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Parliamentary debates in the House of Commons on the Schuman Plan (27 June 1950)

Caption: In a speech to the House of Commons on 27 June 1950, Winston Churchill denounces the absence of the United Kingdom from the negotiating table where the Schuman Plan for a European coal and steel pool is being discussed.

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Parliamentary debates in the House of Commons (27 June 1950)

[...]

Mr. Edelman (Coventry, North): The hon. Member for Oxford (Mr. Hogg), in a fervent speech last night, made it clear that he was prepared under certain safeguards to surrender British sovereignty to a higher authority. That statement was frank and unambiguous, but the hon. Gentleman did not make it clear to what length he carried his own party with him in that statement. One of the problems of hon. Gentlemen on this side of the House, ever since the Leader of the Opposition first associated himself with the idea of a united Europe, has been to find out exactly to what extent the Opposition are prepared to concur in the surrender of British sovereignty.

Indeed, last year at Strasbourg, when the proceedings opened, it was widely thought among journalists, not only on the Continent but in America, that the Conservative Party were prepared, in their adherence to the idea of a United Europe, to support the idea of a federal Europe straight away. Because that view was so widely held, the Labour representatives, who urged that European unity should be brought about by co-operation in specific agencies for specific purposes, were charged with dragging their feet. Despite the fact that the British Labour Government had made for so long a period and at so great a cost to the people of this country, a practical contribution to the welfare of the Continent, and despite the fact that Britain had made many sacrifices in order to bring about its revival, the Labour representatives were considered to be opposed to European unity.

When the Leader of the Opposition first came to speak at Strasbourg, he was thought by many of those present to be about to launch an all-out attack on the Lord President of the Council, for which newspaper correspondents had prepared the public. But when the Leader of the Opposition rose to speak, so far from attacking the Lord President, he went out of his way to associate himself with the approach which the Lord President had made to the unification of Europe. The Leader of the Opposition said:

"It is not for us to make decisions which would require executive authority. We must not attempt on our present electoral basis to challenge the powers of the duly constituted national Parliaments founded directly upon universal suffrage."

Then the Leader of the Opposition went on to say in connection with the future political structure of Europe:

"To take a homely and familiar text, we may just as well see what a girl looks like before we marry her."

That is the course of action which the Government have taken in connection with the Schuman Plan; and if the Leader of the Opposition considers that the Government have acted unwisely in asking for a preliminary inspection, he has only his own advice to blame for the action which the Government have taken.

The fact is that a Labour Government which had made this unequivocal statement on the question of the surrender of sovereignty and which had stated quite clearly that it was not prepared to commit itself to the principle of such a surrender without prior consultation with Parliament and the people could not have acted other than it has done in connection with the invitation which was put forward by the French Government. Indeed, I can well believe that if the Leader of the Opposition had been in office, he, too, had he been consistent, would not have acted differently from the way in which the Prime Minister has acted.

One thing must strike everyone as remarkable, not so much in the nature of the Schuman proposal but in the manner of the proposal. I have referred to it already as an invitation. In point of fact, it might seem to many of us rather more like an ultimatum. No responsible Government could have committed itself to a principle

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which would have bound Britain to a surrender of sovereignty unless that Government had first made the most exhaustive examination of the proposal and then submitted it to the consideration of Parliament and of Britain as a whole. If we examine the Schuman documents and look at the project as outlined in the first communiqué, one thing which strikes us is that, although the plan as a whole is merely a sketch, it contains certain very specific proposals whose acceptance was inherent in the conditions which the French Government put forward for the conference.

One of the things which is made absolutely clear is that the structure of the body should consist of so-called "independent members." We are entitled to ask who the independent members are who would be put forward to direct the coal and steel industry of Europe. Who are these independent people, so free from national associations, so free from economic prejudice, such paragons of wisdom that they would be qualified to direct without any form of democratic responsibility a great European industry, which, after all, affects the lives of every one of us? These independent representatives would be answerable to no-one at all. They would be an oligarchy imposed on Europe, an oligarchy which, with arbitrary power and with enormous influence, would be able to affect the lives of every person in this country.

It is true that several Members of the Opposition have suggested that certain safeguards might be included in the plan which would prevent an abuse of power by the control board. What are the safeguards proposed by the French? The independence mentioned in the first communiqué is a spurious one because the individuals who composed the body would be bound to have personal, national, perhaps even commercial, affiliations, although they would not be responsible to any elected body. They would be an arbitrary association, an undemocratic association of individuals, over whom there would be no public control whatsoever.

What other safeguards are included in the proposals put forward by M. Schuman? There is one suggestion which, in the context of what is happening in Korea today, seems almost laughable. That proposal is that there should be a United Nations inspector sitting on the board who would be able to report to the United Nations and make sure that the purposes of the board were pacific and in line with the public interest. Who would this United Nations inspector be? Would he be a delegate from Guatemala — somebody perhaps who had no connection whatever with the steel industry of Europe? It is impossible to believe that a proposal of that kind would be a safeguard adequate to prevent an abuse of power by the body if it were set up in the terms originally proposed by M. Schuman.

