A catalyst for secession? European divisions on the parliamentary right of the Labour party 1962–72 and the schism of British social democracy

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Abstract
The article addresses the nature, intensity and impact of debates and divisions over British membership of the European Community on Labour party and social democratic politics, and their significance for understanding both the fragmentation of Labour’s traditional ‘dominant coalition’ and the later social democratic split from the party and schism of British social democracy. The article suggests that arguments and tensions in the debate over Europe cut across traditional party political lines. Contrary to conventional accounts of the gradual demise of Labour’s centre-right coalition and the formation of the Social Democratic Party in 1981, which emphasize the importance of arguments over more immediate intra-party constitutional factors in the new party’s evolution, dimensions of internal conflict rendered by Labour’s European discourse had already raised awareness of the potential need for the creation of an alternative vehicle of social democracy.

This article addresses the complex and combative passage of the Common Market membership issue through Labour politics in the nineteen-sixties and nineteen-seventies, and its significance for understanding both the fragmentation of Labour’s centre-right ‘dominant coalition’ and the later split in the party and schism of British social democracy. Although a wider range of policy issues, including trade union reform and public expenditure, and even differences of underlying political philosophy, divided the parliamentary Labour right ‘within itself’, the European issue remains a critical element of any analysis of the nature and dimensions of Labour right and wider party tensions and divisions in this critical period.\(^1\) New dimensions of internal conflict, beyond the orthodox left-right configuration, rendered by Labour’s often incendiary European discourse and its related antagonisms and consequences, increased support for the creation of an alternative vehicle of social democracy and established a fertile breeding ground for the longer-term gestation of the Social Democratic Party (S.D.P.). Arguments and perspectives in the debate over Europe cut across traditional party lines and allegiances, and it has been noted that ‘the true story of the formation of the SDP begins here in early 1971’, as ‘the European Community became another issue for instant opposition’ to the Conservative government.\(^2\)

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\(^1\) For discussion of additional themes of social democratic discord in the period, see S. Meredith, Labours Old and New: the Parliamentary Right of the British Labour Party 1970–9 and the Roots of New Labour (Manchester, 2008).

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The reluctant and shifting relationship of post-war British governments with the idea of European integration is well known.\(^3\) It has been a central theme of recent British history and Britain’s post-war, post-imperial experience.\(^4\) Throughout much of this period, the Labour party experienced significant internal conflict, disputes and divisions over membership of the European Economic Community (E.E.C.), and the party itself has fluctuated back and forth, between pro and anti, when in and out of office.\(^5\) At the peak of its impact on the party, the first two years of Labour’s return to opposition after 1970 were overshadowed by protracted disputes over the party’s attitude to the Common Market. After an intense period of party introspection and debate over Labour’s fluctuating European policy, a minority of pro-Market M.P.s, mainly, but not exclusively, from the revisionist wing of the party, defied the general party mood and supported Heath’s Conservative government to secure British entry. In an attempt to reconcile increasingly hostile and debilitating internal divisions, party leader Harold Wilson subsequently accepted a compromise that Labour would renegotiate the terms of entry and hold a referendum on British membership, which prompted the catalytic resignation from Labour’s front-bench of pro-European shadow chancellor and deputy leader Roy Jenkins.

Labour’s European divisions represented more than a simple split on orthodox left-right party lines, as conventional political science accounts of the party’s political culture tend to indicate.\(^6\) One contemporary account noted that

the Common Market schism is only partly between ‘left’ and ‘right’ in the classical Labourist sense. Far too many right-wing and centrist leaders joined the anti-Market movement for this to be an adequate explanation. It corresponds more closely to a split between old ‘party men’ . . . and ‘new men’ of bourgeois origin less dependent on the party machine and the Old Labourist spirit.\(^7\)

One effect of divisions in the debate and vote on the principle of entry to the Common Market in October 1971, and subsequent developments, was the ‘formation of a new leadership for the social-democratic right wing – around Jenkins and [George] Thompson’ and a strengthening of the revisionist social democratic faction’s ‘fibre and spirit’. The split over Europe has been described as ‘the most serious to wrack the party since the days of Bevanism’, and led to the first visible, organized revisionist presence in the party since the earlier ‘Gaitskellite’ Campaign for Democratic Socialism (C.D.S.).\(^8\) Without similar patronage of the party leadership, it precipitated the marginalization in the party of an important element of parliamentary Labour right and revisionist social democratic opinion.

\(^7\) T. Nairn, The Left Against Europe? (Harmondsworth, 1973), p. 94.
This article surveys Labour’s complex debates and divisions over the E.E.C., from the emergence of the issue in its internal politics from the early nineteen-sixties through to the critical period of intra-party dialogue as Labour entered opposition after 1970. Particularly, it examines differential Labour right and revisionist attitudes and perspectives of European integration, and the fault lines and divisions contained therein. First, it briefly addresses the context of the European debate within the Labour party, from Macmillan’s original attempt to seek British membership of the E.E.C. in 1961. From this moment, future relations with the E.E.C. were presented as a matter of ‘capital importance in the life of our country’, a major ‘political as well as . . . economic issue’.9 Second, it assesses the nature and dimensions of Gaitskellite revisionist tensions and disagreements over Europe. Third, it briefly addresses the context and implications of the Wilson government’s second application to join the Community in 1967, as a prelude to the bitter divisions and conflict that overtook the party in opposition after 1970 as it reversed its position on British membership of the E.E.C.. Finally, it assesses the extent to which European divisions underpinned the fragmentation of Labour’s centre-right ‘dominant coalition’ and undermined the coherence and reforming zeal of a significant tradition of social democratic revisionism. This had wider implications for Labour’s intra-party politics as the left filled the vacant power vacuum in the party, and convinced a number of marginalized revisionist social democrats of the impending need for an alternative ‘progressive’, pro-European vehicle of social democracy.

