

Britain and Europe

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Forty years after Britain joined Europe both have changed, mostly for the better. This story does not, however, begin in 1972 when the negotiations finished and were ratified by parliament, nor in 1973 when the UK took its place at the Council table as a full member, but ten years before with the first British application and the veto by General de Gaulle. Sometimes, going further back still, it is suggested that if Ernest Bevin's ideas for West European cooperation had been pursued,¹ or if Britain had decided to join talks on the Schuman Plan,² or to take the Spaak Committee seriously,³ things might have been different. But the truth is there was no Robert Schuman or Jean Monnet in Britain, and no readiness to think in radically new terms. Had the UK been present at the negotiations that led to the European Coal and Steel Community, the outcome for Britain would probably still have been the same, precisely because the vision was lacking. The decision on the Schuman Plan was a close-run thing—the idea of planning for heavy industry being in accordance with the ideas of the Labour government. But British ideas were very different from those of the French or the Americans, who were thinking in terms of supranational bodies—indeed, for Monnet this was a cardinal point. His approach was supported by the Benelux countries, which were already setting up their own customs union. Bevin had an ambition to lead Europe, but it is not clear where he wanted to take it. British policy was sensible and pragmatic but it offered no vision and few resources, and still gave as much priority to the empire as to Europe. Most probably, participation in those early talks would only have

¹ In the early postwar years Bevin looked for ways to enhance Britain's status by assuming the leadership of Western Europe. He also explored the idea of British participation in a Western European Customs Union, meeting stiff resistance from the Board of Trade. These ideas never took concrete form, and by late 1949 British policy was mostly formulated in terms of what was *not* acceptable, notably anything with a supranational element. The de facto leading power in Europe was the United States; its policy was European integration and it was seeking a partner precisely to develop supranational structures. It found that partner in France. See John W. Young, *Britain and European unity, 1945–1992* (New York: St Martin's Press, 1993), pp. 11–27; Alan S. Milward, *The rise and fall of a national strategy* (London: Routledge, 2002), pp. 24–7, 44–5; Alan Bullock, *Ernest Bevin, foreign secretary, 1945–51* (Oxford and New York: Oxford University Press, 1983), p. 617.

² On 2 June 1950 the government rejected Schuman's invitation to discuss his proposals for a European Coal and Steel Community; the French, primarily Jean Monnet, insisted on a prior commitment to the principle of a supranational authority and it was on these grounds, together with a dislike of what was seen as an ultimatum, that it was rejected. See Milward, *The rise and fall of a national strategy*, ch. 3; Bullock, *Ernest Bevin*, pp. 766–782.

³ The Spaak Committee was set up (by the Messina Conference of the Six) to examine the idea of a European Economic Community. Britain was invited to attend, and on Macmillan's insistence did so—but was represented by a senior official of the Board of Trade rather than by a minister.

postponed a decision not to join the new enterprise.⁴ It was only when that enterprise looked successful and likely to last that Britain began to take it seriously and to think of membership.

Politics, economics and the price of late entry

As the French say, *Les absents ont toujours tort*. They are wrong to be absent and, in their absence, they are easily wronged by those who are present. There is nothing to be surprised at in this: institutions do not abolish power, they merely channel it. The Six (Belgium, France, West Germany, Italy, Luxembourg and the Netherlands) set up the institutions that suited their vision and organized them to reflect their interests; if they decided to keep Britain waiting so that they could organize themselves in ways that would not have been possible had Britain joined earlier, who can blame them? ‘They’ in this case is more France than any of the others, but the others went along. France was essential to the project; Britain was not.

The two achievements of this ten-year period that were most difficult for the Six at the time, and for the UK later, were the Common Agricultural Policy (CAP) and the arrangements for financing the Community—which in practice meant financing the CAP. France’s insistence on getting the policies which de Gaulle wanted entailed a game of the hardest of hardball, culminating in the ‘empty chair’ and an implicit threat to wreck the Community altogether.

As a coda to this, after the negotiations had begun, the Six added a Common Fisheries Policy which was never implemented as envisaged. It was one thing to design an agricultural policy for member states with major agricultural populations; another altogether to do the same for fisheries when the candidates in the waiting room had industries three times the size of those the Six could muster. This manoeuvre may have tipped the balance against membership in the Norwegian referendum, a loss for Europe. Even in its modified form the CFP was a lasting thorn in Britain’s side, creating hostility towards Europe in some important marginal constituencies.

