French Prime Minister Pompidou and Minister of Foreign Affairs Couve de Murville. See Anthony Adamthwaite, “John Bull v. Marianne, Round Two: Anglo-French Relations and Britain’s Second EEC Membership Bid”, in *Harold Wilson and European Integration. Britain’s Second Application to Join the EEC*, ed. Oliver Daddow (London: Frank Cass Publishers, 2003), 160–63.

⁴⁹ *Ibid.*, 164.

The Wilson-Brown tour of Europe was a public manifestation of the Labour government's commitment to British entry into the Common Market. Its immediate results were however at best mixed, and the suspicion proved to be true that so short after overcoming the inner crisis of the Community, the "friendly Five" states, and in particular Germany, would not be willing to push France very hard in the case de Gaulle decided to block the British application again.⁵⁰ During the Paris discussions, Wilson courted the French president's support by emphasising the perspectives for bilateral technological co-operation and by stressing the asset for the Community, in the *détente* conditions, of the good relationship between the British government and the Soviet leadership. The General however remained unimpressed.⁵¹ He did not entirely refuse British membership of the EC but he pointed out many difficulties that in his opinion complicated the situation: London's ties with the United States, changes that would be needed to accommodate the accession of Britain into Common Agricultural Policy, and the weakness of the sterling as a global reserve currency.⁵²

The outcome of the "Probe" was then not very encouraging: de Gaulle apparently did not wish the EC enlargement, and the other countries of the Six would not stand up for Britain. Not even Wilson's memorable speech on 21 January 1967 before the Parliamentary Assembly of the Council of Europe in Strasbourg, in which he referred to thousands of years of common history and the proximity of the British civilisation and those of continental nations, was able to make a difference.⁵³

As of spring 1967, a larger part of the political mainstream, most mass media, industrial circles, the City (then the world's biggest financial centre), and, last but not least, the public opinion, were all leaning towards the view that Britain's entry into the European Community had become more or less a necessity.⁵⁴ It was also for this reason that in spite of the caution

⁵⁰ Gowland and Turner, *Documentary History*, 110–11, 117–18.

⁵¹ Gowland and Turner, *Reluctant Europeans*, 164–65.

⁵² The weakness of the currency was the main innovation in de Gaulle's arguments in comparison with the early 1960s. Cf. Gowland and Turner, *Documentary History*, 111, 118–120.

⁵³ See Young, *This Blessed Plot*, 193–94. The full version of the address is available at the European Navigator at <http://www.ena.lu/mce.cfm>.

⁵⁴ Cf. Young, *This Blessed Plot*, 195–99. Public opinion remained strongly in favour of the application until early 1967 when public support began to erode; following de Gaulle's "velvet veto" negative view prevailed. See Anne Deighton, "The Labour Party, Public Opinion and the 'Second Try' in 1967", in *Harold Wilson and European Integration. Britain's Second Application to Join the EEC*, ed. Oliver Daddow (London: Frank Cass Publishers, 2003), 49–51.

dictated by the outcome of the “Probe”, Wilson – convinced that the time was on his side regardless of de Gaulle’s ongoing scepticism – decided to continue steering towards the renewed application for EC membership. Whereas Macmillan had avoided discussion about the negative impacts that EC membership was expected to have on Britain, especially as concerned its impact on the erosion of the constitutional doctrine of parliamentary sovereignty,⁵⁵ Wilson was ready to discuss the likely disadvantages resulting from membership, including a delicate question of the expected increase in food prices and an overall increase in the cost of living.⁵⁶

As the cabinet remained divided on the EC issue, Wilson called a formal vote on 30 April 1967 and in the event, the cabinet agreed to submit the application by thirteen against eight votes. Interestingly, none of the ministers who were opposed to EC membership threatened to resign in protest. As a matter of fact they did not even attempt to reverse the decision as they expected that the Prime Minister’s effort to bring Britain in the European Community would once again be wrecked by de Gaulle’s veto.⁵⁷ On 2 May 1967, Wilson officially informed the Parliament about the cabinet’s decision to apply for EC membership. Thanks to the support of both opposition parties, the Conservatives and the Liberals,⁵⁸ the House of Commons approved the decision by a clear majority of 488 to 62 votes despite the fact that 35 Labour members voted against their own government and another 51 abstained from voting.⁵⁹

Within the Parliamentary Labour Party, the main opposition to Wilson’s pro-European course came from left-wing members. A total of 74 of them signed a public statement published in a Marxist weekly *The Tribune* on 5 May 1967. Their argument is an illustrative example of the radical left wing approach to the EC from the 1960s through to the 1980s: the Community rules were incompatible with socialist planning and they would prevent

⁵⁵ The legal opinion of Lord Kilmuir (David Maxwell Fyfe), Lord Chancellor in Macmillan’s government, was that Britain would give up a substantial part of its sovereignty if it signed the EEC Agreement. Kilmuir strongly advised Macmillan and Heath not to try to trivialize the fact; this was however exactly what happened. See Gowland and Turner, *Documentary History*, 84–85, 96–98.

