

Speech by Harold Wilson on Britain's membership to the EEC (17 July 1971)

Source: Labour and the Common Market, Report of a special conference of the Labour Party, Central Hall, Westminster, 17 July 1971. London: Labour Party, 1971. 50 p. p. 42-49.

Copyright: (c) Labour Party

URL: http://www.cvce.eu/obj/speech_by_harold_wilson_on_britain_s_membership_to_the_eec_17_july_1971-en-c610eb85-fcb9-487b-8704-179006a9442f.html

Publication date: 13/09/2013

Speech by Harold Wilson on Britain's membership to the EEC (17 July 1971)

Rt. Hon. Harold Wilson, M.P. (National Executive Committee):

[...]

Our timetable today, our Conference today, is related to the procedure we shall follow from now on. On the 28 July, the National Executive Committee will take the decision whether to support or reject the Conservative Government's proposal that Britain should join the European Economic Communities on the terms which Conservative Ministers have brought back from their negotiations.

[...]

In view of some of the references made today by a number of delegates, I feel it is right I should begin by reminding Conference of the policy we have followed as a Party over these past years. And if I have a number of quotations, I apologise. But I think I owe this to the Conference in view of the quotations by one or two in this hall—and far more outside—which are sometimes taken out of context, and which have given the wrong impression.

Our 1966 Manifesto said, "Labour believes that Britain in consultation with her E.F.T.A. partners, should be ready to enter the European Community provided essential British and Commonwealth interests are safeguarded." On this basis in May, 1967, the Labour Cabinet decided to apply for entry. Announcing this to Parliament, I referred to the statement I had made the previous November that the then Foreign Secretary and I would be embarking on a series of discussions with each of the Heads of Government of the Six for the purpose of establishing whether it appeared likely that essential British and Commonwealth interests could be safeguarded if Britain were to accept the Treaty of Rome and join the E.E.C.

Following the discussions in the capitals of the Six, I announced our decision to apply. I outlined our hopes of what could be achieved if satisfactory terms were obtained. I added, and here I quote, "It is also the Government's view that the financial arrangements which have been devised to meet the requirements of the Community's agricultural policy as it exists today would, if applied to Britain as they now stand, involve an inequitable cost and impose on our balance of payments an additional burden which we should not in fairness be asked to carry." That was said in the statement announcing the application.

In 1969 Conference carried a resolution calling for adequate safeguards for Britain's balance of payments, cost of living, National Health and Social Security systems and power of independent decision in economic planning and foreign policy. This is what I said from the platform of that Conference. "If . . . we achieve terms satisfactory for Britain on the lines we have outlined, then negotiations will succeed. But, unlike the situation in 1961, we no longer face the challenge of Europe cap in hand. Europe needs us just as much, and many would say more, than we need Europe. It is the common interest of all of us to achieve economic unity, and if this cannot be achieved, we can stand on our own feet. At a heavy price for Britain, no doubt, but at a heavier price for Europe, and at a devastating price for Europe's influence in the world."

In the autumn of 1969, following a pledge I gave to Conference, the Labour Government embarked on the task of assembling the best estimates that could be made of the likely cost and benefits to Britain of entry, including the cost for our balance of payments, food prices and the cost of living.

In February 1970 I presented our conclusions to Parliament, the Cabinet's conclusions, with these words: "If, when the decision is to be taken, the disadvantages for Britain appear excessive in relation to the benefits which would flow from British entry, the Government clearly would not propose to Parliament we should enter the Communities. If, on the other hand, the costs, after negotiations, appear acceptable in relation to the benefits, the Government will recommend entry.

"We have made it clear that if the negotiations produce acceptable conditions for British entry, we believe

that will be advantageous for Britain, for Europe, and for Europe's voice in the world. Equally, we have made it clear that if the conditions which emerge from the negotiations are in the Government's view not acceptable, we could rely on our own strength outside the Communities."

Mr. Chairman, that was our final pronouncement as a Government. In our Election Manifesto last year, 1970, referring to the negotiations then about to begin, we said: "These will be pressed with determination, with the purpose of joining an enlarged Community provided that British and essential Commonwealth interests can be safeguarded. This year, unlike 1961-1963, Britain will be negotiating from a position of economic strength. Britain's strength means we shall be able to meet the challenges and realise the opportunities of joining an enlarged Community. But it means, too, that if satisfactory terms cannot be secured in the negotiations, Britain will be able to stand on her own feet outside the Community."