Thus, when the UK finally got a seat at the table in 1973 the hand it was dealt came from a stacked deck. This was visible to those who took the decision to negotiate and to accept the result of the negotiations. Harold Macmillan’s motives for first proposing an application, Harold Wilson’s for taking it up himself, and Edward Heath’s for pursuing it to a successful conclusion were all similar and were all as much political as economic. When Macmillan first raised the possibility of applying for membership his Chancellor, Derick Heathcoat-Amory, described membership of the EEC as a ‘political act with economic consequences’ and not the reverse.⁵ Macmillan’s concerns were primarily about Britain’s place in the world; he saw that the EEC was the centre of gravity in Europe and the centre of US attention, and, putting this together with the sense of Britain’s political and

⁴ Alternative futures are, however, also possible. For example, joining the ECSC might have demonstrated that supranationalism was less dramatic in practice than it seemed in theory.

⁵ Quoted in Young, *Britain and European unity*, p. 72.

economic decline, drew the obvious conclusion.⁶ Harold Wilson saw membership in similar terms. A part of his campaign to bring the Labour Party round to the same view included an examination of the alternatives. These were, essentially, isolation or an Atlantic free trade area—no one wanted the first and at the end of the process no one was able to believe in the second either (though Wilson sometimes brandished it, unconvincingly, in discussions with European leaders). It was not just the weakness of Britain's position as a trading nation but also a foreseen decline in political influence that led Wilson and his government to see EEC membership as the only sensible way forward. He told the Trades Union Congress in 1969 that a federal Europe might come in time, though it was not part of the present agenda. Heath, the most committed 'European' of all the postwar prime ministers, would probably have gone even further.

Each of these leaders' motives and arguments were primarily political; but each also saw entry to the EEC as part of the answer to Britain's economic problems. Macmillan was aware that trade with the Commonwealth and the European Free Trade Association (EFTA) was growing more slowly than that with the EEC; Wilson argued the case for collaboration in technology.⁷ Heath believed that the shock of competition with the Six would shake up British industry and make the country more competitive. Politics and economics went hand in hand, but politics came first.

The year of Britain's entry, 1973, was a terrible one. There was uncertainty in the United States as the Watergate scandal gradually took a hold on political life; there were misgivings in Europe as the implications of Chancellor Willy Brandt's *Ostpolitik* were digested, with many wondering if Germany was being tempted by neutralism; and in the Middle East there was war, followed by the Arab oil embargo. Britain and France were perceived by the Arabs as more favourable to their cause than other European countries and were accordingly treated better. This left the Community in disarray when the British and French made clear that, as far as they were concerned, the Community had not evolved to the point where solidarity with fellow members outweighed national interest. Britain itself had an especially terrible year. The Northern Ireland 'Troubles' were reaching the mainland. There were strikes by hospital workers and dock workers (against containerization), together with rumblings from the miners who were seeking a 30–40 per cent wage increase. By the end of the year interest rates were at 13 per cent and Heath was warning of a three-day week within twelve months. Finally, the Shah of Iran announced that from January 1974 he would double oil prices (to just under US\$12 a barrel). In the spring of 1973 Henry Kissinger, the US Secretary of State, proposed—for quite reasonable motives—that 1973 should be the year of Europe and called for a new Atlantic Charter.⁸ It was anything but

⁶ Stephen Wall, *The official history of Britain and the European Community, volume II: from rejection to referendum, 1963–1975* (Abingdon: Routledge, 2012), p. 5.

⁷ Wall, *The official history*, p. 141. At an informal cabinet discussion in October 1966, Wilson circulated an article from *The Economist* about the possibilities of technological collaboration in Europe. He also took this theme up in talks with European leaders.

⁸ Henry Kissinger, *White House years* (Boston: Little, Brown, 1979), p. 1275; Henry Kissinger, *Years of upheaval* (Boston: Little, Brown, 1981), ch. 5. Kissinger's aim had been to renew the alliance after a year when Nixon had made progress with both Beijing and Moscow but had not been visibly active in Europe.

that, especially in the United States, where it was the year of Watergate. The ‘year of Europe’ is generally remembered as a disaster. But it is hard to see that any lasting damage was done, though it pointed up the divisions within Europe and across the Atlantic, especially regarding the Middle East.