Labour’s divisions reflected wider debates in British politics over the process of European integration. The essence of the Common Market question was the nature of Britain’s relationship with the rest of the world. There were three main dimensions to this discourse. First, the peculiarity of Britain’s post-war alignments, comprising the sterling area as an economic unit, the Commonwealth as a political entity and the ‘special relationship’ with the United States, had to be balanced with its role as a European power. The potential conflict of its European and wider roles raised questions of Britain’s likely commitment to the Community, but also alerted some to potential losses that might accrue from failure to join the European dynamic. Second, questions emerged about the form that the community of nations would or should take and how this would impact on British sovereignty. Many in the Labour party viewed the treaty of Rome as a capitalist association and a potential external force that might constrain the ability of a Labour government to plan the British economy.10 As well as informing left-wing opposition, this view also influenced social democratic revisionist anti-Marketees such as Douglas Jay and ‘centrists’ such as Peter Shore.11 Labour pro-Europeans came to regard ‘limitations on sovereignty’ arguments as ‘curious’. They viewed these and arguments about a remote bureaucracy as being ‘really political’ and as having ‘different motives’.12 A third dimension of the debate concerned the danger that E.E.C. membership presented to the Commonwealth and disproportional losses in Commonwealth trade. This was a principal theme of the
arguments of Labour’s erstwhile revisionist leader Hugh Gaitskell, and other
anti-European Labour revisionists such as Jay. On the other hand, a younger generation
of revisionist pro-Marketeers such as Jenkins, which believed that Britain’s external
future lay in achieving closer links to the Community, urged that entry would open up
European markets and safeguard Commonwealth interests.13

Although membership of the E.E.C. was not strictly ruled out in the party’s policy
statements, Labour became identified with a broadly anti-European position. Within
the Parliamentary Labour party (P.L.P) there was a majority of anti-Marketeers, and
opposition to the Community was also widespread in the party at large. With perhaps
the exception of those who came from an ‘internationalist’ Independent Labour party
(I.L.P) background, those on the left were broadly anti-European. Among so-called
‘Gaitskellite’ revisionists there were a majority of pro-Marketeers, but this grouping
also contained a significant minority of anti-Marketeers, and the ‘large and amorphous
centre’ of the party was similarly ambiguous in its embrace of the European ideal.14
Labour party divisions over Europe presented something of a dilemma for Gaitskell as
party leader. While not opposed to the principle of European integration, he would
have faced opposition from all sides of the Labour movement if he had come out
openly for the Common Market. Alternatively, if he explicitly rejected the principle,
he risked alienating the majority of his most revisionist supporters.

Gaitskell’s failure to approach the Community as a social democratic ‘article of faith’
can be understood partly as an attempt to unify the party in the face of the emerging
fissure. He adopted a similarly pragmatic approach to Harold Wilson’s later attempts to
maintain unity in the face of serious intra-party divisions over membership of the
Common Market.15 His personal view of the Community was based on acceptance
of the underlying aspirations of the European movement, tempered by profound
suspicion of the implications of membership for Britain’s wider relationships,
expressed most clearly in unease over the precise terms of entry that any British
application would specify.16 He argued consistently that the economic case had not
been proved and believed strongly in the Commonwealth as a factor of stability in
the world.17 In the representation of vital British interests, he continued to insist on
rigid terms of entry in the ‘five conditions’ of British membership. These included
guarantees to British agriculture, a fair deal for European Free Trade Association

13 Brivati, Hugh Gaitskell, p. 406; Owen Papers, D709/2/1/1/1, D. Owen, draft of election speech as
prospective parliamentary candidate for Torrington constituency, 1962; Owen Papers, D709/2/1/1/5, D. Owen,
speech to public meeting in Torrington, n.d.; J W Young, ‘Foreign, defence and European affairs’, in New Labour
15 University College London, Gaitskell Papers (hereafter Gaitskell Papers), C/256.6, Hugh Gaitskell to Roy
Jenkins, 8 May 1962; British Library of Political and Economic Science (BLPES), Hetherington Papers (hereafter
Hetherington Papers), 3/28, ‘Note of a Meeting with Mr Gaitskell’, 17 Apr 1962; Hetherington Papers, 3/14,
‘Note of a Meeting with Mr Gaitskell’, 27 Sept 1962; P Williams, Hugh Gaitskell: a Political Biography (1979),
pp. 705–6, 777–8; Young, Foreign, defence and European affairs’, pp. 150–1.
16 Gaitskell Papers, C/255, ‘The economic consequences of United Kingdom participation in the EEC with
17 G. Goodman, Awkward Warrior: Frank Cousins, his Life and Times (1979), p. 337; Gaitskell Papers, C/256.7,
H. Gaitskell, speech to the Commonwealth Parliamentary Association, 12 July 1962; Gaitskell Papers, C/256.5,
H. Gaitskell, text of party political broadcast, 21 Sept 1962; Hetherington Papers, 3/28, ‘Note of a Meeting
with Mr Gaitskell’, 17 Apr 1962.
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(E.F.T.A.) partners, the ability to plan national economic policy, the freedom of an independent foreign policy, and safeguards for Commonwealth trade.18 Far from representing a clear left-right schism in Labour’s internal politics or an unambiguous cause of Labour party revisionism, the European issue provoked a disruptive range of responses among social democratic revisionists. This included Gaitskell’s scepticism and Jay’s outright opposition, which reflected ‘general ambivalence . . . to the place of Britain in the process of European integration’ on the basis of a ‘concern for practical details rather than abstract principles’.19 Gaitskell famously expressed to Jean Monnet, internationalist father and chief architect of the concept of a common Europe, in 1962 that ‘I don’t believe in faith. I believe in reason and you have not shown me any’. His attitude was to be characterized by an ‘economic rationalism’ at odds with what he considered the ‘irrational’ pro-European faith of ‘flighty prophets’.20 This contrasted with the enthusiastic support for entry of George Brown, and the ‘article of faith’ that British membership represented to Roy Jenkins.21 As Gaitskell shifted from his initial position as ‘a cautious supporter of entry’, as the issue surfaced during 1960, to one of ‘public agnosticism’ that he thought should be the basis of Labour party policy, signs of unrest among pro-European revisionist supporters soon became apparent. While Jenkins and pro-European social democrats explicitly rejected the general argument of the left that the E.E.C. represented a capitalist cartel that would signal the end of socialism, Gaitskell broadly shared their generally sceptical, suspicious, insular attitude, and ‘it was his enemies rather than his friends he finished up by pleasing’.22

Revisionist European divisions were made explicit in the wake of their mentor’s emotional anti-Community speech to the 1962 Labour party conference. Famously, Gaitskell disappointed many of his closest supporters with his speech, which argued dramatically against the prospect of a British future in a structure akin to a federal Europe:

We must be clear about this: it does mean, if this is the idea, the end of Britain as an independent European state . . . It means the end of a thousand years of history . . . And it does mean the end of the Commonwealth . . . then we must stand firm by what we believe, for the sake of Britain and the World; and we shall not flinch from our duty if that moment comes.23


20 Social democratic indifference to the European ideal also included the strategic manoeuvring, according to the relative intra-party situation and alignments, of James Callaghan and Denis Healey, and the later studied ambivalence in the face of allegedly more pressing domestic priorities of Anthony Crosland (Brivati, Hugh Gaitskell, p. 404; Brivati, ‘Hugh Gaitskell and the EEC’, p. 16; Healey, Time of My Life, pp. 210–12, 329–30; Williams, Hugh Gaitskell, p. 768; H. Young, This Blessed Plot: Britain and Europe from Churchill to Blair (Basingstoke, 1998), pp. 148–50, 151–2; also see Jay, Chance and Fortune, p. 282; R. Jenkins, A Life at the Centre (1991), p. 145.