If there are to be charges of inconsistency, they are upon anyone who departs from those words on which we voted at the last Election. (*Applause.*) Our position has continued the same, after the Election, in Opposition. At last year's Conference, I repeated what I said in Parliament and in Conference about the adequacy of our strength to meet the Common Market challenge if the terms were right, and equally to enable us to stand on our own feet outside the Community if the terms were wrong. I went on: "I believe that is still true, though we shall watch anxiously how far the irresponsible men now in power in this country fritter away that strength by pursuing false economic objectives and by their policy of dividing—where we did so much to unite—our nation."

I went on: "Unlike the situation eight years ago, had it been a Labour Government which secured entry into the Common Market in the present negotiations, it would not have been out of crippling weakness but out of confident strength. That strength must not now be dissipated. But if our warnings about this fall on deaf ears, there is one argument we will not accept—and we have heard it before—that, whatever the terms, we have to go in because we are too weak to stay out." (*Applause.*)

That is what I said to Conference last year. Therefore, the position of this Party has remained consistent over this whole period. Our application was in. It remained in. If the negotiations produced the necessary safeguards, the Labour Government would have recommended entry to Parliament. In default of adequate safeguards we would have had confidence in our newly gained economic strength to sustain us outside the Common Market.

That has been our approach throughout. And the decision the N.E.C. takes on the 28th July, the decision Conference will be asked to take in October, will be fully consistent with what we have said over these four years and more. Never have we said—nor is a single word we, or I, have said capable of being construed as meaning—that we have to accept whatever terms emerged. We reserved the right to judge the terms of entry against the potential benefits, and on that test, and on no other, to decide for or against entry, and this we shall do.

I reject the assertions, wherever they come from, that the terms this Conservative Government have obtained are the terms the Labour Government asked for—and we did not in fact get involved in the negotiations—the terms the Labour Government would have asked for, the terms the Labour Government would have been bound to accept. I reject these assertions. (*Applause.*)

Those terms, which we set out in detail in the Labour Government's White Paper in July, 1967, and indeed made clear to Europe, are not the terms now before Parliament. It is irresponsible for anyone who knows the facts to assert otherwise.

The Labour Government set out four principal conditions. The first condition, one utterly vital to any assessment of the cost of entry in relation to the benefits, is, as many have said from this platform, the burden on our balance of payments. The Conservative Government refuse to give any estimate in public about the total size of that burden. What they have indicated is the possible cost of our short term annual membership contribution, the annual club fee, paid directly by British taxpayers and consumers and handed over to the common funds of the Communities. And that goes, of course, in the main to subsidise basically

inefficient farm production in France and elsewhere in the Market.

But on top of that there is the calculation which has to be made of the effect on Britain's trade. There is the certain damage to some of our large, traditional export markets which will be affected by our being required to adopt the Community's rules. This damage will be the greater in Commonwealth markets, because the Commonwealth preference from which we now benefit will go, and discrimination against the Commonwealth can limit their ability to buy from us.

But then there is the question how far this damage would be offset, over the rest of the 'seventies, by any gain there would be in trade with the Market, provided, of course, that our exporters succeed in increasing their sales in Market territory *more* than European exporters increase their sales in Britain.

In the longer term, as I have always felt, this is harder to forecast because it's not easy to predict any gain from the dynamic effect on British industry of a wider market. It is, in the view of very many of us, that it is very difficult to quantify. But in the years now ahead, immediately ahead of us, Mr. John Davies, Secretary of State for Trade and Industry, was reported in *The Times* as saying that, in the short term, there would be an appreciable "downturn" in Britain's external trade due to the acceptance of the common external tariff. While expressing his confidence in the longer term, he said: "It is likely to prove the case that the balance of disadvantage, created by the progressive adoption of the common external tariff, will have a somewhat sharper and quicker effect on external trade than will be the expansionary effect of a progressive elimination of tariffs between us and the Community." A minor downturn, he said, an appreciable downturn. But what is minor and what is appreciable?

