

## Parliamentary debates in the House of Commons (16-17 May 1961)

**Caption:** On 16 and 17 May 1961, British MPs debate future relations between the United Kingdom and the Europe of the Six.

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[...]

**Mr. Healey:** Could the right hon. Gentleman clear up some confusion which has been created in many people's minds by his answers to questions on this subject last week, when he said that there was no question of our joining the Common Market, and that what the Government were considering was some form of association? Is that the Government's view this week?

**The Prime Minister:** I am afraid that I have been misquoted. I said that there was no question of joining the Common Market by just walking down the street and buying a ticket and joining a club regardless, but that what we were considering was whether we could join subject to protocol, which would give us the necessary conditions for the Commonwealth, British agriculture and other special considerations. I am grateful to the hon. Gentleman if he has given me the opportunity of putting right any false impression. It has sometimes been said that we can simply walk in, ask to be elected and then join on payment of a subscription. I say that our position, with all the complications of agriculture, the Commonwealth and other things, is not that and that we must consider it in a much wider field.

**Mr. Healey:** I am grateful to the right hon. Gentleman for at least stating Government policy on this matter again. Is he aware, however, that what he said last week was quite different? He talked then about association and said in so many words that it was not a question of joining the Common Market. "That is not the question", he said.

[...]

**Mr. Gaitskell:** Will the Prime Minister, however, elucidate the matter a little further by answering this question: is it the principal object of Her Majesty's Government at present to try to seek some closer association with Europe which does not involve going into the Common Market, or is it their intention to try to find a way by which, while safeguarding the three major principles which the Prime Minister mentioned — agriculture, Commonwealth and the other E.F.T.A. countries — we nevertheless eventually enter what is called the Common Market?

**The Prime Minister:** It is not only a question of entering the Common Market, but of signing the Treaty of Rome, which is a little different. It is not really for us to say. What I hoped to do was that we would find a way in which — [*Interruption.*] We do not decide it ourselves. The Six also discuss it. What I had hoped was that it might be that the Treaty could be amended. That is asking a great deal. It may be that we can be admitted as full members subject to a protocol or a derogation of the full Treaty application in respect of certain considerations. In that sense, we would become full members.

It is not for us, however, to make that sole decision, because the other countries must decide first whether they are ready to give us these various conditions which we must have and, then, whether that is to be regarded, as I hope they may feel it regarded, as full membership, or whether it would be regarded as something less than full membership and merely association. That does not yet arise until we know whether the Treaty can be amended or dealt with by a protocol attached to it.

**Mr. Grimond:** May we take it from what the Prime Minister has just said that we are now willing to enter the Common Market if our difficulties can be successfully negotiated? Can the right hon. Gentleman also tell us who suggested that we could walk into this matter without negotiation?

[...]

**The Prime Minister:** Every day, I see suggestions that all we ought to do is immediately to sign the Treaty. That is what I was trying to repel. The ultimate object, whether membership or association, rests with the present members of the Treaty. What I hoped was that we would be able to form a partnership in Europe while fully carrying out our duties to the Commonwealth, to agriculture and, of course, to our partners in E.F.T.A.

**Mr. Healey:** Is the Prime Minister aware that there is a widespread view on the Continent, which has been frequently expressed by leading spokesmen of Continental Governments, that it is difficult for them to make up their minds what to do unless they get a clear statement of intention from Her Majesty's Government as to the sort of solution they desire, and that so long as Her Majesty's Government define their aims in contradictory terms almost every week it is difficult for anybody to take a decision?

**The Prime Minister:** It is for us to take the decision whether and under what terms we would suggest that a formal negotiation be opened. That is the situation. I do not think that the hon. Gentleman wishes to score party points on this matter or to make an attack on me. The whole House, I think, regards it as something of great importance for the future of our country and it is something on which there are a variety of shades of view in all parties. As I have said before, what I am anxious about is that we should not have, as we unfortunately had on the Free Trade Area negotiations, a formal negotiation which fails. That would be fatal for the future of Europe from many points of view and, indeed, of the whole alliance. Therefore, what we are trying to see is whether, by these preliminary contacts with, of course, a lot of people concerned — all the Commonwealth countries, European countries, the E.F.T.A. countries and our own agricultural interests — we could get near enough to propose a formal negotiation with a very good chance of its success. It would be a terrible mistake to have a formal negotiation which broke down.