22 Gaitskell Papers, C/256.6, Hugh Gaitskell to Roy Jenkins, 8 May 1962; P. Williams, Hugh Gaitskell (Oxford, rev. and abridged edn., 1982), pp. 393–4; Young, This Blessed Plot, p. 151.

The ovation for the speech in the auditorium was ‘unparalleled’, but Dora Gaitskell remarked that all ‘the wrong people are cheering’. Bill Rodgers, the pro-European organizer of the Gaitskellite C.D.S., remained firmly in his seat. From a more amenable anti-Market perspective, Jay described the character and effect of Gaitskell’s speech as ‘unique among all the political speeches I ever heard; not merely the finest, but in a class apart. . . It can only be described as an intellectual massacre. Nobody had anything else to say. For its uniqueness rested in its ring of truth’. The speech revealed transparent tensions in the interpretation of a central revisionist theme, the so-called ‘power-political creed’, which held that ‘politics was primarily the art of attaining, maintaining and using power’. Revisionist pro-Marketeers developed this theme in their argument, articulated forcefully by Jenkins at the conference, that British interests would be severely curtailed if it did not attempt to exert influence in what was fast becoming a new centre of power. Part of this argument also suggested that Britain’s world role would be better protected from within the Common Market. Gaitskell, on the other hand, argued that British influence would decline markedly if the country joined the E.E.C. and would be subject to the overall control of policy by ‘the Six’: there is a possibility of ‘majority decisions on political issues, just as we are to have majority decisions on economic issues. . . we would be able somehow or other to outvote those we disagree with. I would like to be very sure of that before I committed myself.’

Before the emergence of Common Market membership in British party political debate, Labour revisionists found themselves largely united on the majority of practical policy decisions facing the party. The European issue released a number of wider tensions among revisionist colleagues. Beyond different interpretations of the ‘power political creed’, much of the argument consisted of an economic analysis of the potential effects of entry on growth, efficiency and enterprise. Pro-European revisionists identified British entry to the Common Market as concomitant with the desire to promote a more dynamic, efficient and enterprising economy. Anti-European revisionists, particularly Jay, argued that European protection of food and raw material imports would damage the British economy. Far from aiding the creation of a competitive domestic economy, Common Market entry would hinder the capacity of British industry to compete in certain areas of its home market. They also emphasized the likely effects on efforts to promote equality and social justice through progressive taxation and social service provision.

Revisionist European divisions also revealed different perspectives of the core concept of internationalism. The Gaitskellite revisionist C.D.S. view held that opposition to British membership of the E.E.C. would represent conservative, inward-looking and regressive attitudes, and that integration would compensate for any loss of sovereignty in a less insular, more proactive international context. Anti-Market revisionists claimed equally internationalist credentials, and argued that membership

24 Williams, Hugh Gaitskell (rev. edn.), p. 390.
25 Jay, Change and Fortune, p. 286; Owen Papers, D709/2/1/1, D. Owen, draft of election speech as prospective parliamentary candidate for Torrington constituency, 1962; Owen Papers, D709/2/1/1/2, D. Owen, draft of speech of thanks on his selection as prospective parliamentary candidate for Torrington, 1962.
26 See Haseler, p. 234.
would result in the ‘biggest step backwards towards protectionism in 100 years’ rather than expand Britain’s global perspective and relationships.31 Others claimed that it was not so much a question of loss of British sovereignty, but whether the European context was the most appropriate in which to integrate. The priority was not in fact the settlement of British relations with Europe, but agreement on wider issues of arms control and disarmament between the major Cold War states and the integration and security of states in a wider international system of co-operation.32

There was by no means a revisionist consensus on the precise nature of Britain’s internationalism, and there were those who identified a fundamental conflict in belief in British membership of the E.E.C. and a broader post-war ‘Atlanticist’ mindset. Many ‘were all very certainly pro-European as well but others, who were great supporters of NATO, were not in favour of it’. They took the view that entry into the Common Market would cause transatlantic rifts, and ‘it was because we were pro-American on this issue that we were hostile to entry into the Common Market’.33 Pro-European revisionists were far more sanguine about the prospects of British entry to the E.E.C. as a supplement rather than threat to its Anglo-American commitments. They contended that Britain should reconsider the nature of the transatlantic relationship just as it had been forced to re-examine the relative place of the Commonwealth and Europe in its thinking about foreign policy. Jenkins hinted at the ‘inherently unequal nature’ of the Anglo-American relationship, and suggested that there was ‘a certain lack of enthusiasm, for exclusivity at any rate, on both sides of the Atlantic’. In fact, the U.S. was generally supportive of British entry.34

Differential perspectives of Britain’s international commitments and priorities informed contending revisionist responses to the Common Market. One contemporary observer suggested of the divisions that ‘those who agree upon first principles can . . . come to totally separate conclusions on matters of policy’.35 Gaitskell’s general antithetical stance during the initial Common Market debates marked a sense of departure from some of his political allies who were disappointed in the lack of enthusiasm towards European integration contained in official Labour policy. While Gaitskell’s anti-European speech managed to unite the party as a whole behind him and established his credentials as a national leader, it was achieved at the expense of ‘the comfort of the friendship of those who, on Europe, bitterly disagreed with him’.36 Gaitskell’s verdict on the Common Market exposed a serious political fissure of Labour party revisionism. Contrary to accounts of the Common Market question as essentially a split in the Labour party on orthodox left–right lines, divisions over Britain’s supranational future were ‘to cut right across the Labour right and Labour revisionism’.37 Parliamentary Labour right and revisionist divisions over Europe

34 See Jones, p. 164.
35 Haseler, pp. 234–5.
36 See Haseler, pp. 234–6; Morgan, p. 234.
37 Shirley Williams, interview with the author.
would subsequently become entrenched and, in the shifting political and intra-party landscape of the late nineteen-sixties and early nineteen-seventies, were to become a test of loyalty to the party itself.