Even now, while the Paris Conference is going on, we read of improvised suggestions for some kind of democratic control for this body. We are told that M. Monnet has suggested that there should be an *ad hoc* Parliament of Europe which would have the responsibility of examining, presumably, the accounts and the proceedings of the coal and steel board; but is it possible to believe that such a Parliamentary assembly, scraped up for the specific purpose of examining in a very brief period the proceedings of this body over a whole year would be either technically or politically capable of providing sufficient supervision to prevent an arbitrary abuse of power?

I have drawn attention to certain weaknesses in the proposals, and yet for my own part I welcome the initiative which has been made by M. Schuman, because of the general purposes contained in the proposals. We, as Socialists, have always believed that one of the root causes of war, not only in Europe but throughout the world, has been a conflict for raw materials. If it were possible to unify the Ruhr-Lorraine system of coal and steel production in such a way as to prevent the present political division — which on the one side prevents the iron ore of Lorraine from having its natural and organic relationship with the coal of the Ruhr and on the other side produces such abnormalities in the European political system as the present control of the Saar — if we could do away with that, if we could re-create the organic unity of Europe which the Schuman Plan proposes, then we should do two things at the same time.

Not only should we make the coal and steel industry of Europe more efficient, but, in addition to that, we should succeed in bringing Germany and France, and indeed ourselves, together in order to avoid the conflicts which before 1939 produced a succession of wars; or, when there was agreement a series of cartels. It is clear that, so far from being a cartel pledged to restriction, the Schuman Plan proposes that there should be a vast expansion of the coal and steel industry of Europe. Now the question is, in what form should that

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expansion take place? What guarantees can we find to make sure that, when that expansion takes place, we do not get back to the pre-war days when expansion was always associated with so-called over-production, which brought in its wake the disaster of mass unemployment?

The iron and steel industry of Europe was completely unplanned when it was left to the chaos of private enterprise. The result was that whenever there was over-production the less efficient firms were forced out of production through bankruptcy, but their own personal loss involved serious damage to the standard of life and the conditions of employment of vast numbers of workmen.

Later, to sort out the chaos and to try to bring some plan into the iron and steel industry of Europe great industrialists got together and planned cartels, not to absorb the production of the iron and steel industry of Europe but rather to close down plants, to rationalise, to drive certain firms out of production. The result was high prices and mass unemployment. In other words, whether there was a cartel or whether there was free enterprise, the results were always the same: there was mass unemployment in the iron and steel industry of Europe as long as that industry was either in the hands of private enterprise or was planned exclusively by private enterprise.

The singular merit of the Schuman Plan is that for the first time there is a proposal that the planning of the industry should not be left simply to the industrialists who are primarily concerned with the profit which they are extracting from the industry, but that the industry as a whole should be planned with the cooperation of Governments. Therefore, although the present structure proposed by M. Schuman may require modification, the purpose behind the plan is one which we as Socialists should welcome. Although I have been talking about overproduction, and although that word was mentioned frequently in yesterdays' Debate, we do not have to look to Africa to mop up this so-called over-production. As long as there is a single house to be built in Britain, as long as there are railways and rolling stock and vehicles to be built in this country, it is foolish and wrong to talk of over-production of basic raw materials.

We have to devise a means by which we shall be able to have an organisation which is neither the arbitrary high authority proposed by the French nor an organisation of governmental representatives like O.E.E.C., whose limitations are caused to some extent by the fact that it is run almost exclusively by civil servants, able and eminent civil servants but nevertheless civil servants who have no direct electoral responsibility.

If we could evolve some kind of intermediate organisation which would be able to co-ordinate the industry of Europe, which would be able to bring the interests of Europe together which would be able to join in consultation not just a collection of international civil servants, not just a collection of governmentally-appointed independent people, but which would really be representative of employers, of trade unions, of consumers as well as of governments — if we had a body of this kind, then we would indeed have an international organisation which would be able to compose the differences existing between the different interests of Europe, which would harmonise them, and which would be a working body to which I am sure my own hon. Friends would have no objection. This would provide a common ground to which those hon. Members opposite who are perhaps most vitally concerned with the interests of the employers could have no objection. A British nationalised board as employer could work side by side with the industrialists of France or the controlling employing organisations of Germany. That is the synthesis we must seek to find; and that is the common ground on which we must try to meet.