Then there are the calculations of the effects of our entry on our invisible earnings. There are the estimates of swings in the movements of capital, to which I will come. The effect on our balance of payments, of course, is the sum total of all these things I have mentioned. The effect on our balance of payments is vital. The bigger the figure the greater the burden on the British people as taxpayers and consumers, of course.

But over and above that, it directly affects the level of unemployment among our own people. You cannot get away from this—that an excessive burden on our balance of payments would limit the ability of the Government to go for growth, industrial expansion, full employment, whatever the longer term basic issues. And, with a regime giving the all clear to capital movements, this problem must be exaggerated and intensified.

How large, then, is the burden? Well, this is a closely guarded Conservative secret. The estimates we made in 1967 when we decided to apply—and we gave these estimates to Parliament—were of the order of £275 to £350 million a year. Since then the rules of the Community as they affect Britain's balance of payments have been fundamentally altered. Now, clearly the burden emerging from the terms this Conservative Government have brought home must be very much larger than we estimated in 1967.

Three weeks ago, serious national newspapers were at one in referring to an estimated burden of £500 million a year by 1978. It would, I think, be unrealistic to attribute this sudden unanimity among these newspapers to any editorial conspiracy, or even to a coincidental and simultaneous exercise in statistical ratiocination. The figure—indeed the Press has made this clear—came from the Government, and possessed authority. And it is no good the Government seeking to deny this, as Mr. Rippon blatantly sought to do in the House earlier this week.

Now, why has the figure been suppressed in the White Paper, except for the purpose of darkening counsel? Why has the Government denied to the British people the information they need in forming their view of the advantages and the costs of entry into the Market? If the reported £500 million, now apparently suppressed, is not the Government's latest figure, let us be told what that figure is. I have seen estimates of £500 million—£600 million a year, indeed more. And you have to set this against the record surplus the Labour Government left Mr. Heath, a surplus of £600 million a year, a surplus he is doing his best to dissipate.

The second of the vital conditions from which we started—and bearing on the question of the burden on the

British people through the balance of payments—is of course the question of capital movements. Sudden movements of capital, precautionary or nakedly speculative, could force unwelcome and serious changes in policy, simply because we did not have the reserves to meet the withdrawals. In our period of office one or two of the worst speculative movements we faced occurred when Britain was just moving into the strongest balance of payments surplus we had known for years. And this was when we had all the safeguards that we could devise and enforce against such irresponsibility. Now Mr. Rippon has negotiated away these safeguards, and greatly endangered our reserves, our employment position, our ability to build up capital investment in industry.

In our talks with the Six—this is George Brown and myself before the Government's decision to apply for entry—I emphasised the position of portfolio investment (that is to say, Stock Exchange capital) and the danger of vast capital movements, to Europe, or, through European capital markets, to Wall Street and the wider world in search of higher profits or capital gains. We shall, Mr. Chairman, need much more information and deeper examination of this question—but on the face of it, despite our warnings, it seems to me to reinforce the dangers of increased unemployment I have already described.

The third issue we stressed—these were the conditions we laid down—was Commonwealth sugar. The Commonwealth Sugar Agreement was introduced by the Labour Government over twenty years ago. Arthur Bottomley, who is here today, who has never had the credit for it, was the man who negotiated it as the Secretary for Overseas Trade in the Board of Trade at that time. That Agreement has provided the stability of a secure and assured market, with guaranteed prices to producers over a wide area of the Commonwealth.

The Labour Government in 1967 and subsequently maintained that the interests of Commonwealth sugar producers must be safeguarded. The terms brought back from Brussels carry no such safeguard so far as the Six are concerned, unless you are as satisfied as Mr Rippon that translating *aura a Coeur* as "it will be the firm purpose of" is a clear and unequivocal guarantee.

When Mr. Rippon met the Commonwealth sugar producing countries, he gave them the impression of an unequivocal pledge by Her Majesty's Government that in one way or another Her Majesty's Government would underwrite a continuing market in the enlarged Community for the present quantities of sugar from the developing countries. I would take what he said—as the Commonwealth countries had to—as a binding assurance on the part of the British Government. But instead of asking for guarantees from the Six that they agreed to such binding assurances on Commonwealth sugar, Mr. Rippon sought no more than a reading into the record of his own statement. He asked for no further commitment from the Six.