Social democratic divisions over Europe were further evident as a Labour government oversaw a second attempt to join the E.E.C. after the party was returned to power in 1964 under the new leadership of Harold Wilson following Gaitskell’s death. Initially, both major political parties regarded a renewed application as impractical after de Gaulle’s veto of Macmillan’s first bid for entry in January 1963. The Labour party had not ruled out the prospect of membership in principle, as long as the terms of entry were favourable. If Commonwealth interests were protected and Britain retained its independent foreign policy, Wilson acknowledged that the E.E.C. offered access to a considerable market in which growth rates had recently far outstripped those of Britain. Eventually, the Wilson administration instigated a second application for British entry in 1967.

By late 1966 the Wilson government had begun to explore the possibility of entry to the E.E.C. Wilson’s inability to secure a close relationship with the new U.S. president Lyndon Johnson, and the perilous state of the Commonwealth (because of Rhodesia), supported the belief that Britain’s future was in Europe. The sterling crisis of July 1966 encouraged the view that a wholly independent policy would only result in continuing economic decline, and the idea of a North Atlantic Free Trade Area with the United States and Canada remained an unlikely prospect. Politically, the general mood of the party was also swinging toward Europe: key ministers such as George Brown were ardent Europeans, and the new intake of Labour M.P.s in March 1966 were also more generally well disposed towards Europe. The uneven perspectives of Labour right and revisionist cabinet members became clear as deliberations over British membership progressed. The European committee of the cabinet, established by Wilson to consider the prospects of Britain joining the E.E.C. ‘within two or three years’, consisted of George Brown, Callaghan, Healey, Jay, Bert Bowden, Fred Peart and George Thomson. Of these, only Brown strongly supported entry. Healey, Peart and Jay were opposed, and the others unclear or ambiguous in their views. At a meeting of the cabinet on 22 October 1966, the enthusiastic foreign office line of Brown and Michael Stewart was that Britain needed to apply to join the E.E.C., ‘not for economic reasons but to keep up its international status and its place “at the top table”’. They were looking for a ‘declaration of intent’ to join the Community. At the meeting, those who spoke in favour of entry included Brown, Jenkins, Crosland, Douglas Houghton, Cledwyn Hughes, Gordon-Walker, Lords Gardiner and Longford, and Tony Benn. Those who spoke against included a combination of Labour revisionist and left-wing

42 The fervently pro-European Roy Jenkins was a significant omission.
opinion – Jay, Healey, Peart, Bowden, Dick Marsh, Tony Greenwood, Willie Ross and Barbara Castle – and Callaghan remained uncommitted to the idea of membership.43

Significantly for the (future) cohesion of revisionist social democracy, there was also no consensus between its three rising stars. Healey explains that neither he nor Crosland ‘ever shared [Jenkins’s]’ dedication to the Common Market – an issue which had also strained his relations with Hugh Gaitskell’:

Unlike Tony, I supported Douglas Jay’s determined campaign against making a second application for membership in 1966, not least because I was certain that Wilson would be no more successful than Macmillan, so long as de Gaulle was alive . . . like Tony, I found the extremism . . . distasteful. Our agnosticism on the Common Market won us no friends in either camp. On issues which arouse strong feelings . . . politics awards no prizes to pragmatists.44

Healey’s pragmatism is contrasted with Jenkins’s apparent liberal idealism in arguments over Britain’s European future. Gaitskell had been prompted to describe Jenkins ‘as an extremist . . . when it comes to the question of Europe’, but the latter had published a short manifesto that expressed his own ‘pragmatic’ commitment to the European project on the grounds that it would enable Britain ‘to escape from our “great-power complex” which made us play at being in the same league as the United States and Russia while in reality being rapidly overtaken by the German and other lesser European economies’.45 Alternatively, anti-European revisionists maintained that Wilson’s application to join the Common Market was completely misconceived. Jay believed that the Common Market question only contributed to the economic strain and downturn in the fortunes of the Wilson government after July 1966. It represented an unnecessary distraction from more pressing domestic issues, and ‘merely added to the stream of necessary administrative activities, and to several other explosive conflicts’. Arguments and ensuing tensions over the likely economic consequences of membership, particularly the ‘oppressive’ impact of the Common Agricultural Policy (C.A.P.) on the British economy and balance of payments, had the effect of dividing leading Labour party revisionists personally and politically and aiding the process of fragmentation of nineteen-fifties social democratic revisionism.46

The Labour government’s application for entry again hit the barrier of de Gaulle’s veto on 27 November 1967 but, in light of the emerging belief that the British future remained with Europe, Wilson left the second membership application ‘on the table’. Formal negotiations for entry did not start again until after the June 1970 general election. The negotiations of Edward Heath’s new Conservative government were based on those of the previous Wilson administration, and without the Wilson application it would have been unlikely that Heath could have embarked on Britain’s third successful initiative so soon after the election.47 Labour revisionist and wider parliamentary Labour right debates and tensions over the relative merits of British membership of the Common Market were already established, having been sharpened in initial set-piece debates concerning a critical question of Britain’s external and internal politics.Labour’s intra-party European divisions had largely been managed and

46 Jay, After the Common Market; Jay, Change and Fortune, pp. 339–408.
47 See Part, Britain’s Policy Towards the European Community; Ponting, pp. 212–13.
contained by an adroit party leadership but, as official party policy and much of the
Labour movement shifted against British membership as the party entered opposition
after 1970, the arguments and strains became explicit and entrenched, and the issue
emerged as a test of loyalty to the party itself on the Labour right.

In opposition after 1970, the question of European membership inevitably proved
problematic as members and organizations of the party turned against British entry,
particularly under a Conservative government, and as the Wilson leadership developed
a strategy of ‘qualified opposition’ in an attempt to balance the competing factions
and preserve party unity.48 The litmus test of perspectives and attitudes was the critical
debate over the Heath government’s terms of membership, culminating in the vote on
the principle of entry of October 1971.