⁵⁶ Young, *This Blessed Plot*, 195.

⁵⁷ Gowland and Turner, *Reluctant Europeans*, 166.

⁵⁸ For the attitude of the Conservative opposition towards Wilson’s European policy and its internal divisions see e.g. Philip Lynch, “The Conservatives and the Wilson Application”, in *Harold Wilson and European Integration. Britain’s Second Application to Join the EEC*, ed. Oliver Daddow (London: Frank Cass Publishers, 2003), 56–74.

⁵⁹ Gowland and Turner, *Reluctant Europeans*, 166.

“movement towards a socialist society”. The Rome Treaties were in many aspects an economic analogy to NATO, and because none of the communist countries of East Europe would accept them, they petrified the division of Europe. The terms for trade between the EC and Third World countries were unfavourable for the developing economies and had a “flavour of economic colonialism”. Finally, the left wing argued that by joining the EC, Britain would relinquish a considerable amount of sovereignty and the right of legislative initiative to the hands of an undemocratic and unaccountable bureaucracy in Brussels.⁶⁰ On the right of the Conservative party, a small group of MPs, led by the Shadow Defence Secretary Enoch Powell, also voted against the official party line. Their argumentation against the EC membership revolved around the loss of national sovereignty.

The sceptics’ assumptions were soon confirmed. On 16 May 1967, President de Gaulle exerted his “Velvet Veto” (dubbed as such due to its sophisticated, insultingly smooth language) and made it clear that he still was not going to allow the British accession in the European Community. In his view, Britain was not ready to join the EC until it underwent deep political and economic transformations, reappraised its interests outside Europe (especially its aspiration for a privileged relationship with the United States and, according to the French president, its consequent subordination to American interests) and resolved the issues of the international status and the chronic weakness of the sterling.⁶¹ De Gaulle’s statement did however not imply a direct veto as the British application had not been formally submitted. On 21 June 1967 Wilson therefore travelled to Versailles, where he once again unsuccessfully tried to convince the French president by offering a close, co-operative approach towards international issues. De Gaulle, referring to the “special relationship” between Britain and the United States, did however not consider Wilson’s proposal to be credible. To the contrary, he expressed concern that if Britain joined the EC and the smaller member countries followed its leadership, the Community would be transformed into an Atlantic organisation subordinate to America.⁶² Wilson thus had to acknowledge that the prospects for an early accession into the EC were not too bright. Nevertheless, he maintained a certain amount of

⁶⁰ Cf. Gowland and Turner, *Documentary History*, 122–23. In the 1970s, another case of the Labour left against the EC membership would be the negative impact on British farmers and consumers of the Common Agricultural Policy.

⁶¹ *Ibid.*, 123.

⁶² Gowland and Turner, *Documentary History*, 124.

optimism: “If we keep beating firmly at the door and do not falter in our purpose or our resolve I am not sure he [de Gaulle] has the strength finally to keep us out.”⁶³

The second British application for membership in the European Community was officially submitted in July 1967 during a meeting of the West European Union. De Gaulle formally vetoed it on 27 November 1967, soon after the British government, faced with another sterling crisis, decided for the ever-postponed devaluation of the pound. Along with Britain, Ireland, Denmark and Norway also stopped their preparations for EC membership. At first, Wilson contemplated drastic retaliatory measures including a cancellation of all Franco-British projects, refusal to renew the Washington Treaty (signed originally for a period of 20 years) and a withdrawal of all troops from Germany.⁶⁴ However, in the end he adopted a much more pragmatic line. He refused to withdraw the application and decided to wait for the anticipated end of the ageing General’s political career. Wilson’s waiting paid off in spring 1969 when de Gaulle resigned from his office and Georges Pompidou’s succession in the Élysée Palace opened a new era in relations between Britain and the European Community. In December 1969, a Community summit in The Hague gave a new impulse to the European integration process after years of stagnation and launched the first round of EC enlargement. The accession negotiations between Britain and the EC however only opened in June 1970 when Harold Wilson had already been replaced by the Conservative leader, Edward Heath.