It may well be that at present there is no suitable name for such an organisation. It may well be that those who are much tied to terminology may object that this is not a supra-national body or, alternatively, that it is not an international body as we know it today. It may well be — as has been said in a different connection — that the word for this type of organisation has not yet been discovered, but if we approach the matter pragmatically, if we consider the actual merits of the situation, I believe we shall be able to put forward an alternative to the Schuman Plan which will have the effect of co-ordinating the basic industry of Europe in the interests of Europe as a whole.

Let us not imagine that the Schuman Plan, whatever form its organisation takes, can exist in a vacuum. One of the fundamental purposes of the Schuman Plan is to stimulate not merely production but also



consumption. Consequently, if we want to stimulate consumption there will have to be an engineering organisation for Europe, there will have to be an agricultural organisation for Europe. This brings me to a question I should like to put to the hon. Gentlemen opposite: if there were a Schuman Plan for agriculture which envisaged a high authority for the agriculture of Europe, would they be prepared to go to the farmers of Britain and say, "We have surrendered our sovereignty to this high authority which henceforward will be able to tell the farmers of Britain exactly what they have to do?" I cannot help feeling that if a Conservative spokesman, having made that statement, were to go to the farmers and inform them of it, he would displace my hon. Friend the Member for Wednesbury (Mr. S. N. Evans) from his place in the scale of the affections of the farmers.

There must be a complete series of interdependent organisations which will flow from the application of the Schuman Plan. Therefore, I want to ask the Government not to wait till the discussions in Paris peter out in disappointment and in recrimination. If they do, I believe that our own Socialist idea of the planning of the basic industries of Europe by consent may be deferred for many years to come. I sincerely hope that, neither in the interests of prestige nor for any other comparable consideration, will we hesitate to put forward our ideas to the French as soon as possible.

I have made a suggestion for a quadripartite organisation of employers, trade unionists, consumers and governments which would have the effect of synthesising the views of the French and of ourselves, and if we put forward something of that kind —

[...]

I do not want to take up the time of the House unduly, but I was putting forward a suggestion which might be a bridge between the point of view of the French and our own point of view in industry.

I hope that the Government will consider my suggestion and will not wait until the Paris Conference is finally concluded before putting forward either that or any other constructive proposal. Britain has in the past proved her attachment to the idea of European unity. We have made great financial and material contributions to the revival of Europe. We must now show that despite sneers and incomprehension, from whichever direction they may come, we intend to persevere side by side with the Commonwealth in our practical support of a unified Europe, a Europe united in goodwill and by consent. I believe that we may thus discover not merely the means of creating a united Europe but also of laying the foundations for a united world.

[...]

Mr. Churchill:

[...]

I did not like the attitude of the French Government in springing this large question upon us so suddenly, or in making pedantic stipulations before sitting in council with their wartime comrades. I admit I was nettled by it. I am quite sure that France would never have acted in this manner towards any British Government but the present one. But there is an explanation which I will give. It is an explanation, even if it is not an excuse, and it should be stated. As for the suddenness, the French Ministers no doubt felt that after we had upset the whole of their economy and finance by devaluation without even a word of warning, they were under no special obligations to study our convenience where other large issues were concerned. I do not say they were entitled to retaliate in this way. It is a feature of friendship to rise above and overlook such treatment on both sides.

There is also an explanation which the French may offer upon the merits of the question itself. They evidently wished the British Socialist Government to give a general affirmation in principle to the policy of a merger of the European heavy industries, and of British goodwill towards the ending of the quarrel of the centuries between France and Germany, which in our lifetime has cost us all so dear. Why did they do this? I

CVCe

will tell the House. It is because they suspected that the British Socialist Government were no friends to the process of the unification of Western Europe, or to what we call the European Movement, and they had good ground for their apprehensions.

We have the record in our minds. We all remember, as my right hon. Friend the Member for Warwick and Leamington (Mr. Eden) reminded us yesterday, how the Socialist Executive and Government used all their influence to prevent any members of their party attending the Conference of the European Movement at The Hague in the summer of 1948, and how many of their pledge-bound supporters went there in spite of them. Everyone will recall the attitude of the Lord President of the Council and his colleague, the former Chancellor of the Exchequer, at Strasbourg last year. These matters are public.

What has not been made public, though it is well known and many of us have been continually informed upon it, has been the constant efforts to hamper, obstruct, restrict and diminish the powers and development of the European Assembly by the Foreign Secretary and his representatives in the meetings of the Council of Europe which they had been forced by public opinion and their own party to accept. I have been told from time to time by some who were present at these meetings that the British were consistently using their influence to delay progress and to minimise decisions. Our Foreign Secretary was on almost every occasion regarded, rightly or wrongly, as the obstacle which must be overcome. I am not concerned today with his personal motives. We all regret his illness, but the prolonged illness of a Minister and his unfortunate absence from our Debates cannot arrest the march of events or relieve us from our duty to deal with them. I am sorry that this should be so, but none of us can help it.