For Wilson and a substantial proportion of Labour M.P.s, the issue was largely a
pragmatic one rather than a matter of principle or faith. They possessed no strong
emotional opinion on the question, and the ‘politics of opposition’ demanded that they
challenge the Conservative government. Again, Labour’s official approach in opposition
was based on the terms of entry. Given his own 1967 application, Wilson was unable
to reject the principle of membership, but he could argue that the terms of entry
negotiated by Heath in 1971 were unsatisfactory. He considered it his ultimate duty
not to present the Conservatives with an open goal, to maintain the unity of the
parliamentary party and to respond to the expectations of the wider party, ‘which will
not find a relapse into back–biting and personalities as in any way edifying’.49 However,
the large minority of pro-Market Labour M.P.s continued to believe much more
strongly in the principle of membership, as a means ‘to bolster British power . . . secure
better access to European markets and bring the country into line with post-imperial
realities’.50 They regarded the twists and turns of Wilson on Europe as characteristic of
his emerging contradictions and duplicity over a range of issues, and even questioned
his suitability to lead Labour to victory in 1974. Given his (and Labour’s) similar
reversals and prevarication on domestic issues such as incomes policy, inflation and
industrial relations reform, it boded an adversarial and unattractive party environment
for those who desired ‘positive’ action in these respects.51 On the other side of the
polarized debate, a diverse grouping, encompassing those on the left such as Michael
Foot, centrists such as Peter Shore and revisionist social democrats such as Jay, were
opposed to the principle of membership on a number of grounds. These included the
possible destruction of the Commonwealth, a challenge to parliamentary sovereignty
and a threat to the pursuit of democratic socialist policies if Britain were part of a

meeting, 20 July.
G. Thomson, ‘Socialism, schisms and the Common Market’, Socialist Commentary (Sept. 1971), pp. 3–6; Young,
‘Foreign, defence and European affairs’, pp. 150–1.
1973. They claimed that Wilson had ‘master-minded Labour’s determined effort to join the Common Market
but today . . . conveys a generally anti-European tone’. His volte-face would be a great handicap to Britain’s
relations with the other nations if he became prime minister again. In Europe ‘his relations with Willy Brandt
and the governing party in Germany will probably never recover from the bitterness created by his change of
front on Europe. Between 1967 and 1970 he constantly twisted the arms of his German socialist comrade, urging
him to put pressure on the French to let Britain into the EEC and they cannot forgive him, once the French
veto was removed, for turning against not just the terms, but so many essential aspects of European integration’.
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‘capitalist club’, in which ‘working-class interests would be harmed by higher food prices... and unemployment caused by the need to deflate’.

In the heat of Labour’s Common Market debates after 1970, the increasingly explicit tensions and divisions of Labour party revisionism and within the wider parliamentary Labour right proved debilitating. In the second half of 1971, Europe proved the catalyst for a damaging split between the two leading figures of Gaitskellite revisionism, Crosland and Jenkins. Crosland, who had adopted a party strategy of attempting to broaden his political base to include the ‘anti-European right + Centre’, while moving away from erstwhile colleagues of the (Gaitskellite) ‘1963 Club’, found Europe to be ‘an issue on which it was impossible to remain on good terms with both the centre and [revisionist] right of the party’. With Europe as the catalyst, Crosland became further estranged from the strongly pro-European element around Roy Jenkins, to the extent that he was heard to proclaim that their ‘idea of a Labour Party is not mine... Roy has come actually to dislike socialism’. Acrimonious differences over Europe precipitated clear lines of demarcation between the relative perspectives and priorities of diverging strands of Labour party revisionism. Crosland believed the European issue to be far ‘less important than a host of other issues – incomes policy, devolution – and therefore could not use language of extreme pros’. He was not prepared to ‘stand up and be counted’ in support of ‘fanatical Europeanism’, ‘virulent anti-trade unionism’ and ‘Tavernite’ claims of an extremist left-wing takeover of the party.

The crisis over Europe which engulfed the party in 1971–2 and the bitterness of Labour’s European divisions ‘left deep scars, with a combination of policy and personality clashes occasioning a division that had been on the cards since 1967’. It seemed that ‘Crosland and Jenkins had parted company irrevocably’. It acted to ‘fatally divide’ post-war revisionist social democracy and facilitated the fragmentation of Labour’s post-war ‘dominant coalition’, which meant that the Labour left was able to make the running in the party in a way that had been impossible in the nineteen-fifties and nineteen-sixties. In the words of one intimate observer:

If Crosland, Jenkins and Healey had managed to agree on a modus vivendi over Europe, the history of the Labour Party in the 1970s and the 1980s might have been different. An agreement would probably have involved Jenkins taking a less extreme position and Crosland and Healey adopting a more consistent pro-European stance... the divisions in the party over Europe could well have been accommodated without isolating the Jenkinsites and without undermining the cohesion of the centre-right in the Labour Party. Their failure to work together fatally weakened the forces of revisionism and opened the door to the left.

A special conference of the Labour party on the theme of the Common Market on 17 July 1971 presented a forum for the expression of the extent of Labour’s European divisions. The special conference was called as ‘the proper constitutional course to secure a test of opinion... on the greatest single issue facing both our Movement and this country today’. The resolution for debate read that this ‘Conference... opposes

52 Mackintosh, ‘The shadow emperor has no clothes’; Shore, interview with the author.
55 Jefferys, pp. 160–1. Jenkins had been promoted to the chancellorship ahead of Crosland in 1967 after Callaghan’s post-devaluation resignation.
British entry to the Common Market on the terms negotiated by the present government and set out in the White Paper... [and] believes that the question of entry should be submitted to the British people at a general election.\(^{57}\)

Labour’s pro-Europeans argued that the Conservative government’s application to join the Community was pre-empted and underpinned by the application for entry of the previous Labour administration. The former Labour minister for Europe, George Thomson, stated publicly that the terms of entry negotiated by the Heath government were not in fact very different from those that Labour might have obtained had his negotiations continued. The point was forcefully pursued by both Thomson and John Mackintosh in their speeches to Labour’s special conference.\(^{58}\) It was believed to be ‘morally wrong’ for the party to take one view in government and then adopt a contrary position in opposition, and that membership of the Community was crucial to Britain’s future and the policies of a ‘modernising, revisionist Labour Party’. It had emerged as one of those great issues that transcend party, and if it ‘came to a clash between [the] party’s short-term interests and Britain’s European future, [some] would choose Europe’.\(^{59}\)