Economic and Monetary Union (EMU) was a live and urgent theme. Four years earlier the project had been given new life by the Hague summit,⁹ which agreed a package to give the Community renewed momentum. As well as enlargement, this had included a study by the Werner Committee—which reported in 1970—of the path to monetary union.¹⁰ Then in 1971 the United States had broken away from the Bretton Woods framework and in 1973 had devalued again; and the UK had found it impossible to sustain its parity in the European ‘snake’.¹¹ It is remarkable that amid all these difficulties and tensions Heath developed as good a relationship with President Pompidou and Chancellor Brandt as any British prime minister has ever had with French and German colleagues. But by the end of May 1974 Heath was in opposition, Brandt had resigned and Pompidou was dead.

Thus when Britain negotiated entry into the EEC the themes that were to run through the next 30 years had already been established: the CAP, budgetary arrangements and EMU.

I recall telling Polish friends some 20 years later that it was no use trying to negotiate with the European Union. The result of the negotiations is already known and is set out in the *acquis*; the only scope for negotiation is about transitional arrangements, in respect of which the member states, having reached a consensus among themselves—probably with great difficulty—are most reluctant to change anything to suit the wishes of an outsider. The only solution is to get the best deal you can, join, and then renegotiate as an insider.

This, wittingly or otherwise, is what the UK did.¹² The Wilson renegotiation was mostly for show; the real thing came with Margaret Thatcher. By 1979 the transitional arrangements were coming to an end and the full impact of the budgetary settlement of 1969 was becoming apparent.¹³ This had been designed to take advantage of the UK and it ought not to have been a surprise to anyone that it caused the UK a problem. No doubt in a better world people on all sides would behave more wisely;¹⁴ but the EU has not changed human nature, and there is a certain inevitability about the process that led to these problems. Some may accuse the UK and in particular Margaret Thatcher of being unnecessarily strident in pursuit of what she saw as justice (and not, as some caricatured it, a *juste retour*); but it is not clear that a softer style would have delivered results. And although the

⁹ Wall, *The official history*, pp. 344–8; Young, *Britain and European unity*, p. 105.

¹⁰ David Marsh, *The euro: the battle for the new global currency* (New Haven, CT, and London: Yale University Press, 2009), p. 60.

¹¹ A forerunner of the Exchange Rate Mechanism, established in April 1972 following the Smithsonian Agreement, which re-established dollar convertibility against gold. European currencies were able to fluctuate by 2.25 percentage points either side of a central parity. Sterling was forced to leave after two months. See Marsh, *The euro*, pp. 65–7.

¹² Young, *Britain and European unity*, p. 108.

¹³ Stephen Wall, *A stranger in Europe: Britain and the EU from Thatcher to Blair* (Oxford: Oxford University Press, 2008), p. 5.

¹⁴ And perhaps they had learned better methods by the time of the big enlargement to the east.

problem has diminished over time, it resurfaces every seven years when the new financial framework is set and someone has the original thought that the perennial problem of budgets (not enough money) can be solved by abolishing the British rebate, and the battle which no British prime minister can afford to lose is fought all over again. This was one of the toughest fights the EU has ever had—probably only the fight with the French over agriculture was tougher—and it left its marks on all concerned.¹⁵

Probably this story is a part of the explanation for the continuing difficulties of the UK in Europe. The institutional *realpolitik* that led the Six to set up arrangements that took so little account of the UK was the natural result of Britain's absence. And Britain had excluded itself by its unwillingness to imagine a supranational Europe. But a little more understanding of the position in which the UK found itself once it had joined would have made the negotiations that followed less difficult and less damaging for the long run, and might have been more consistent with the solidarity that some claim the EU represents.

The CAP has not gone away either; but Europe has changed, and the problems it was initially designed to solve—over-rapid rural depopulation and the potential political side-effects of that process—have mostly disappeared in western Europe, so that Tony Blair was able to help push through the Commission's proposed reform in 2004 alongside the enlargement package. There is no doubt that his personal role was crucial: the German Chancellor Gerhard Schroeder had reached a bilateral agreement with the French President of the day, Jacques Chirac, not to push for reform, even though it was in German interests.¹⁶ We do not hear today of butter mountains and wine lakes; the CAP is organized more rationally to promote its continuing social goals and its new environmental ones. Reform is not complete, but will continue progressively. In the end this should be reckoned a signal success for Britain and for Europe.