So I say, without hesitation, that the French Government had the feeling rooted in them by long or hard experience that the British Socialist Government and the British Socialist Foreign Secretary were hostile to the movement towards European unity and might, therefore, attend a meeting on the Schuman Plan only for the purpose of bringing it to naught. It was on these grounds that they were led to dwell, I think unduly and with a pedantic insistence, upon agreement in a broad and general expression of accord with the great international objectives which were in view and are now before us.

But this was no excuse for the British Government piling their own prejudices on the top of French pedantry. If we had had an effective Foreign Secretary able to get through his work and a reasonable measure of goodwill between friends, comrades and allies exposed to common and increasing dangers, this curious deadlock on matters not so much of principle as of procedure and etiquette would never have occurred, and if it had occurred could easily have been smoothed away.

When the House compares the words and the sentiments of the Conservative and Liberal Motion with those of the Government Amendment, upon both of which we shall vote tonight — because we certainly cannot accept the terms of the Government Amendment even if we are not able to establish our own point of view — hon. Members will find it hard to understand, when they compare these two, how the present breakdown and deadlock have occurred. We are, however, confronted with the situation as it now lies and with the larger issues which have now been raised. These have, of course, been carefully considered on both sides and the results are embodied in the Motion and the Amendment which, I agree with the hon. Member for Nelson and Colne, are the main direct topics before us. It is upon these that we have to pronounce this evening.

If the French needed proof that the British Socialist Party and Government are hostile to the idea of a united Europe and would try to restrict and retard any international conference of which they were members, they could not find more conclusive evidence than the extraordinary pamphlet — and I have it here — issued by the National Executive of the British Labour Party and timed in such a curious manner with, I can only call it, the soiled fingers of coincidence. In this document it is stated that the British Socialists are opposed to joining any European system which is not dominated by people of their own kidney, by other Socialists. This is what I may call the Dalton theme, plainly declared to the Labour Party Conference three years ago. The right hon. Gentleman then said:

"If the United States of Europe is indeed to succeed and is to benefit its peoples, it can only fully succeed if all the countries of Western Europe commit themselves, as our electors committed themselves in 1945, to

(CVCe)

the belief that Socialism is the hope of us all."

It is this idea which the document expresses and reiterates. It amounts to a declaration that if Europe is to unite and Britain is to play any part in such a union, it can only be on a one-party basis — and that party the Socialists.

This is a squalid attitude at a time of present stress and I should like to remind the House that this attitude is adopted at a time when Socialism is losing ground all over the free world outside the Iron Curtain, at a time when one cannot find any other Socialist Government in the British Commonwealth or in the English-speaking world or in Western Europe, apart from Scandinavia, which has a tale of its own to tell and is subject to many special factors. For instance, the first thing the Socialist Prime Minister of Norway did, on being returned to power with a majority — with an effective majority — was to say that there would be no more nationalisation. We have had something like the same language used here, but there is the great difference that an effective majority does not lie behind the Government.

We are invited by the Government to bind ourselves to what the "Manchester Guardian" has well called "insular Socialism" and to make a party distinction between us and the countries which do not take our view. There is, of course, one exception — the outstanding, mighty, capitalist, free enterprise United States. That is the exception. But then, of course, they are paying us the heavy subsidies upon which the Socialists' claim that they are able to maintain full employment is founded. But, apart from this important exception, it would be a lonely pilgrimage upon which we are to be led. The Socialist Party, which assumes this self-opinionated position — I might almost say this arrogant position — has just been shown to be in a minority in Great Britain. It has had to modify or suspend its whole policy of nationalisation and is now looking about for a new version of the Socialist theme — I see the Lord President is out of the House, perhaps even engaged in this very task — upon which to found their class warfare. At home the Socialists are in full retreat. Abroad they claim to impose their ideology on nations and societies whom, after bitter experience, have cast it off.

What plainer proof could the Government give of their hostility to European union than the appointment of the former Chancellor of the Exchequer — I like to keep the former Chancellor and the present both in view at once: both have rendered their contributions to the state of our national finances; both aspire now to lay their skilful hands upon our foreign affairs — but what plainer proof could the Government give than to appoint the right hon. Gentleman to lead their half of the delegation to Strasbourg, in full view of the declaration which he has made, and to send him as their representative? I say that that is a grimace. I had thought of using the word "outrage," but, on subsequent consideration, I thought that the more moderate word would cover the point in its correct proportions. I ask even now that this step should not be taken. If the Government persist, it is they who will suffer in the decline of their influence in Europe; but we shall all suffer, too.

In this Debate we have had the usual jargon about "the infra-structure of a supra-national authority." The original authorship is obscure; but it may well be that these words "infra" and "supra" have been introduced into our current political parlance by the band of intellectual highbrows who are naturally anxious to impress British labour with the fact that they learned Latin at Winchester. Although we may not relish the words, no one will wish to deny this old-school-tie contingent their modest indulgence in class self-consciousness.