Other centre-right luminaries remained somewhere in between the extreme pro and extreme anti positions, and Wilson’s delicate attempt to balance the respective forces was, to a large extent, dependent on Callaghan. As the latter’s actions over *In Place of Strife* demonstrated, he was always a shrewd judge of the wider party mood and opinion. Although an Atlanticist by instinct, Callaghan had judiciously supported the efforts of the previous Labour administration to join the Community. However, his tone on Europe again changed according to the general shift away from membership in opposition, with a distinctly anti-Market speech at Bitterne Park School, Southampton on 25 May 1971, followed by others in Bradford, Cardiff and Portsmouth in September 1971. The gist of his argument involved a sweeping (and seemingly anti-French) appeal on behalf of British culture and traditions, opposition to the potentially detrimental economic consequences of a ‘rigid relationship with the E.E.C.’, the likely implications for British relationships with old (and new) friends in the Commonwealth and United States and problems with the Heath government’s wider strategy.\(^{60}\) For some pro-Market social democrats, it was the supposedly moderate, centre-right Callaghan who was ‘the real villain of the piece on Europe’, and his abrupt shift of perspective appeared to play a significant role in directing not just Wilson, but also Crosland and Healey, in their approach to Labour’s Common Market dilemma.\(^{61}\)

Healey had developed a sceptical and antagonistic approach to British membership of the European Community from the outset. He had opposed both the 1962 and 1967 applications on the pragmatic grounds that they would be subject to de Gaulle’s veto. Healey’s appointment as shadow foreign secretary in 1970 appeared to engender in him a more positive approach to Britain’s role in the Community. On 11 May 1971, he was one of over 100 Labour M.P.s who signed a pro-European letter to *The Guardian*. By July 1971, he had again swung against entry on the terms negotiated by


\(^{58}\) *Labour and the Common Market*, pp. 11–12, 28–9; *The Economist*, 17 July 1971.

\(^{59}\) See Radice, pp. 190–3; Phillip Whitehead, interview with the author, 20 Jan. 2001; also see Jenkins, *A Life at the Centre*, p. 129; Young, *This Blessed Plot*, pp. 223–5, 260–5, 304.


the Heath government, and announced his attention to side with the anti-Marketeers in the crucial Commons vote on the principle of entry in October 1971. To the partisans on either side of the debate, Healey’s volte-face appeared to be highly opportunistic rather than merely pragmatic. Given his decision to join the pro-European Guardian signatories in May, 'it is difficult not to conclude that his July position was as much dictated by the swing of party opinion as by an analytic consideration of the terms'. An alternative interpretation perhaps identifies more consistency in Healey’s indifference to the Common Market. In a similar sense to Crosland, Healey developed a 'professional indifference' to the issue as a means of dealing with the intense pro- and anti-European passions that raged around him. He considered Europe and the fanaticism it induced a distraction from what he regarded as the 'real issues', and it remained his consistent line through all the European arguments of the party following the 1967 application. Either way, it suggested a further critical fissure in (Gaitskellite) revisionist social democracy and the leadership of the parliamentary Labour right, as it represented an approach to the question 'almost as far removed from Jenkinsism as it would be possible to invent, short of outright Bennery'.

Unlike Healey, Crosland had previously demonstrated revisionist pro-European credentials. He had both argued strongly against the position adopted by Gaitskell in 1962 and supported the Labour government’s application for entry to the E.E.C. in 1967. However, Labour’s European discord after 1970 presented Crosland with something of a dilemma. While he still generally favoured entry, he believed that Common Market arguments should not be allowed to imperil Labour party unity, nor maintain a Conservative government in office. The question he faced was whether he should line up with Jenkins and his supporters, who regarded British membership as a matter of high principle, or side with the majority who argued that opposing the Heath government was the first priority. Crosland’s perceived lack of commitment to the Common Market cause engendered strong resentment among the so-called Jenkinsites, particularly as he had always ‘been known as European’ but had ‘equivocated and wobbled over Europe in 1971–2’. Although still a committed European, Crosland was not prepared to maintain the Heath government in power unnecessarily, and his long-term policy priorities of increased public expenditure in the cause of greater equality, reduction of poverty, educational reform, housing policy and the environment would not ‘be decisively affected one way or another by the Common Market’. He was also increasingly aware of the danger to party unity posed by the formation of an elitist, potentially separatist, pro-European faction of the revisionist social democratic Labour right. For their part, the pro-European Jenkinsites were less concerned with the perceived ‘opportunism’ of Healey than the ‘betrayal’ of Crosland and now, from without, felt that his intellectual credentials presented a significant threat to their case.

Jenkins himself, prevented from airing his views at the special conference on the Common Market, and in light of Wilson adopting an anti-Market perspective to close proceedings, attempted to redress the balance at a meeting of the parliamentary party 62 Radice, pp. 192–3; Young, This Blessed Plot, pp. 267–70; see also S. Crosland, p. 220; Healey, Time of my Life, pp. 359–60.
on 19 July 1971. Wilson had rejected ‘assertions, wherever they came from, that the terms this Conservative Government have obtained are the terms the Labour Government . . . would have asked for, the terms the Labour Government would have been bound to accept’. He implored members that through ‘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 . . . our main objective is, and must continue to be, the defeat of this Tory Government and a return of a Labour Government pledged to the ideals which all of us share’. He urged the conference to ‘recognise that what divides us is an important policy issue, not an article of faith’. 66 Jenkins offered an unapologetic, ‘uncompromising, even inflammatory’ response in the P.L.P. that made ‘no attempt to paper over cracks’. 67 He disagreed openly with Wilson that a Labour administration would not necessarily have pursued the same terms as those accepted by the Heath government. He suggested that there were ‘those who had always opposed entry, but there had been a large majority for making an application. They did not say they would go in at any terms . . . [but] those were not “any terms” that George Thomson said he would have been glad to recommend to a Labour Government and . . . would have been glad to support their acceptance’. It was ‘his personal and strong belief’ that ‘a majority of a Labour Government would have been willing to accept these terms’, which were ‘about as good as those with direct knowledge of the situation believed were realistically possible to get in 1967 and almost equally so today’. He also rejected the argument that ‘we could not go in with a Tory Government in power’, and believed it impossible to ‘turn it down now and pick up the threads again in two or three years’ when a Labour government might be returned to power: ‘If this opportunity were lost it would be gone for a decade or perhaps for a life time’. In a thinly veiled attack on the likes of Callaghan, he talked of the short-sightedness of those who focused on the needs of our Australasian ‘kith and kin’ to ‘the exclusion of everyone else’, including important European allies such as Willy Brandt. Europe, he argued, while not infallible, offered much more in economic terms than the alternatives presented by Callaghan or proposals for ‘socialism in one country’ that involved ‘pulling up the drawbridge’. He concluded with an impassioned appeal to move beyond the ‘narrow political considerations of the moment’ at the expense of the wider and more realistic aspiration of joining the Community. 68 Even opponents rhapsodized over Jenkins’s speech, and interpreted it as a ‘direct attack on . . . Wilson and also on Healey and Crosland, who had climbed off the fence against the Market’, going so far as to hold out the prospect of intra-party conflict that ‘took you right back to 1951 or 1961’. 69