And when I, and other Members, asked him in the House about his assurances, he was evasive. We asked him, had the Community *accepted* his statement to the Commonwealth? They, he said, had "received" it. Did he confirm that there is in any case a bilateral British Government assurance? Did he interpret this deal—and this is vital—as meaning that if the Six do not deliver, the British Government will themselves insist by their own actions in maintaining the safeguards? To these and other questions there was no reply.

Now, Mr. Chairman, the fourth vital condition related to trade with New Zealand. I do not question the sincerity of others, of anyone who has spoken today, about Europe. Let them not question my commitment over very many years to the Commonwealth, and especially New Zealand. Those who compile anthologies of my Ministerial statements over the years—and I have been reading some recently—can go back to 1947 on this question of the Commonwealth and New Zealand.

I am, and always have been, as committed on this question as any member of this Party or any member of the Government is on Europe, and for at least as long. During the previous E.E.C. debates just ten years ago, I told the House of the Labour Government's dealings with New Zealand after the War, of their spirit of sacrifice in Britain's interest to keep us fed, though it meant rationing themselves, their refusal to exploit the famine by charging higher prices. I said—forgive me if I quote, I have read so many others of mine: "I submit to the House we cannot consistently with the honour of this country take any action now that will betray friends such as those"—that is New Zealand—"All this and Europe too—if you can get it— ... if there has to be a choice, we are not entitled to sell our friends and kinsmen down the river for a problematical and

marginal advantage in selling washing machines in Düsseldorf." *(Applause.)*

At all stages in our discussions in Europe, George Brown and I insisted that very special treatment was needed for this very special case. Cheap New Zealand food is essential to the standard of life of every family in Britain. In a wider sense, New Zealand is part of our history, of Britain, of our national life. I would not have recommended the Labour Cabinet to make the application for entry into the Market except on the basis of assured and continuing access into Britain of New Zealand produce. And if I had, which would have been inconceivable, the Labour Cabinet would not, in my view, have agreed.

Against this, contrast the terms the Conservative Government have negotiated. Under those terms there is no long term agreement whatsoever for New Zealand trade after the rundown in butter and cheese imports over the next five years. I have asked, my Labour Parliamentary colleagues have asked, Conservative Members have asked, what long term guarantees for New Zealand the Conservative Government received in these negotiations. Or, failing that what they have done to ensure that Britain herself will be free to keep the doors open to New Zealand trade. Every time, Mr. Rippon evaded the issue, taking refuge in a vague agreement with the Six to discuss New Zealand further, taking refuge in hollow optimism that everything will be all right on the night, three years hence. If he has reason to think the Six mean business about continuing guarantees for New Zealand, why did he not get this written into the agreement?

In my view, the Conservative Government, in the rush to obtain terms—any terms—sold the New Zealand interests short, and for that matter British interests short. It is true, of course, that Mr. Rippon on one of his table thumping sessions for the record, which we found invariably preceded a dawn surrender,—*(Applause)*—did seek to lay claims to slightly more reasonable terms. But he was then, if the reports were correct, warned by the French that even to argue like that showed he did not understand what being a European meant. Now, this ought to have alerted him to the fact that he was dealing with not any negotiating haggle but with a fundamental issue of principle, indeed of a not disinterested obsession. It should warn us, though.

President Pompidou was reported subsequently as claiming the credit for having persuaded Britain that we should turn our back from our Open Sea trading tradition. I do not believe that in a world where distances are lessening almost daily, our people will accept that particular doctrine. And all this at a time when the world is opening up, not closing in.

For our housewives, it means an unnecessary tax on cheap, efficiently produced food, for one purpose only, for the purpose of subsidising dear, inefficiently produced food.

The law of competition, we are told, in the context of steel and coal industrial policy, is the law of the Market. But not in farming.