The question of EMU has loomed large with Britain almost as long as the other two, though it is less specific to the UK. Whereas Germany for years insisted that monetary union was impossible without political union, the British, less subtly, have often given the impression of simply being against it. As far as the UK was concerned there have always been good reasons to be cautious about the economics; and bad economics is rarely good politics. The history of sterling up to and including its exit from the Exchange Rate Mechanism (ERM) in 1992 does not suggest that the UK was a natural member, as Austria or the Netherlands were; and the different way in which interest rates act on the UK economy has always suggested that British membership would not have been an asset for a European monetary union in its early stages. The opt-out John Major secured

¹⁵ Enlargement to the east made a number of other member states into net contributors, and in recognition of this the UK accepted a reduction in its rebate. CAP reform may eventually further reduce the scale of the problem and so also of the rebate.

¹⁶ Wall, in *A stranger in Europe*, p. 179, records that before the 2002 European Council Schroeder had made a deal with Chirac on agricultural spending which would have postponed the Commission's proposed reform of the CAP for at least three years. Blair, with encouragement from the Agriculture Commissioner and the German foreign minister Joschka Fischer, refused to accept this, and the Commission's proposal became policy within the next 12 months.

in the Maastricht negotiations represented a kind of solution.¹⁷ Probably it was the best that could be done under the circumstances; but it was not the best kind of solution, for two reasons. One is that such an important development was always bound to affect the UK whether it joined or not; and not being a part of it imposes significant risks, as we may now find out. Second, and perhaps more important, because Britain seemed to have written itself out of the EMU script it had little influence on the discussions. Perhaps this was our own fault, or perhaps the Franco-German tandem, carrying all before it, bears part of the responsibility. But the fact is that the UK was seen more as looking for ways of *not* joining, and that meant its views were not considered relevant. Thus when John Major took up the idea of the 'hard ECU', which might have represented an alternative, more organic, path to EMU—and might have avoided the present crisis—it never got serious consideration. This was a failure, difficult to avoid in the light of Britain's domestic politics, but nonetheless a failure. If you are not a part of the game, none of the players are going to listen to you.¹⁸

In the circumstances, however, the British opt-out did for a period represent a solution. Thus Margaret Thatcher, John Major and Tony Blair all, in different ways and in different styles, contrived to draw the sting of the three problems that confronted Britain upon accession and which troubled its membership thereafter.¹⁹

So much for the price Britain paid for joining late; what has Britain brought in a positive sense?

Policies, politics and people: Britain's contributions to the EU

No one country can do anything singlehandedly in the EU except, occasionally, to block or delay something. But individual countries can set agendas and provide the energy and persistence required to make something of them. One of the most important contributions from any European government came in the form of the Thatcher administration's insistence on the completion of the single market. In this it was aided by the Delors Commission, with Lord Cockfield as a driving force and pushed persistently by the Prime Minister herself. It is doubtful if the Community would have gone so far or so rapidly towards the completion of the single market without Britain and without Margaret Thatcher. More than anything else, this was the project which gave Europe life in the 1980s, and put it on the map in the 1990s as a going concern that demanded the world's notice.

Alongside this, but less noticed, the Thatcher government's switch to economic liberalism changed the balance of the Community and created a narrow and fragile but nonetheless lasting (qualified) majority for liberal trade policies. Britain in the

¹⁷ Marsh, *The euro*, p. 153; Wall, *A stranger in Europe*, pp. 130–31, 136.

¹⁸ Douglas Hurd records, in *Memoirs* (London: Abacus, 2004), p. 482, a member of a Spanish delegation saying of the UK's 'hard ECU' proposal, 'Good proposal, wrong country'. To find oneself in such a position is a bad failure. Wall, in *A stranger in Europe*, records Sir Leon Brittan, then a Commissioner and a supporter of the proposal, as saying that if you did not subscribe to the objective it was difficult to persuade people to take the path you recommended towards it.

¹⁹ Margaret Thatcher was prime minister from 1979 to 1990, John Major from 1990 to 1997, and Tony Blair from 1997 to 2007.

1970s had been a mass of trade barriers, including so-called voluntary restraint arrangements and restrictions on capital movements. In Britain, the impact of the Thatcher liberalization has been lasting; in Europe, though less remarked on, it has also contributed to a more open community, taking account of consumer as well as of producer interests.