[...]

**Mr. Heath:** [...] The problem with which we have to deal in Europe is a fundamental one.

[...]

What, then, we must ask ourselves, is to be the impact of this group on ourselves, on our Commonwealth and on our partners in E.F.T.A.? We now see opposite to us on the mainland of Europe a large group comparable in size only to the United States and the Soviet Union, and as its economic power increases, so will its political influence.

Throughout our history — I am trying to put these facts before the House because I think that they are necessary for making a balanced judgment — we have recognised the need to establish a relationship with the other countries on the mainland. Usually, it has been because we feared their military hostility. Our relationship has been part of the balance of power. Today, that is certainly not the case. It is the great *blocs* of the Communist world and the Western Powers which confront each other. But the problem remains for us to establish a relationship with the new and powerful group on the mainland of Europe.

In the political sphere we see the growth of political consultation between the countries of the Six. There is regular consultation at the level of Foreign Ministers. There is frequent and regular consultation between Ministers of other kinds at other levels, and between, for example, the governors of the State banks: and proposals are being considered for more formalised consultation at the level of heads of Government.

This is not in any way blameworthy, as is sometimes suggested. It is the perfectly natural development of the cohesion of a group such as we see now developing in Europe. From the point of view of political consultation, we have consultation in Western European Union, in which the Six and the United Kingdom sit. At the last meeting of Western European Union the members of the Six told me that they had postponed some of their political consultation from their own meeting the day before until we were present, so that we could take part in it. That was, I think, an indication of their desire that we should take part in some form of permanent political consultation with them. Western European Union is being used meantime as a substitute until more permanent arrangements can be made.

This development poses for us and rest of Europe considerable political problems. I am talking now not only of the next six months, or the next two or three years, but of a much longer period. We can then see the danger which faces us of a decline in political influence in the world at large and in our Commonwealth.

[...]

What will be the economic consequences for us of its development? Until the creation of the Economic Community our trade with Europe was increasing. It amounted to 15 per cent. of our trade. During the past five years our exports to the Six have increased at nearly twice the rate of our total export trade. This trade is bound to be affected by the creation of the common tariff round the markets of the Six and the gradual abolition of their internal tariffs.

This will be particularly the case, first, because most of our trade with them is in industrial products, and, secondly, because our markets were in those countries such as the Federal Republic of Germany, which have to raise their tariffs to reach the common tariff level.

[...]

More than that, it also means that the Six will be better able to compete in third markets of the world. This will be a challenge to our export trade as a whole. What I have already described also means that the Six will prove a continuing attraction for investment on both sides of the Atlantic.

[...]

Those are the consequences of the division today between the European Economic Community and the rest of Western Europe. The results of a closer unity between the group and ourselves and our partners in E.F.T.A. would, of course, be the reverse. It is not only that we would together be able to share the benefits and advantages of this new development. We would also be able to contribute very much to it ourselves. On the political side, one of the major political achievements of the Six has been to create a Franco-German rapprochement which is invaluable. Our presence would undoubtedly consolidate this and contribute towards the balanced development of the Community.

These, then, are most powerful reasons why we should use all our strength and energy to find a solution to the problem of a closer relationship between ourselves and our partners and the European Economic Community.

[...]

Of course, if we examine these, we shall find some things which we do not like — some individual things which may be disadvantageous to us and some things which they do differently from the way to which we are accustomed. But, against this, we must weigh the very formidable political and material advantages to be gained from a closer association, and we must weigh it all in the context of the future position of our country and the Commonwealth, and of the future position of Europe as a whole and its influence throughout the world.

I would now like to tell the House something of what has been done since we started a new approach to this problem nine months ago. At the meeting then between Chancellor Adenauer and my right hon. Friend the Prime Minister it was decided that we would explore through diplomatic channels, by official and ministerial talks, to see whether a basis for negotiations could be found.

Two things were necessary. The first was to create the will on both sides in Europe to find a solution. The second was to find the technical means whereby the differing interests could be reconciled. On the question of creating a will to find a solution, I believe that there is now a greater will in Europe than ever before to find a means of settling this problem. We have many friends in Europe, and all of them are anxious that these things which now divide us should be removed.

[...]