I cannot accept, and never have accepted, that the test of being a good European is one's willingness at great cost to subsidise inefficiency, nor that the very desirable objective of greater political unity in Europe, for which so many of us have worked, cannot be realised except at the cost of a burden of some £500 millions subsidy to French agriculture. *(Applause.)*

I shall, of course, be told—I have been told—that any criticism of the New Zealand arrangements is out of order in view of the statements of the New Zealand Government, statements which I say fall well this side of enthusiasm. I have no desire to interfere in New Zealand politics. The New Zealand people must be free to make their own decisions on matters of vital importance to them, as we must be free. But even the qualified acceptance of these terms by the New Zealand Government— and what else could they say—did not represent the views of the New Zealand Labour Party. *(Applause.)*

The Leader of the Labour Opposition in New Zealand has condemned the terms roundly and in detail. He has done it only this weekend in the British Press. He has written to the Prime Minister and written to me. Those letters should be made available. So far as our Party is concerned, I hope—taking up a point that has been made today—the readiness to take into account the views of our fellow Socialist Parties does not stop short with Western Europe. *(Applause.)*

What is being said by the New Zealand Government is that these are the best terms the British Government could have got in the circumstances. That is not good enough for us. You do not judge your plenipotentiary on whether he did his best. You have got to ask whether his best was good enough. I state categorically—and I must say this, not least in view of some of the remarks made this afternoon—that whatever the outcome of the negotiations, I would not have been a party to a Labour negotiator approaching this vital sector of the negotiations on the basis with which the Conservatives were satisfied. No such terms were ever approved by us. (*Applause.*) So far as New Zealand is concerned, this was not the basis on which the Labour Government spoke to Europe before we decided on our application. It is totally contrary to the very clear impression that George Brown and I obtained from our tour of European capitals, as to the basis on which we should be negotiating. It was not the basis on which the Labour Cabinet agreed to make that application.

And these assertions I make from my own clear knowledge. And so touching is my faith in the objectivity of the British Press that I am confident that they will in due course devote as many acres of newsprint, even at its present inflated cost— (*Laughter.*)—to printing the facts about the Labour Government's stand on New Zealand, as they have to other comments they have thought fit to print about the Labour Party's attitude to these and other Common Market questions. (*Applause.*)

Mr. Chairman, this debate has been inevitably too short for any of us to deal adequately with certain other important issues, important in terms of jobs, wages and the livelihood of our people. The effects of the negotiations on the steel and coal industries—referred to by a number of delegates—where, of course, obscurantism to the point of downright evasion has so far concealed from Parliament, and from those who work in those industries, the facts they are entitled to have.

Fisheries, where last week's deadlock appears either to force Britain to accept a solution less favourable than the one which may be offered to Norway, or force Norway, our E.F.T.A. partner, to withdraw from the negotiations.

Regional policy, where the anxieties of Scotland, Wales, the North and Merseyside, the South West, as well as the so called grey areas have been expressed. Regional policy was one of the most important issues we discussed, four years ago, with European Heads of Government. I came back from that tour, as I reported to Parliament, much reassured.

The accounts I was given of the special facilities, and the derogations allowed in individual cases from the hard law of the Market, gave me the impression on that tour that I was being privileged to see, in terms of the development of regional policies within the Six, a prospect of what later came to be known as the Permissive Society (*Laughter.*)

But now obsessive rigidities, which over the years have come more and more to dominate the Common Market bureaucracy, seem to incline to tighter rules for greater competition—in everything save agriculture.

Now we read that new rules are to be promulgated following the meeting of Common Market Ministers next week—so far as regional incentives are concerned. And it will be the task of Labour Members in next week's Parliamentary debate to probe these issues with the same care and concern they have shown in our Party meetings, and with their characteristic unwillingness to take evasion for an answer.

But there is one anxiety, I think, common to all of us—the anxiety that the rules and the practices of the Commission will once again produce a still further, and still more menacing, shift in Britain's industrial centre of gravity away from the North and the West to the over congested areas of the South East, away from what some presume to call the periphery—we have had peripheral delegates at this rostrum today—to the more favoured areas of brittle prosperity in the areas bordering the Channel, and its crowded hinterland.

Mr. Chairman, when the Labour Government, at successive Party Conferences, said that we should wait for the terms before deciding, we meant just that; whether the terms, in the words we have used throughout, can be accepted as safeguarding essential British and Commonwealth interests. But I have many times made

clear that the terms for entry, once obtained, would not only provide the basis for saying whether they, as terms, were acceptable or not; the terms would also tell us something of the Community we were seeking to join—it was to a European audience I put this problem months ago.