On a personal level, I recall the dogged fight of a colleague for more liberal approaches to trade in textiles during the 1986 negotiations on the Multifibre Arrangement, reminding the Commission at every turn of the one liberal phrase in the Council Conclusions (inserted by the UK). When she did this she got support from other liberal countries, but they would never have done it on their own.

The third positive policy, associated with all British governments, has been support for enlargement. Sometimes this has been caricatured as a policy of making the Community ever wider in the hope that it would become weaker. There may be some who have espoused this logic, and any British government could be forgiven for feeling more and more comfortable with Europe as it looked less and less like the creature of the original Six. But the central motivation has been liberal: a wish to include rather than exclude, and, in the case of the countries of Central Europe, a wish to support reform, to foster stability and to make a reality of the rebirth of a wider Europe. After the original foundation of the EEC and its transformation of relations among its member states, enlargement to the east has probably been the EU's great geopolitical contribution to stability and progress. The UK—together with Germany—was an early and consistent supporter of this goal and has a right to be proud of what has been achieved.

Beyond these strategic-level contributions the UK has made an impact in every field of EU activity. The one with which I am most familiar is foreign and security policy, having been directly involved in it from 1979 onwards, starting as the UK's European Correspondent and finishing as an EU official in the External Action Service. This is a field which attracts more attention than it perhaps deserves. At times it has seemed as if there were more people writing about European foreign policy than there were making it. The results—as is the case with most national foreign policies—are often meagre. But it is increasingly clear that in a world of ever more actors, including some on a continental scale, European countries will realize their full potential for influence only if they combine forces.

The UK brings weight to every area of the EU agenda, but in foreign and security policy it has a particularly strong position: a high-quality, worldwide diplomatic network—according to some (non-UK) observers, the best in Europe; a network of relationships to match; and armed forces whose reputation is second to none in Europe. The UK is always well briefed, always contributes to the debate, always has a policy. In contrast to other areas where the UK started with a difficult inheritance, in foreign policy the UK *was* present at the creation—for European Political Cooperation started in 1973 with UK accession—and since then has contributed positively, taking the initiative from the 1980 Venice Declaration onwards. The EU is not going to be a Great Power in the traditional sense, but neither should it behave as if it were no more than a collection of

small and medium-sized countries. It therefore needs member states who know how Great Powers think and behave; and it also needs them sometimes to have ambitions for Europe.

In the area of security all countries are not equal. When it was decided that the EU would take over command of the stabilizing military force in Bosnia and Herzegovina, those responsible in Brussels were reassured by the fact that the force was going to be British-led.²⁰ This was not just a question of the quality of the leadership but also a question of the substantial and capable machine on which a British general can call and which, in the end, will do whatever is required to ensure that the mission succeeds. In other operations, when it has not been in the lead, the UK has contributed diplomatically, if not with people on the ground. In the 2003 French-led Operation Artemis in the Congo, for example, the UK's most useful asset was its ability to help in dealing with the Ugandan government. The successful mission in Aceh to monitor the peace negotiated by Martti Ahtisaari would not have got under way without the material support given it by Sweden and Finland; but the role played on the spot by the British embassy was just as crucial. Currently the UK is running the headquarters for the successful counterpiracy operation, *Atalanta*, from Northwood, as it has done since its inception in 2008.

In this sphere, not only is the UK active in policy-making but, for once, it has also played a role in institutional development. It was the Franco-British St Malo Declaration that opened the way for the eventual deployment of EU forces abroad.²¹ And it was the UK that did most of the work in persuading a sceptical US government that this was not going to be to the detriment of NATO.

On the other hand, the UK has been insistent—some would say obsessive—about two points. First, it has resisted attempts to make the EU responsible for territorial defence in Europe, insisting that nothing should be done to compromise NATO's position or the US commitment. Second, it has rejected all attempts to create a standing EU headquarters for military operations.²² In recent years the UK's contribution in terms of personnel has also been less than might have been expected, partly as a result of the strain placed on the armed services by operations in Iraq and Afghanistan, and partly, in the case of civilian operations, because of budgetary problems (though it can also be said that budgets are always a matter of priorities).

The largest regret in this area concerns not operations but politics: namely, that Britain and France, that have so much in common in the field of foreign and security policy, have not worked together as they might have done. The most notable case was that of Iraq. If Blair and Chirac had been able to collaborate, it is at least possible that they might have found common ground around which a

²⁰ Personal communication.