At the meeting of W.E.U. Ministers at the end of February, I was able to report on the progress which had

been made. Again, hon. Members may ask why this should be done in W.E.U. It was done there, first, because the Union has as its object to help create closer unity in Europe, and, secondly, because it is the only forum in which members of the Six and ourselves together meet as of right.

I reported our view of the political position in Europe. Briefly, it was this: discussion amongst the Six themselves about their own problems is a matter for the Six. We have no desire to force our way into it. On the other hand, if an arrangement is made between the two groups, or in some other way there is political discussion, then, of course, we will play our full part in it.

[...]

As far as the economic position is concerned, all I put forward was a report. It was not a series of proposals for negotiation which were to be accepted or rejected. It was a report on the way things had been going in the talks so far and the position that we had reached. I told the members of the Six that if they were able to meet our problems with regard to the Commonwealth and to domestic agriculture, we could then consider a system based on a common or harmonised tariff on raw materials and manufactured goods imported from countries other than the Six, the Seven or the Commonwealth. This was an important change on our part, because it meant that over that sector, excluding the Commonwealth and E.F.T.A., we were accepting the common tariff and its implications.

[...]

I repeat it now — that we shall keep in close touch throughout with other Commonwealth Governments, and will have full consultation with them before we decide on the course to follow.

We have been examining imports from the Commonwealth under four heads — raw materials, tropical products, manufactured goods and temperate foodstuffs. Very few raw materials present any difficulty since, with a few exceptions — I think that there are five main ones — they are imported duty free both into the E.E.C. and into the United Kingdom.

Tropical products present a more complex problem which is, indeed, world wide. It vitally affects the interests of countries outside Europe, including those which have no links with European countries. This must be borne in mind. I have good hopes that progress can be made as far as tropical products are concerned.

The difficulties lie with manufactured goods and temperate foodstuffs. Together, they represent about half our imports from Commonwealth countries, and we have been and still are studying the complex problems involved. But I must tell the House that we cannot yet see clearly what can be done. In our talks with the Six we have naturally been asked what we think should be done, in the context of an overall settlement, in regard to the preference at present enjoyed by United Kingdom exports in some Commonwealth countries. We have replied that we should see no difficulty of principle in the way of discussions between the Six and the Commonwealth countries concerned about possible reductions in tariff preferences, as part of a satisfactory overall settlement so as to put it in general balance.

This has helped confidence. This is where we showed, in our desire to reach an arrangement, that we are not trying to get the best of all worlds and that we are not putting forward the Commonwealth as a reason why we should not have an arrangement with the Six.

Our second main concern is domestic agriculture. If a settlement is to be reached, all the E.E.C. countries now consider that agriculture cannot be excluded altogether. In trying to place the position fully before the House, I must make it plain that that is their view. There must be further discussion before a clear picture emerges, but I want to make three points about it today.

First, while the Rome Treaty lays down the general scheme for a common agricultural policy — a scheme which is different from ours — its detailed implementation has not yet been decided.

[...]

Lastly, while there might be difficulties in one or two commodities — just as there would be problems in industry — British agriculture as a whole, as its post-war record shows, is in a sound state to contemplate participation in a common agricultural policy, provided that that participation is on equal terms as part of an enlarged European Economic Community. The British farmer is efficient and competitive.

The next point I want to make is that the Common Market in agriculture will be introduced gradually, and it will be a long time — perhaps eight years or more — before it comes into full effect. We have, of course, given firm pledges to our farmers, and any change in the method of support we consider would have to take full account of them.

[...]

Some anxiety has recently been expressed by the Press of some of the E.F.T.A. countries that the United Kingdom, or another E.F.T.A. country might suddenly decide “to go it alone” without consideration for its partners. This would break up E.F.T.A. and leave the other countries in a weak position in which to make their own arrangements.

The United Kingdom will not abandon its E.F.T.A. partners in that way. We all wish to find a solution —

[...]

We are not prepared to abandon our E.F.T.A. partners in any way in trying to find a solution, which may not be the same one for each of us, but we should all help each other to find a solution.

That was the original purpose for which E.F.T.A. was formed. If E.F.T.A. were to disintegrate because some members were looking for solutions on their own without thought of their partners, that would be deplorable. If, on the other hand, E.F.T.A. eventually disappears because we have each found an arrangement that suits us in a wider Europe, E.F.T.A. will have achieved its purpose.

[...]