As I listened to the speech of the Chancellor of the Exchequer yesterday, I could not help feeling very sorry that our relations with France have been reduced to this long legalistic argument, taking point after point with professional skill in order to reach and justify a deadlock. I reject the Chancellor's claim that at no time in our history the understanding between this country and France has been greater than it is today. It would hardly be possible to state that reverse of the truth with more precision.

But what was really astonishing was the manner in which the right hon. and learned Gentleman based the breakdown upon the Documents 12, 13 and 14 of the White Paper, and omitted all similar mention of



Document 10. The brilliant rejoinder of the hon. Member for Renfrew, West (Mr. Maclay), exposed this glaring oversight — as we must hope it was — for in their Memorandum of 30th May (that is, Document 10) the French Government stated specifically the words which have been read out to the House, but which are so important that I must read them again.

"The special position" —

say the French —

"in these negotiations which the British Government wishes to preserve is justified in their Memorandum by the intention, said to be held by the French Government, of asking, as a prior condition, for full participation in the discussions, for an undertaking to pool coal and steel resources, and to set up an authority with certain sovereign powers.

4. As their representatives have informed the British representatives orally, the French Government wish particularly to confirm once more that these are not their intentions. As has already been made clear in the French Memorandum of 9th May, there will be no commitment except by the signature of a treaty between the States concerned and its parliamentary ratification."

Here certainly was the point when the British Government might have safely agreed to enter the conference.

The right hon. and learned Gentleman the Chancellor has put to us the question, What would you have done? We reply that once we had the assurance conveyed in Document 10, that there would be

"no commitment except by the signature of a treaty between the States concerned and its parliamentary ratification"

we should not have hesitated to attend the conference, and we should have replied in the same sort of manner as the Dutch, and in terms similar to those which are embodied in the Motion on which we are going to vote tonight.

The right hon. and learned Gentleman later proceeded to draw an alarming picture of what might happen to us if we accepted the principle of a supra-national high authority which

"...could cause a whole coalfield or steel centre to go out of production without any social or political responsibility for their action..." — [OFFICIAL REPORT: 26th June. 1950; Vol. 476, c. 1942.]

Surely, this is one of the points we could have raised at the conference in a decisive manner? To win the war we agreed to put our armies under S.H.A.E.F., a great Anglo-American organisation that was for the tactical and limited purposes prescribed. No one would ever have suggested that General Eisenhower should have had the power to say what units of the British Army should be suppressed or disbanded, or how they should be raised or remodelled, or anything like it. All these remained questions within the control of the autonomous sovereign States which were willing to agree to a larger unity for certain well defined functional — I use the "functional" because it is coming into use — functional purposes. Surely, this is one of the points we could have urged, and even have made conditional upon our agreement to any final scheme.



It is simply darkening counsel to pretend, as the right hon. and learned Gentleman did, that by participating in the discussion, under the safeguards and reservations I have read, we could have been committed against our will to anything of this nature. I would add, to make my answer quite clear to the right hon. and learned Gentleman, that if he asked me, "Would you agree to a supra-national authority which has the power to tell Great Britain not to cut any more coal or make any more steel, but to grow tomatoes instead?" I should say, without hesitation, the answer is "No." But why not be there to give the answer?

Nothing is said about the method of voting. We know nothing about the method by which voting power will be allotted to the different members of any supra-national authority which may be set up. But it is quite certain we should not agree to become members of it — and that we should have every right to disagree — if our great preponderance in coal and steel production did not receive full recognition. Then there is the question of the right to terminate such an agreement. That is surely a matter we could have looked at after discussion. Finally, there is the question of whether there could be two grades of members of such a body — full members and associate members. That is a matter also which should be borne in mind. I cannot conceive how such issues would not have benefited by any conference if we were there to shape and guide it. If they did not, if we did not succeed, our safeguards are overwhelming; we should not be bound in honour or good faith to accept adverse decisions on matters which we regarded as impracticable, but we would be the judges.

But that is not all. Even if the Ministers or representatives taking part in the conference were too weak or too facile to stand up for our vital interests and rights, even if they reached agreement round a conference table nothing would be settled until Parliament had ratified the resultant conclusions. This is what the French say in their Document 10 of 30th May. By becoming a member of this conference on the conditions imposed by the French Government we should in no way abrogate the full rights of power of the House of Commons to judge the final result — to judge as a whole and not as a party or as supporters or opponents of a Government. The power of this House would be absolutely undiminished.

If we attend the conference we can use all our influence and all our arguments, and if these are not accepted we are not committed in any way to agreement, and there would be no agreement so far as we are concerned. If, however, our delegates agree, as I have said, Parliament has still the full power to judge and to decide when the case is laid before it after it has all been thrashed out. There is the question: "To be there or not to be there," that is the question on which we shall vote tonight. It seems to me that we run no risk by being there, but let me examine some of the risks of our not being there.