The negotiations would show whether the Community was a rule ridden bureaucracy; whether in its motivation it was looking outwards to a Europe wide unity, or whether it was basically an agricultural welfare complex based on subsidies to high cost producers, tariffs on imports of cheaper produce, backed by expensive export subsidies to sell high cost produce to the world at low cost world prices.

I think the outcome of the negotiations on Commonwealth sugar and on New Zealand tell their own story. Every delegate will decide for himself, every member of the Executive, every Member of Parliament will decide what lessons to draw. I am speaking for myself in drawing that particular lesson. Many others may not disagree with that—and many others may not agree with it either.

But we have not only to question the motivation of the Community. The negotiations provide a test also of the motives of Conservative Ministers—in economic and industrial matters, for instance. Behind the mask of generalities and statistical obscurantism in the Government's White Paper what other hopes are really concealed?

Only rarely is the mask allowed to slip. But Mr. John Davies again, speaking in Dusseldorf recently, exulted in the fact that the opening of national markets to external competition would create a climate more critical of costs—involving a scrutiny more and more of the element of labour costs and reinforcing the need to reject inflationary wage demands as leading nowhere but to failure. His wording was convoluted, but the warning is plain to us that, for some of them at least, their European policy is simply the addition of one more dimension to the policies that they have been pursuing at home. *(Applause.)*

The strongest economic argument—the one I have always used—the creation of a wider market for technologically based industries, is one which is on their lips, too. But what credence can be placed in men whose contribution to technology and to modernisation is the destruction of I.R.C., the cancellation of investment grants, the introduction of the Official Receiver in shipbuilding, and the sabotage of Rolls Royce? *(Applause.)*

Mr. Heath, when he was in Paris recently, sought to woo President Pompidou with Gaullist anti American slogans. But the most dramatic achievement of his Administration has been to put Britain's most advanced technological venture in pawn to a Congressional Committee in Washington. *(Applause.)*

But I suspect that Mr. Heath's Market views embraces a further prospect, not held by any Labour supporters of entry into Europe. His is a vision which goes far beyond economic integration and political co operation. Even if he is muting this for political reasons now, he has repeatedly made it clear that his vision is of a Europe involving a degree of defence integration none of us in this Party would accept. *(Applause.)*

Right up to last year he was urging the pooling of nuclear weapons within Europe. And he has not, even while engaged in his hard sell P.R. campaign of the White Paper, repudiated things he said in Opposition, things many of his present senior Ministers said—for example, their clear advocacy of a distinctive European nuclear deterrent. And, still more recently, his Minister of Defence in the House of Commons aroused suspicion among our Labour Members when, referring to nuclear collaboration within the E.E.C. context, he twice said, and I quote: "It would be wrong to rule out the possibility of collaboration some day".

If Conservative policy at any time were to be directed towards a nuclear component in a United Europe, a United Europe which includes Germany, any hope of a constructive reconciliation between Eastern and Western Europe would disappear. *(Applause.)*

In any event, Mr. Heath has made clear from the moment he took office—from South African arms to his anti Soviet pronouncements in his Market propaganda, that good Anglo Soviet relations are not exactly high on his list of priorities.

But at this very moment horizons such as we have not known at any time since the war are opening up to us and to the world. The Soviet Union is reviewing her policies. She is involved in constructive discussions on a major breakthrough in nuclear disarmament; ready to discuss new moves to ease tension with the West; holding out, as in Mr. Brezhnev's speech at Tiflis, new ideas for discussion with the world's Social Democratic movement. Yesterday's announcement from Washington and Peking opens up new hopes, immeasurable horizons. Yet at this time Mr. Heath couches his language in the aridities and infertilities of the Cold War, and even Sir Alec Douglas Home cannot rival him.

This Movement, Mr. Chairman, will be ready to respond to new world challenges and opportunities in terms of which Mr. Heath and his colleagues are wholly incapable, and every week that goes past will reveal this more clearly.

Mr. Chairman, the N.E.C., as I have said, will take its decision. Conference, then the Parliamentary Party, before the final vote in October. During all this period we have been consulting, each Labour Member with his constituency, and a whole series of meetings of the Parliamentary Party in a high level, tolerant, comradely debate.