The signature of the Treaty of Rome does not, of itself, solve any of the difficulties that I have been describing to the House. They would still remain to be resolved. If it were necessary to do this to convince Europe that we were genuine, there might be some argument for it, but that, I am quite convinced, is not the case. Neither have any of the members of the Six, in our talks, asked us to follow this procedure. They realise that it is reasonable that we should see the broad lines of a settlement before any request is made to start negotiations —

[...]

The new Administration in Washington have made their attitude quite clear. The United States is prepared to accept additional discrimination against its goods provided that the arrangement reached can be shown to strengthen the political unity of Europe. It does not feel itself obliged to accept further discrimination from a purely trading arrangement which carries no political advantage. This is a position we can all understand and appreciate. At the same time, it is for the countries of Europe themselves to decide what action they want to take in those circumstances.

As to the attitude of the Six, there is now evidence of a desire throughout the Community that we should reach a settlement.

[...]

There are really four courses that are open. The first is to abandon the search for a solution. That would be a counsel of despair. The second course is to try to make an economic arrangement between the two separate groups, which will continue to retain their identity. We have, of course, been exploring this, and exploring it fully. It would mean some additional discrimination against the outside world without the corresponding political advantages necessary to offset it. As far as we can see at the moment, it is not a solution that particularly commends itself to the members of the Six.

The third course is for the United Kingdom, and other members of E.F.T.A. — not as a group, but individually — to make a form of association with the Community. In that course, one has to consider the degree of political participation which would be involved, which I emphasised at the beginning of my speech. One would also have basically to consider the influence of an association on the economic policies of the group. On this, again, there is much exploratory work to be done because the first form of association between the Economic Community and another country, that with Greece, has only just been made and has not yet been published.

The fourth course is that of full membership, provided that proper arrangements are made for Commonwealth trade and for our agricultural system to reconcile them with trade and agriculture in Europe, and proper arrangements for our E.F.T.A. partners. If we are to reach agreement there must be give-and-take on both sides. We shall not secure all we would like, but we shall share in great benefits which are not now available to us. To be lasting, any settlement must be fair to both sides.

This is an urgent matter. As the Community develops and its policies crystallise so it will become more difficult to fit into the arrangements which are made. So long as uncertainty exists, businessmen and those engaged in industry and commerce cannot make their plans, either for sales promotion or for investment. On the political side consultations cannot fully develop until this problem is solved. Nevertheless, it is bound to take time, in a matter as complex and as difficult as this, to find a solution to these problems.

As we have so often repeated, we are resolved not to start negotiations until we can see the prospect of a successful outcome from them.

[...]

We have *not* started negotiations, but have been carrying out exploratory talks without any commitment of any kind.

I have tried to put as fully as I can the aspects of these European matters, the political and economic aspects of the problem. We recognise that there are for the people of this country very deep human feelings involved in great matters of this kind. Those are feelings which sometimes are buried. They survive from times long ago but today they often colour, perhaps subconsciously, our attitude towards these things. After a point, human beings come to dislike change. Working out a new relationship with Europe involves major decisions and changes. It would be much easier if none of these developments had come about and if no decisions had to be made about them in future, but no nation which allowed that attitude to govern its actions could survive in the world today.

For all of us it is perhaps the Commonwealth which most permeates our thoughts on this problem. Our love for the Commonwealth is deeply bred within us and the question immediately raises itself: will our connection with the Commonwealth in any way suffer if we establish a new relationship with Europe? We must face this situation frankly and openly. Those who have been handling this matter have thought long and deeply about it. I believe that we can maintain our close connection with the Commonwealth and I believe that is what Europe itself desires. The personal ties which link individuals within the Commonwealth and the channels of trading which are so well established, the network of consultation which has grown up over the years, the Prime Ministers' conference, all these can be maintained.

Indeed, with the strengthening of our economic position we should be more able to help in developing the Commonwealth and to strengthen the ties which bind its members together. These then, are the issues which

are involved.

[...]

This is the problem that we are discussing in Europe today. I believe that it is one of the greatest which confronts our generation. It is technical and complex and its aspects must be kept in perspective. Above all, I think that the technical and commercial matters I have mentioned must be set among the great political issues I have described. They must be set in the context of the unity of Europe and the contribution they can make towards the freedom of Europe, on the unity and freedom of which peace depends.