²¹ For the British–French summit at St Malo, 3–4 Dec. 1998, see http://www.cvce.eu/obj/franco_british_st_malo_declaration_4_december_1998-en-f3cd16fb-fc37-4d52-936f-c8e9bc80f24f.html, accessed 3 Oct. 2012.

²² For example, the proposals made at the so-called 'Chocolate Summit' by Germany, France and Belgium on 21 October 2003, or those by the 'Weimar Triangle'—Germany, France and Poland—in April 2010.

European position could have been built.²³ Had this been done it might have had a material influence on how the whole Iraq story developed. Was this failure the result of personal differences, or did it come from a feeling that Europe was not the place where the most serious issues were handled? At all events the one positive result was the much better handling of the issue of Iran's nuclear programme, starting with French, German and British cooperation and then working through the EU and bringing in also the United States, China and Russia. There are pluses and minuses on the balance sheet, but there is no doubt overall that EU foreign and security policy would have been much poorer without the UK.

Something like this was perhaps what Macmillan, Wilson and Heath had in mind when they spoke of Britain's place in the world: a place which would enable European countries to take a line different from that of the United States. The number of occasions when European countries have collectively stood up to the US or gone their own way has not been large. One was in the genesis and conduct of the 1975 Helsinki Conference,²⁴ where it was the Europeans rather than the US that pushed for results; another was the Venice Declaration which referred for the first time to the right of self-determination for the Palestinian people, some way ahead of US policy at the time; 15 years later in the Balkans Europe again felt compelled to act without the US but found itself inadequate for the task, politically and in its organization. Later, after the US had decided that it did need to intervene and had done so in Bosnia²⁵ and in Kosovo, the Europeans saw a threat in Macedonia and managed using both NATO and the EU,²⁶ but without active US involvement, to avoid a conflict there. Though the number of these cases is not large they, like Iran, all involved significant European interests, and though far from fully successful they were all moves in the right direction. This makes the absence of a European policy on Iraq when it was needed all the more a matter of regret.

Another important contribution is the people. Many countries send their best people to Brussels; and some of the best of the best are British. This has been true of Commissioners—Lord Soames, Roy Jenkins, Lord Cockfield, Chris Patten and the greatly underestimated Cathy Ashton. But lower down in the hierarchy there have also been invaluable contributions. An adviser to the Japanese prime minister once told me that the only reason the EU worked was because of the British civil servants. Exaggeration, certainly, because there are brilliant and effective people of every nationality; but it came from someone who knew Brussels well and it does reflect a view articulated among many non-UK officials.

²³ This might, for example, have promised support for military action but only if the inspections were allowed to run their course and they demonstrated the existence of programmes to create weapons of mass destruction.

²⁴ The Helsinki Conference was the final act of the Conference on Security and Co-operation in Europe which had begun in 1973, the same year the UK joined the EEC.

²⁵ Author's conversations with General Sir Rupert Smith. The US political engagement was critical, and the engagement of NATO in Bosnia had an important psychological effect; militarily, however, it was the British/French/Dutch artillery that did the damage.

²⁶ European NATO forces deployed in Macedonia in 2000, while a team under Javier Solana worked out the Ohrid Agreement which he, supported by the NATO Secretary General Lord Robertson, negotiated with the Macedonian government. This was a rare example of a military operation backed by a political strategy, and also of remarkable EU/NATO cooperation.

Finally in this area mention should be made of the almost unique contribution made by military planners from the UK, without whom many EU operations would not have started on time or in decent order. *Almost* unique because the French have the same level of professionalism and the same readiness to be ruthless when required, but there is no doubt that the UK contribution has been outstanding. In all these areas the British, at their best, bring to bear the good qualities of their best civil servants, above all intellectual sharpness twinned with a collegiate mindset.

Hitherto I have avoided naming individuals, except at the political level, but one name illustrates the respect in which some British civil servants are held. It is that of Sir Nigel Wicks, a Treasury civil servant who was asked to continue as permanent chair of the EU's monetary committee when it was preparing for EMU, a task of the highest importance for all concerned. That he continued to be the preferred chair even when it was clear that the UK was not itself going to join speaks for itself.

A return and a role: British influence in Europe

Britain has changed the EU, helped it, and improved it. What has it got back? And has Britain changed under European influence?