Defence Policy

The February 1966 Defence Review White Paper and Statement on the Defence Estimates were not sufficient to consolidate the situation. In the following two years, Britain’s continuing economic difficulties (especially an exacerbation of the balance of payments deficit in summer 1966) forced the government to implement further partial expenditure cuts, operational savings and to rearrange units deployed overseas. Wilson personally preferred that the brunt of these cuts be borne by the troops units stationed in Europe (comprising at the time around 55,000 soldiers). In May 1965, he told the American State Secretary Dean Rusk that he would rather

⁶³ Wilson’s telegram to Brown, *ibid.*, 125.

⁶⁴ Young, *This Blessed Plot*, 197.

“pull half our troops out of Germany, than move any from the Far East”.⁶⁵ The relatively massive British military presence on the Continent followed however from the obligations Britain had assumed in the framework of NATO, and in the event the cuts affected the most the troops deployed in the East of Suez area (Singapore, Malaysia, Persian Gulf).⁶⁶ In fact the British could only begin to seriously consider withdrawal from the Indian Ocean territory in 1966 after a coup of General Suharto in Indonesia put an end to the military conflict between Indonesia and Malaysia in North Borneo, in which British troops were involved on the side of the Malaysian Federation.⁶⁷ In the same year, the Wilson government rented the island of Diego García (the largest of the Chagos Islands, strategically located in the central part of the Indian Ocean) to the United States as a naval base. In 1967, the British speeded up (amid a chaotic civil war in Yemen) the schedule of their withdrawal from Aden and adjacent protectorates. The hasty abandonment of the former Empire’s key strategic point which guarded the sea route to India was regarded as “one of the most humiliating and unsuccessful retreats from [Britain’s] colonial relationships”.⁶⁸

Although Wilson officially announced the complete withdrawal of the British Armed Forces from East of Suez only in January 1968 (the so-called “withdrawal announcement”), it is July 1967, when the government published the Supplementary Statement on Defence Policy (Cmnd 3357, one of the partial revisions of defence policy), that is generally considered to be the main (albeit “quiet”) turn in the global dimension of the British defence policy. According to this document, the number of troops deployed in Singapore and Malaysia were to be reduced by half in the course of the following three years and the withdrawal of all British troops from the Asian mainland with the exception of Hong Kong was foreseen to be completed by the mid-1970s. The government declared that Britain would nevertheless keep sufficient naval and marine forces to enable it to intervene

⁶⁵ Wyn Rees, “Preserving the Security of Europe”, in *Britain and Defence. A Policy Re-evaluation*, ed. Stuart Croft (London: Longman, 2001), 58.

⁶⁶ In the mid-1960s, approximately 25 per cent of all military expenses fell on units deployed East of Suez. Cf. Rees, “Britain’s Contribution to Global Order”, 39.

⁶⁷ Cf. Vladimír Nálevka, *Čas soumraku. Rozpad koloniálních impérií po druhé světové válce* (Praha: Triton, 2004), 70–75.

⁶⁸ Intervention of Lord Thomson, Minister for Commonwealth in 1967–68 at “The Decision to Withdraw from East of Suez”, 41. The decolonisation of British colonies on the Arabic peninsula was completed in 1971, when Bahrain, Oman and the United Arab Emirates gained their independence.

in the area even after the evacuation of the Far East mainland bases.⁶⁹ The contradiction between the fundamental, *de facto* historic character of the changes that Cmnd 3357 appraised, and the illusion of a total continuity of the defence policy that the government tried to preserve is interesting.⁷⁰

However, the state of the British economy imposed additional budget cuts during the autumn of 1967 and in the end, despite the devaluation of 18 November 1967, it led not only to the acceleration of the withdrawal schedule, but also to the resignation of the intention to keep at least limited military capacities in the region. The new revision was published on 19 January 1968 in the form of the Prime Minister's Statement on Public Expenditure 1968–69 and 1969–70 (Cmnd 3515),⁷¹ and was further elaborated in a programmatic document on the defence policy for 1968 (Statement on Defence Estimates 1968, Cmnd 3540). The Statement announced a complete withdrawal of the British Armed Forces from Singapore, Malaysia and the Persian Gulf by the end of 1971 and stated: "We do not thereafter plan to maintain a special military capability for use in that area."⁷² These documents then *de facto* completed the reorientation of the British defence policy towards Europe and NATO. Even though the government subsequently confirmed its obligations within the scope of the regional alliances of SEATO and CENTO, 19 January 1968 is rightly considered, as Denis Judd does, the day that the British Empire ceased to exist.⁷³ The swift (and not exactly conceptual and diplomatically adequately prepared) withdrawal of almost all British troops from the area East of Suez caused significant tension not only in the relationship between London and Washington due to the American expectation of British support in facing communism in Asia, but it also permanently weakened the ties between Britain and its former colonies and dominions in the area. Australia, New Zealand and especially Malaysia and Singapore, which had hitherto regarded Britain as their main

⁶⁹ Intervention of David Greenwood, *ibid.*, 14.