In the crucial parliamentary debate on the Common Market of 21–28 October 1971, Labour’s European divisions were formalized. On 28 October, Jenkins led sixty-nine Labour M.P.s into the division lobbies in support of the Conservative government’s attempt to ratify the principle of British membership, and in defiance of the parliamentary party’s official position that it ‘opposes the Government’s proposal to enter the EEC on the terms negotiated’. In the process, the Labour rebels defied a

67 Jenkins, Life at the Centre, p. 322.
68 L.H.A.S.C., P.L.P. Papers/Minutes, 1970–1, minutes of a party meeting, 19 July 1971; minutes of a party meeting, 14 July 1971; minutes of a party meeting, 7 July 1971. Marquand and Owen similarly argued for the credibility of consistent policies in the eyes of both the wider party and the ‘wider “constituency” of Europe and the world’.
European divisions and the schism of British social democracy, 1962–72

three-line whip, imposed by a narrow vote in both the shadow cabinet and the P.L.P., in spite of Bill Rodgers’s best efforts to gain for them a free vote in the critical division.70 Labour’s ardent pro-Europeans, with an ‘organized’ group of Jenkinsite revisionists at their core, interpreted British membership of the E.E.C. as more important than tribal party loyalty, and were not willing to use an issue of principle, as they saw it, as a cynical opportunity to defeat the Heath administration. From Wilson’s perspective at least, they were evolving into an identifiable (social democratic) political faction within the party.71

A number of Labour right and revisionist pro-Europeans, including Fred Mulley, James Wellbeloved and even David Owen, urged Jenkins and Rodgers to lead their troops to abstain in the critical division. This would produce the effect of carrying the government motion in favour of entry, but with a much smaller majority and without the stigma of large-scale Labour dissension in the division lobbies. Crosland urged Jenkins to make his pro-European stand without voting explicitly for the government, and accused him of irresponsibility for refusing to allow his supporters to consider the possibility of abstention. Crosland typically warned ‘that in the long run you are damaging yourself as well as the Labour Party’.72 For Jenkins, however, the issue demanded a principled response and ranked in importance with ‘the first Reform Bill, the repeal of the Corn Laws, Gladstone’s Home Rule Bills, the Lloyd George Budget and the Parliament Bill, the Munich Agreement and the May 1940 votes’. He was not prepared to have to respond later to the question of what he did in one of the great parliamentary votes of the century with the answer that he abstained.73

Opening the debate for the Labour party, Healey argued that the case for entry was heavily dependent on economic considerations and had yet to be made.74 In particular, the cost of tariff changes would be between £200 million and £300 million and the British contribution to the E.E.C. budget would mean that it would have to carry a foreign exchange burden of £100 million in 1973 and £500 million in 1977. Healey posed the question of how the U.K. was to meet the foreign exchange burdens imposed as a result of Brussels negotiations, against the background of rising costs, increasing unemployment and industrial stagnation. It could only be achieved through deflation or devaluation.75 As was the case during Labour’s special conference in July, Jenkins was unable to speak from the front bench in the debate as he no longer represented the party’s official position. A similar fate befell other pro-European shadow cabinet members, including Douglas Houghton, Harold Lever, George Thomson and Shirley Williams.

However, Labour’s pro-European contingent possessed a good number of surrogate speakers, who presented the case for British membership on both economic and political grounds. In addition to active Jenkinsite social democrats, such as Rodgers,

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71 Radice, pp. 198–9; Taverne, interview with the author.
72 S. Crosland, p. 221; Rodgers, pp. 128–9, 131.
74 After prior discussion with a number of Labour pro-Europeans on the precise wording to maximize potential votes, the foreign secretary, Sir Alec Douglas-Home, moved that ‘this House approves Her Majesty’s Government’s decision of principle to join the European Communities on the basis of the arrangements which have been negotiated’ (Hansard, dcccxxiii (21 Oct. 1971), col. 912).
75 Hansard, dcccxxiii (21 Oct. 1971), cols. 924–32.
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Dick Taverne, David Marquand, Robert Maclennan and David Owen, these included ex-ministers, such as Michael Stewart, Patrick Gordon Walker and Roy Mason, ‘who remained staunchly on the side of the European commitment . . . entered into by the Wilson government’. Jenkinstites were particularly vocal in their support for the European ideal. Rodgers argued that the negotiated terms were likely to be the best available in 1971 and were unlikely to be improved at a future date. Owen’s contribution combined an economic and political analysis, as he argued that membership would benefit the long-term economic interests of the country and ‘our constituents’, and Britain would be better able to offer a constructive influence in international and east–west relations than if it remained on the periphery of Europe. For Marquand, the argument that the ideals of democratic socialism could only be realized through the economic growth that membership of the E.E.C. would bring were overwhelming. John Mackintosh tackled the sovereignty aspect of the argument, and claimed that ‘untrammeled’ national sovereignty is largely an illusion; what matters more ‘is not the legal power to act but whether the consequences may mean anything’.