[...]

Every Member should ask himself two simple practical questions: "Do I wish to see the unity of Western Europe advanced?" and anyhow, apart from that, "Had we not better take part in the conference subject to the reservations which the Dutch have made?" These are the issues before us tonight.

More than a month ago when I addressed the Scottish Unionist Conference at Edinburgh we knew even less than we do now. Nevertheless, the course I should advise the Conservative Party to follow seemed clear. I will venture to read to the House what I said, because at that time I had no idea that this would become a controversial party issue. I hope that the House will forgive me reading this, but I think that it is relevant:

"While the Schuman proposal is right in principle, we must nevertheless consider carefully the way in which Great Britain can participate most effectively in such a larger grouping of European industry. We must be careful that it does not carry with it a lowering of British wages and standards of life and labour. We must, I feel, assert the principle of levelling up and not of levelling down. We are all surely proud of the British steel industry which plays so large a part in our export trade. The terms on which we could combine with Continental nations must be carefully studied. If we were to destroy or even impair the efficiency of our steel industry by nationalisation, we might find ourselves at a serious disadvantage compared with Continental countries which are free from Socialist abuses. We must be reassured on these and other points

(CVCe)

while welcoming cordially the whole principle and spirit of what is proposed."

That is what I said, and that is what, broadly speaking, I stand by now, and it is what I ask that we shall vote unitedly upon this evening.

We are asked: How can the Conservative Party reconcile its opposition to the nationalisation of steel and yet give any countenance to the principle of internationalisation in a European system? It is a fair question. The answer is that we oppose the nationalisation of British steel because we wish to see it remain in the competent hands of those who under free enterprise have raised it to its present magnificent position among our industries. In our opposition to nationalisation we have never objected to a proper degree of Government supervision; indeed we have always insisted upon it. What we have opposed, and shall continue to oppose, is State ownership and management — or mismanagement as it has proved so far — of the industry.

Under the Schuman proposals, ownership remains unaffected. We cannot see any objection in principle to a wider measure of international co-ordination if that proves practicable and in accordance with our essential interests. We see no reason why the problems of the British steel industry should not be discussed in common with the problems of the other European steel industries, and we have good hope that if this is done, an association mutually advantageous and acceptable may be created. But at any rate it will be far better for us to take part in the discussions than to stand outside and let events drift without us. That is the view of the present leaders of the British steel industry, and I am sure that it is a sensible and practical one.

The Socialist Government, as their Amendment sets forth, speak of their desire to follow closely the conversations from outside and they welcome the proposal which M. Schuman has made. The French Government have promised to keep us fully informed. But what is that compared with taking part in the discussions and influencing them in the powerful way which we could have done having regard to our preponderating individual stake. There is a great difference between being outside a conference and being perhaps a leading member of one. There may well be a certain resentment against the Government which is thought by the others to have wilfully refused under all safeguards even to sit at the table.

Here are the six Powers talking all these matters over among themselves with the United States beckoning encouragement to them from across the ocean — [*Interruption*]. Nothing has done more harm in the United States than the publication in this country of this document — and Britain, although absolutely safe from being committed, finding excuses, elaborate excuses, to keep out of the conference altogether and thus perhaps spoil the hopes of a general settlement. The French have a saying "*Les absents ont toujours tort*." I do not know whether they learn French at Winchester.

There is certainly a risk of all these matters of great consequence being discussed in our absence. We have no means of intervening from moment to moment. New difficulties may be springing up in our absence, as we sit here. All kinds of draft conclusions or draft proposals may be presented which would never have seen the light of day had we been able to use our influence on the spot beforehand. Perhaps resentment is too strong an expression. Let me call it "a fellow feeling" among those who are there against the one who is out.

Continental wages are lower than our own. If they were averaged out on the basis of those who were in, it might well increase in a marked degree the competitive undercutting power in the exports of all these countries. Whereas our influence at the table might well have been sufficient to turn the balance in favour of the British standard, it seems to me contrary to the interests of the British coalminers and steel workers that they should never have been allowed to put their case for a levelling-up on the Continent instead of a levelling-down.

There is another reason why the boycotting of the conference is to be regretted. The absence of Britain deranges the balance of Europe. I am all for a reconciliation between France and Germany, and for receiving Germany back into the European family, but this implies, as I have always insisted, that Britain and France should in the main act together so as to be able to deal on even terms with Germany, which is so much

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stronger than France alone. Without Britain, the coal and steel pool in Western Europe must naturally tend to be dominated by Germany, who will be the most powerful member. This point was made by the hon. Member for Coventry, East (Mr. Crossman) last night.

I ask both sides of the House to consider whether it is really a wise policy for us to pursue at this particular moment of European recovery. It is difficult to imagine any course more inconsiderate to European interests in general, and to British interests in particular, than that into which the Government are forcing, not only the House as a whole, but their own party.