Britain has indeed had influence. What I have described as British 'contributions' to the EU's evolution could just as well be described as successes for British policy and British interests. Without Britain, Europe would have been different and almost certainly less to British taste. Anyone who doesn't believe that has only to look at the first 15 years when we were not members. Anyone who doubts British influence has only to ask around Brussels. The Permanent Representatives under whom I served, Michael Butler and David Hannay, were regarded with admiration approaching awe, sometimes with a small touch of fear too, since they were formidably clever. I recall Michael Butler saying to his colleagues, in slightly menacing tones: 'I'm sorry you didn't like the compromise I offered. In that case it will have to be discussed at the Summit. I know that the Prime Minister [Mrs Thatcher] takes a personal interest in the subject.' So they thought again about it. I used the same technique referring to Michael Butler or David Hannay. As time went by and we made progress with the worst problems there was more scope for the velvet glove, but their successors were just as formidable. Only the French have had such an unbroken line of stars. The Germans have influence by sheer weight; the British by organization, by talent, by discipline and by persistence.

To set out the results of this would require an examination of every one of the fields in which the EU operates. In foreign affairs nothing is done against British interests, and little without British active participation. Sometimes the UK seems obsessive about particular problems—Zimbabwe, Bosnia and Herzegovina, Burma; if so, it is usually to good effect.²⁷ Once, in an especially dull meeting, I

²⁷ The UK is not unique in this. France has successfully driven policy on the Ivory Coast, following the contested election results of 2010. And for years European policy towards Indonesia was dominated by the question of East Timor, thanks to Portugal. The thanks are merited: in the end it turned out to be the right policy.

asked a colleague who had spent most of her life dealing with foreign affairs in the Council which countries she thought were the most effective. She drew up a list. Number one was France: not, she said, because it got its way more often, but because it managed to defend so many untenable positions. Number two was Britain: it got what it wanted more often than anyone else, but then it was often very reasonable.

In other ways Europe seems more British than it was 40 years ago. English is now more or less the lingua franca. In contrast, an Irish colleague who joined the EC administration in the 1980s told me that for the first ten years he drafted only in French. Jim Callaghan's reference to membership of the EU being a threat to the language of Chaucer could not have been more wrong.²⁸ We ought to regret this; it makes us ever more lazy, and the EU loses something by becoming increasingly monoglot.

Should we also blame Britain for the spread of Euroscepticism? British Eurosceptics campaigning for 'no' votes in Danish referendums is a perverse form of political integration. But each country has its own Euroscepticism; in some the single market is the cause, in others enlargement, so it is British policies rather than British Eurosceptics that are responsible. But these were also European policies and successes. Criticism is normal in politics and, sometimes at least it is a sign that one is achieving something. But when I returned to Brussels in 2002, having left during the Thatcher era, I was surprised to find that the British no longer stood out as the 'awkward squad' as they had 16 years earlier. They had been succeeded perhaps by Germany—but then, being difficult is the privilege of the big—or perhaps by the Netherlands. Now the list, which probably includes Britain again, seems to be longer—though part of this may be growing pains among more recent arrivals.

The last 40 years have had their ups and downs, but they have not been bad years for Britain. Income per head is roughly twice what it was in 1973, much as it is elsewhere in Europe. Britain today is more liberal, more open, better educated, more cosmopolitan, not to mention cleaner (its inhabitants too), brighter, more lively. You get better food and wine; garlic is no longer dangerously exotic. Five times as many people take holidays abroad (mostly in the EU); some of them even get there by train. Many have acquired homes or second homes in the EU. Following enlargement it was remarkable to see TV programmes looking at property in Estonia and Bulgaria and explaining how to buy there. Is it wrong to see Britain today as more European, and Europe as a bit more British?

How much of this is a result of membership of the EEC/EC/EU? It is difficult to say. Most of it is the result of domestic policy; and whatever one thinks of her, the changes wrought by Margaret Thatcher played an enormous part. But the prosperity also owes something to being a member of the EU. When the British government was persuading Japanese companies to invest in Britain, it told them that it would argue for them in Europe on the basis that if they were located in Britain they were British companies. British liberalism has been important; but so was our position in Europe. The City was a European financial centre before it

²⁸ Speech in May 1971, cited in Young, *Britain and European unity*, p. 114.

was a global centre; and European rules on free movement of labour and capital were essential to its success. As it happens, the Big Bang itself came about because the Commission's Competition Directorate decided that fixed commissions were probably illegal under EU law. Deutsche Bank is now one of the City's largest employers and London has one of the largest French populations in Europe. We should be proud to see the French President coming to fight elections in London.