I have not lacked advice, which I welcome. I have my job to do. The Press have theirs. And in public life you must be prepared to face the consequences of actions or moves that offend against strongly and sincerely held proprietorial or editorial opinions. (*Applause.*)

At Newtown I referred to pressure. I made clear that all the pressures—or abuse—would not deflect me from my duty as Leader of this Party to recommend the course I believe right in the interests of Britain and our people. Nor from my duty—and I have always regarded this as the duty of the Leader—to do all in my power to maintain the unity of this Party. (*Applause.*)

This Party, in common with the Conservative Party, and reflecting the British people as a whole, is divided on an important issue of policy. We do not need to apologise for that. A division between Comrades, each of whom approaches this question on the basis of sincere, deeply held—in many cases long held—views, on one side or the other.

I charge this Movement, as I have the right and duty to do, so to conduct this debate as to respect and honour the views of all members of the Party, and indeed of others, regardless of what those views may be. We must recognise that what divides us is in an important policy issue, not an article of faith. We must work to ensure that when our debate is ended by a clear decision—and adequate time must be allowed for this—we emerge from that debate united, vigorous, to press home throughout the country our determined attack on the present Conservative Government, to carry to the country our Socialist message and our Socialist policies' for the future.

Our people have already had more than twelve months' experience of the Tories, of brazenly broken pledges, of policies deliberately directed to strengthening privilege and deepening inequality, of prices up "at a stroke"—(*Applause*)—of unemployment up "at a stroke". Now, at the third stroke, he tells those who believed him last year that entry into the Market on the terms he has negotiated will mean higher and assured standards of living. Rosy prospects! But we heard them in that same voice last summer, and now it commands neither credence nor trust.

Addressing his pliant cohorts in this hall three days ago, he had the effrontery from this platform to accuse this country of "becoming obsessed with petty internal quarrels, becoming narky, bitter and unpleasant". And, while he was speaking, a few hundred yards away in the House of Commons, M.P.s were forced to spend the day, the whole day, his own Members cynically supporting, Labour Members bitterly opposing, a tawdry little measure to cut off milk for the seven year olds— (*Applause*)—and to make it illegal for councils who, on nutritional grounds, wanted to go on supplying it out of the rates.

Did he carry any conviction when he gloried in the balance of payments surplus we had left him with, and

compared it with what it was in 1967 in the Common Market context? Could he claim credit for that, recalling how he made Party capital out of every measure we had to take to achieve that surplus? *(Applause.)*

Now the man who has weakened and divided and embittered the nation seeks another blank cheque, another unconditional mandate, to lead the nation he has weakened, divided and embittered into yet another promised land.

Mr. Chairman, the Labour Party's position has been consistent. In Government and out of Government, our attitude is now, and will continue to be, consistent with what we said last year in our Manifesto. The Conservatives, on the other hand, have shifted their ground in the most cynical manner. Today Mr. Heath talks about his vision of Europe. He did not talk much about that vision in last year's Election campaign: He hardly talked about Europe in last year's Election campaign. His Manifesto said: "Our sole commitment is to negotiate; no more, no less".

But that is not what he has done. He has not simply negotiated—no more, no less. He has done a deal. He is ready to sign on the dotted line, and he is ready to do so because he says that otherwise Britain is finished. That is what he says. It runs right through the White Paper: otherwise Britain is finished, there is no other alternative. If there is no alternative for Britain except Europe now, why did he not tell us a year ago that, in his defeatist view, there was no alternative? Why did he not have the courage to campaign on it in the Election? Why did he not put it in his Manifesto? Why did he not include it in his "at a stroke" statement? After all, he included nearly everything else.

The nation has the right to know why what was hardly mentioned in 1970 is impossible to live without in 1971, whatever the terms. Mr. Heath did not even offer that choice a year ago. He says it is the only choice now. It is not the only choice. By saying that it is he is selling Britain short in office, as he sold Britain short in Opposition. He is using the tactic to railroad the people of this country into making their decision in a mood of panic and hysteria, instead of with a level headed approach which such a decision requires.

We in the Labour Party will come to our decision through the process I have described. During the genuine, serious and important debate we are conducting, we shall not sacrifice our Party's basic unity. For even while our debate on this issue is proceeding—and certainly when it is over—our main objective is, and must continue to be, the defeat of this Tory Government and the return of a Labour Government pledged to the ideals which all of us share. *(Applause.)*