I have spoken of this document — this Brown Paper. There was, however, in the Socialist pamphlet one declaration with which I wholeheartedly agree. I mean the declaration against Europe becoming a Third Force between America and Russia and creating a "neutral geographical *bloc*." This was formerly the view of many of the Socialists in the days when they condemned my Fulton speech in 1946. I am glad to read this recantation. I trust the educational process may continue.

I should myself regard the neutralisation of Germany or Western Germany, still more of France and the rest of the six Powers now meeting together in Paris, as a disaster second only to actual war. It would simply mean that not only Western Germany but the European States in the neutral zone would be undermined and overcome one by one and bit by bit exactly as we have seen Czechoslovakia devoured before our eyes. The question which both the pamphleteers and we should ask ourselves tonight is whether British reluctance to assert herself within a movement towards European unity will not bring about just this very danger of a neutral geographical *bloc*, and whether we, by standing out, may not become responsible for bringing about the very situation the Socialist Executive in their pamphlet so rightly fear.

I was deeply moved by the decisive gesture which France made in the Schuman Plan for an effective reconciliation with Germany on the basis of such a measure of pooling heavy industries, which would, if developed, make impossible a renewal of war between these two nations. When I asked four years ago at Zurich that France should take Germany by the hand and lead her back into the European family, I could not hope that such an historic event would have come to pass so soon.

It would be quite fair to ask me whether I should have welcomed this event even if there were no such thing as this Russian menace, or the Soviet Government or the Communist movement in many lands. I should say, "Yes, certainly." The unity of France and Germany, whether direct or in a larger continental grouping is a merciful and glorious forward step towards the revival of Europe and the peace of the world. The fact that there is a grave Soviet and Communist menace only adds to its value and urgency. Here surely we can find agreement on all sides of the House.

No one can say with justice that we are acting and feeling in this way in prejudice to the interests of the British Empire and Commonwealth. Everyone knows that that stands first in all our thoughts. First, there is the Empire and Commonwealth; secondly, the fraternal association of the English-speaking world; and thirdly, not in rank or status but in order, the revival of united Europe as a vast factor in the preserving of what is left of the civilisation and culture of the free world. When one hears Socialist orators claim that they are the champions of the British Empire and Commonwealth of Nations and remembers that they did not even take the trouble to tell the Commonwealth what was going on, it is impossible not to repress a feeling of scorn.

The Prime Minister (Mr. Attlee): To what is the right hon. Gentleman referring when he says we did not take the trouble to tell the Commonwealth what was going on?

Mr. Churchill: I am talking about the Schuman Plan.

The Prime Minister: The right hon. Gentleman is entirely wrong. The nations of the Commonwealth were kept fully informed.

Mr. Churchill: Does the right hon. Gentleman say that they were consulted upon the Government's refusal

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to accede to the Schuman invitation?

The Prime Minister: The right hon. Gentleman said that they were right outside altogether, and that we have informed nobody. Anyone with experience of Commonwealth affairs knows that in all these matters the Commonwealth countries are kept fully informed, and any point which they wish to raise they do raise with the other members of the Commonwealth. In a matter which primarily concerns one member of the Commonwealth they are kept fully informed and they may raise points on that if they wish.

Mr. Churchill: I must go into this a little bit, because I did not get the correct impression. I have only got in my mind what took place in the House. I understood that the Schuman Plan came as a surprise, and the right hon. Gentleman the Prime Minister at short notice made a statement in this House, in which he spoke of it in welcoming terms. I do not know, but I have no doubt that the Dominions wished to raise some points. Before the Prime Minister took up the position he has taken up, I doubt very much if they had had any opportunity expressing any opinion upon the course which events had taken.

When I was asked at the Atlantic Conference in 1941 by Mr. Roosevelt to agree that Imperial Preference should be eliminated, I said at once that we should never be able to take such a decision without consulting the Dominions themselves and this would take time. The argument was effective, among other reasons, because of the time factor in issuing a *communiqué*, about which the President was so eager. I cannot think of a better argument which the Government could have used to our French friends if they wished to have more time to consider their attitude than to say that they must consult on these matters with the Dominions by sending a telegram, affording them an opportunity to give a considered opinion. That it does not seem to have occurred to them is only another example of the extraordinary lack of efficiency with which our affairs are now conducted.

There are still one or two points which I must mention. The hon. Member for Coventry, East, last night asked the Tory Party whether they were in favour of the federal union of Western Europe. Such a tremendous step as the federal union of Europe as something like a United States of Europe is not a matter which rests with us to decide. It is primarily one for the peoples of Europe. In our European Movement we have worked with federalists, and we have always made it clear that, though they are moving along the same road, we are not committed to their conclusions. Personally, I have always deprecated in public our becoming involved at this stage in all the tangles and intricacies of rigid constitution-making, which appeals so strongly to a certain type of mind. I was sorry that the hon. Member for Coventry, East, should have marred an able speech, as he so often does, by a gross misstatement when he says that European union

"is run and financed by federalists." — [OFFICIAL REPORT. 26th June, 1950; Vol. 476, c. 2043.]