Other members of the EU see the UK as a major, influential and successful player, especially in recent years. They are amazed by and do not understand the recent surge of Euroscepticism. But although successive British governments have tackled the problems the country confronted on joining, there is one area where they have failed. Except under Tony Blair the UK has always been against treaty change, has sometimes delayed it, but has never been able to stop it. At the time of the Single European Act, signed in 1986, the UK argued vigorously that the goal of a single market could be achieved without treaty change.²⁹ It lost, and then the floodgates opened: Maastricht, Amsterdam, Nice and, with great travail, Lisbon. Britain has consistently underestimated the ambition of its partners for both political and economic union.³⁰ Mrs Thatcher's habit was to ask what exactly political union was supposed to mean;³¹ when none of those who talked about it could give her what she considered a good answer she assumed, perhaps too easily, that it was eyewash.

Almost exactly 50 years ago, the former US Secretary of State Dean Acheson made his famous remark about Britain having lost an empire and not having found a role.³² It was precisely in pursuit of a role that Macmillan, that great dismantler of the empire, was at that moment applying for membership of the EEC, and that Wilson and Heath followed in his footsteps. Some features of the EU turn out to be remarkably similar to those of the empire: the single market is a much deeper version of imperial preference and, thanks partly to Britain, it is less exclusive towards the rest of the world. Instead of Commonwealth immigration—which was already becoming problematic in the 1960s—we have free movement for EU workers, both more sustainable and more advantageous. Where once Commonwealth citizens could vote in the UK, now—for local and European Parliament elections—EU citizens can do so. There is no sterling area today, but Britain could one day join the eurozone if it wished. The fiction that Commonwealth countries are not really foreign is maintained in the practice of calling embassies in those states 'high commissions', but most people have forgotten the reason for that distinction. Instead it is EU partners who are now not quite foreigners since, under the EU treaties, they participate in limited ways in governing the UK, as we do in respect of their countries.

²⁹ Wall, *A stranger in Europe*, pp. 51–2. See also p. 131, where the Foreign and Commonwealth Office is described as usually playing for a tactical draw.

³⁰ The most well-known example must be Mrs Thatcher's comment in October 1988 that she would be 'twanging her harp' long before there was ever a European Central Bank.

³¹ Wall (*A stranger in Europe*, p. 84) quotes Mrs Thatcher at a press conference in Luxembourg as saying of other European leaders, 'They tend to talk in generalities . . . I am one of the few people who says: What do you mean by that? What do you mean by European Union? What do you mean by monetary union?'

³² Speech at West Point, 5 Dec. 1962.

As for not having found a role, the fact that Acheson's remark is still quoted suggests that there remains a grain of truth in it. Most prime ministers and foreign secretaries insist that Britain has many roles. This is indeed the case, as it is for any other EU country, especially the larger ones. But unlike them the UK has difficulty in accepting the centrality of the EU to its role in the world, feeling still that it does not quite belong. Why this should be so is explained much better than I can by Stephen Wall in his masterly book *A stranger in Europe*, especially in the last chapter. And yet through the EU Britain has achieved much of what it aimed for. American presidents telephone British prime ministers as much as they do German or French counterparts, and it is as likely to be about mobilizing the EU on some common cause—Iran, Syria, Burma, counterterrorism or world trade—as it is about NATO or bilateral business. The United States was always one of the strongest advocates of British membership, and is probably one of those most concerned about Euroscepticism.

There is no doubt that Britain would count less if it were not a member of the Union. But there is also no doubt now that there will be further treaties. For my part, I believe it is profoundly in Britain's interest that it remains an active, committed member of the EU. There is much that is wrong with the EU, and some of it can be put right only by changing the treaties. To be against all change means we do not belong to the same Union as the other 26 members. Almost all of them in different ways share the UK's wish to preserve their national identities and traditions; most of them also share British concerns about the way the institutions function and about their responsiveness to popular sentiment. To deal with the problems and opportunities ahead is going to need a more intelligent debate both in Europe and in Britain. In 40 years we—both British and Continental Europeans—have come a long way. Another 40 might just about do it.