⁷⁰ *Ibid.*, *passim*.

⁷¹ The publication of the Statement was preceded by heated discussions in the Cabinet, with several key figures arguing for delay. Interestingly (and unlike in 1966), Wilson finally managed to have this landmark decision his way without any resignations. Cf. Hyam, *Britain's Declining Empire*, 393–94.

⁷² Intervention of David Greenwood, "The Decision to Withdraw from East of Suez", 15.

⁷³ Judd, *Impérium*, 389. The decolonisation of the British colonies in Africa was completed by this date with minor exceptions (Mauritius, Swaziland); Jamaica, Trinidad and Tobago, Barbados and Guyana, the largest British colonies in the Caribbean, had also gained independence before 1968.

ally and the guarantor of their security, were sharply critical towards the Wilson government's decision, and in the following years they were forced to reorient their defence policies towards the United States.

The opposition Conservative Party did not support the government's defence policy, and it was critical of both the cancellation of some armament programmes (TSR-2), and especially of the decision to completely withdraw British Armed Forces from the Middle and Far East. The Conservatives had traditionally been the "Empire party" with close ties to colonial administration and the Armed Forces, and after their return to power in 1970 they slowed down the withdrawal schedule by several years. However with regard to the country's financial situation and to their topmost foreign policy priority, the accession in the European Community, they did not question the final goal, which was the complete withdrawal of the British Armed Forces from the area East of Suez.⁷⁴

When analysing the withdrawal of the British Armed Forces from the area East of Suez and the subsequent end of Britain's global military role, it is interesting to look at the politics of defence policy review that is at the formulation of the government policy in terms of the power struggle among individual institutional actors and key politicians. The situation was reminiscent of the first post-war reappraisal of British international obligations in 1947; again the mid-1960s, it was again the Treasury (under James Callaghan and from November 1967 under Roy Jenkins) to exert probably the strongest pressure on the reassessment of Britain's global military role. On the contrary, the Prime Minister himself and at least a part of the Foreign Office were interested in maintaining this role to the largest possible extent.⁷⁵ It follows from testimonies of the actors at the time that a key role was played by the Defence Secretary, Denis Healey.⁷⁶ Although Healey ranked among the opponents of the orientation of British foreign policy towards the European Community, in the defence policy realm he inclined towards NATO and European co-operation (Eurogroup). It also follows from testimonies that Healey, who was responsible for the 1964–66 defence policy reform and its subsequent revision, accepted the necessity to significantly redefine Britain's military role, including the complete withdrawal from the East of Suez. In comparison with his predecessors in

⁷⁴ Andres Dorman, "The Politics of Defence", in *Britain and Defence. A Policy Re-evaluation*, ed. Stuart Croft (London: Longman, 2001), p. 104.

⁷⁵ Intervention of David Greenwood, "The Decision to Withdraw from East of Suez", 17.

⁷⁶ *Ibid.*, *passim*.

the resort of defence his role was easier because the economic situation was imperative and the decolonisation process was almost completed. Moreover in 1964, the integrated Ministry of Defence was established, in which the separate ministries of the three Services of the British Armed Forces – previously a significant institutional obstacle of defence policy reforms – were subsumed.

Conclusion

When the Conservative party regained power in the June 1970 general election, Britain's international position and the orientation of its foreign policy were in many aspects very different from the situation six years earlier, when the Conservatives had passed power onto Harold Wilson's Labour government. The decolonisation of British colonies in Africa had been finished and the process of the complete withdrawal of the Armed Forces from the area East of the Suez Canal was in progress. Although Britain was still waiting in front of the gates of the European Community, the biggest – and insurmountable, as it had been proven twice in the 1960s – adversary to the British membership, French President Charles de Gaulle, had now departed and the process of the EC enlargement, which had gained a new impulse at the Hague summit in December 1969, had been launched. British foreign policy had crossed the threshold of the *post-traditional* era. Its further development was, however, to a large extent dependent on the policy of the new Conservative government of Prime Minister Edward Heath. The Conservatives had an opportunity, at least a theoretical one, to try to return to the *tradition*, that is to the fundamentals of their post-war foreign policy as represented by Winston Churchill and Anthony Eden, back before the year 1967 – at least, they could have taken back the British application for the EC membership and halted the withdrawal of the British Armed Forces from the Middle and Far East. The fact that this did not happen shows that the British political elite had in the course of the second half of the 1960s come in the context of changing material and ideational structures to a general – although, as the 1970s and 1980s development were to show, fragile and conditional – agreement on the new principles of a *post-traditional* foreign policy.