That is quite untrue, and I am very glad that my hon. Friend the Member for Aberdeenshire, East (Mr. Boothby), who spoke earlier this afternoon, dealt effectively with that.

Mr. Crossman (Coventry, East): If that is untrue, then I wish to withdraw it.

Mr. Churchill: Certainly, so far as the European Movement is concerned — and I took some trouble to make inquiries about it when I heard what the hon. Gentleman had said about it — they rely upon voluntary contributions from England and America and they have not had any difficulty in finding the necessary funds.

I am told that the difficulties of European federation are increasingly realised upon the Continent, and that it is one of the reasons why what I call "functional" associations, like this proposed merger of the heavy industries, are being sought. But the question that we have to decide for ourselves — and there is certainly plenty of time for mature consideration of it — is, what association should Britain have with the Federal Union of Europe if such a thing should come to pass in the course of time?

It has not got to be decided today, but I shall give, with all humility, a plain answer. I cannot conceive that Britain would be an ordinary member of a Federal Union limited to Europe in any period which can at present be foreseen. We should in my opinion favour and help forward all developments on the Continent which arise naturally from a removal of barriers, from the process of reconciliation, and blessed oblivion of the terrible past, and also from our common dangers in the future and present. Although a hard-and-fast concrete federal constitution for Europe is not within the scope of practical affairs, we should help, sponsor and aid in every possible way the movement towards European unity. We should seek steadfastly for means to become intimately associated with it.

In this, we are supported by many of the leading statesmen in all parties in all the Commonwealth countries: Mr. Menzies and Mr. Evatt in Australia, Mr. Fraser in New Zealand, General Smuts — for whose recovery we pray — and Mr. MacKenzie King and Mr. St. Laurent in Canada. All have warmly advocated a forward movement towards European unity and have not, so far as I am aware, assigned any rigid or fixed limits to it.

With our position as the centre of the British Empire and Commonwealth and with our fraternal association with the United States in the English-speaking world, we could not accept full membership of a federal system of Europe. We must find our path to world unity through the United Nations organisation, which I hope will be re-founded one day upon three or four regional groups, of which a united Europe should certainly be one. By our unique position in the world, Great Britain has an opportunity, if she is worthy of it, to play an important and possibly a decisive part in all the three larger groupings of the Western democracies. Let us make sure that we are worthy of it.

The whole movement of the world is towards an inter-dependence of nations. We feel all around us the belief that it is our best hope. If independent, individual sovereignty is sacrosanct and inviolable, how is it that we are all wedded to a world organisation? It is an ideal to which we must subscribe. How is it that we have undertaken this immense obligation for the defence of Western Europe, involving ourselves as we have never done before in the fortunes of countries not protected by the waves and tides of the Channel? How is it that we accepted, and under the present Government eagerly sought, to live upon the bounty of the United States, thus becoming financially dependent upon them? It can only be justified and even tolerated because on either side of the Atlantic it is felt that inter-dependence is part of our faith and the means of our salvation.

No one can contend that sovereignty will be affected by our participation in the discussions in Paris which are the subject of our Motion and the Amendment tonight. They are well protected by the cumulative safeguards which I mentioned earlier. Nevertheless, there is a great moral and idealistic issue which, though irrelevant to our immediate purpose, has been stirred by the discussions which have taken place. We are asked in a challenging way: "Are you prepared to part with any degree of national sovereignty in any circumstances for the sake of a larger synthesis?" My right hon. Friend the Member for Warwick and Leamington, with his prolonged experience in foreign affairs, has faced the issue, hypothetical though it be, plainly and squarely. The Conservative and Liberal Parties say, without hesitation, that we are prepared to consider, and if convinced to accept, the abrogation of national sovereignty, provided that we are satisfied with the conditions and the safeguards.

Nay, I will go further and say that for the sake of world organisation we would even run risks and make sacrifices. We fought alone against tyranny for a whole year, not purely from national motives. It is true that our lives depended upon our doing so, but we fought the better because we felt with conviction that it was not only our own cause but a world cause for which the Union Jack was kept flying in 1940 and 1941. The soldier who laid down his life, the mother who wept for her son, and the wife who lost her husband, got inspiration or comfort, and felt a sense of being linked with the universal and the eternal by the fact that we fought for what was precious not only for ourselves but for mankind. The Conservative and Liberal Parties declare that national sovereignty is not inviolable, and that it may be resolutely diminished for the sake of all the men in all the lands finding their way home together.