In the parliamentary vote of 28 October, Jenkins, along with Houghton, the chairman of the P.L.P., and sixty-seven other committed pro-European Labour M.P.s, voted with the Conservative government and twenty Labour M.P.s abstained. The result was a comfortable majority of 112 votes for the government. Crosland, who ‘thought so long and hard about complex issues that he was often in danger of falling between stools’, decided to abstain in the vote and, having ‘performed his double somersault’, Healey voted with the Labour party position. For party ‘loyalists’ among Labour’s pro-European rebels it was not an occasion to celebrate ‘breaking ranks’. The plan of many was now to ‘gracefully submit to the will of the whips during the days and nights of detailed debate that followed’, which reflected a ‘need to balance conviction and loyalty’. However, such arrangements were not accepted wholeheartedly by Labour dissidents. Jenkins did not agree with the majority position of the group, which ‘positively wanted to go back to voting with the Labour Party on the legislation’: ‘I knew that I was going to be miserable voting against the legislation, and I knew too that if by chance we defeated the Government on any aspect of the issue we would have made absolute asses of ourselves.’ He also realized that to ‘go against majority decisions’ to keep with the ‘major central principle’ of the issue would be a resignation issue for any deputy leader.

Underlying the varying responses in the debates and divisions following the major vote of principle were wider differences of attitude to the party and policy. Outside
a Jenkinsite core, it was by no means clear that Labour’s sixty-nine European rebels were a united, cohesive group on other issues of policy or in their relationship to the wider party and Labour movement. Although brought together by a shared commitment to the principle of British membership, the post-vote fragmentation of Labour’s pro-European rebels reflected divergent responses to the party and political environment generally. Roy Hattersley, for example, underwent a gradual and ‘painful’ ideological departure from Jenkins over the latter’s emerging views on domestic policy and ‘drift to the political centre’.80

More significantly perhaps for the cohesion and relative strength of the Labour right and the future of revisionist social democracy in the Labour party, the Common Market vote of October 1971 served to consolidate the increasing political distance between Jenkins and Crosland, a development that was to help marginalize and prohibit any serious challenge by the ‘pro-European Jenkinsite faction’ to the wider constituency of support for both Callaghan and Foot in a future leadership election. The pro-European Jenkinsites claimed that Crosland had ‘behaved like a shit’ in the Common Market vote and resolved that he must be punished. For his part, Crosland was determined that they would not (and ‘shouldn’t’) win over the party. He believed that it would split the party for a generation, and that it was Jenkins’s ‘misfortune that because of his father, he’s in the wrong Party. As a Liberal or Conservative, he might make a very good Leader’. It appeared Crosland had come to heed Callaghan’s advice that, however mixed his feelings about Europe, he ‘should establish [himself] in people’s minds as a Party man, forever distinct from the Jenkinsite Right’.81 Although he continued to believe that Britain should enter the Common Market, he was not prepared to uphold the Conservatives in office. Crosland’s priority was to remove a deeply unpopular Conservative government, which represented a barrier to ‘all the objectives . . . I have fought for and written about for twenty years’. The overriding political necessity was now to avoid the internal dissension that had kept the Conservatives in power for so many years and not to jeopardize control of the party by the ‘moderate Right’. Ultimately, the ‘desperate need’ remained ‘to change this Government at the earliest possible moment’. From his perspective, it would be a grave danger for ‘the [revisionist social democratic] Right’ to ‘isolate itself . . . from the moderate Centre’ and for the ‘extreme Europeans . . . not only to appear to be keeping a Tory Government in power, but to divorce themselves from the sort of opinion represented by Vic Feather, Bob Mellish and many moderate and even Right-Wing Trade Union M.Ps’. He was clear that he ‘could under no circumstances desert my Party and vote with the Tory Government which is pursuing such disastrous domestic policies’.82

Neither was there much political love lost between Jenkins and Callaghan at this juncture. Jenkins decided to seek re-election as deputy leader, at least in the spirit of attempting to (re)build some bridges and retain a degree of wider influence in the party. He managed only narrowly to defeat Foot in the second ballot because some Labour M Ps, including Callaghan and his close allies, ‘abstained so as to prevent

81 S. Crosland, pp. 224–30; Jefferys, pp. 156–7; Crosland Papers, 12/2, Bruce Douglas-Mann to A. Crosland, 6 Jan. 1974; Radice, pp. 200, 201–2.
82 Crosland Papers, 4/9, Anthony Crosland to Philip Stewart, 13 July 1971; Crosland to T. E. M. McKitterick, 13 July 1971; Crosland to Frank Pickstock, 13 July 1971; A. Crosland, ‘My views about the Common Market are and long have been as follows’, A. Crosland, statement on the Common Market, 29 Oct. 1971.
[Jenkins] achieving too great a triumph’.83 Healey was also now increasingly estranged from the Jenkinsite camp, as they distrusted his inconsistency and apparent opportunism during the Common Market debates. Not only did Healey’s ‘blatantly opportunistic’ change of tack provide, in his own analysis, ‘the most damaging’ episode of his ‘entire career’, it further added to the mutual suspicion and envy that prevented two key representatives of the social democratic Labour right from co-operating more successfully.84 Healey’s opportunism over an issue of critical national importance was anathema to the ‘politics of principle’ practised by the Jenkinsites and, for Healey, Jenkins and his core supporters lacked the tribal instinct appropriate ‘to the politics of class and ideology’ of the Labour party.85 Increasingly explicit, deep-rooted and hostile tensions associated with Labour’s European policy had opened up the prospect of damaging divisions on the right of the Labour party, with implications for the intra-party balance of power and potentially fateful consequences for the cohesion of revisionist social democracy and the unity of the Labour party.

The subsequent strategy of the leadership, to adopt Tony Benn’s and the N.E.C.’s proposal to hold a referendum in government on Common Market membership, further complicated the relationship of a core group of revisionist social democrats with the Labour party and centre-right colleagues. It led directly to Jenkins’s resignation from Labour’s front bench and the further marginalization in the party of his core support. Wilson’s decision to climb aboard the ‘left-wing bandwagon’, as they saw it, and support the referendum motion as a possible solution to Labour’s internal divisions, ‘proved the last straw for Jenkins’, who resigned as deputy leader in April 1972 in protest.86 Jenkins’s decision severely weakened his position and influence in the parliamentary party as a potential unifying force of the Labour right and centre, and as future leader.87

Developments and decisions surrounding the referendum issue and Jenkins’s subsequent resignation from Labour’s front bench reflected the increasing fragmentation of the fabric of the parliamentary Labour right after the October 1971 vote. Callaghan’s Euro-pragmatism was again evident in Labour’s post-October intra-party environment. He was ‘careful not to let his opposition to Europe carry him too far’ as, from 1 January 1973, British membership of the E.E.C. would be ‘a political and constitutional fact’. He was also predisposed to endorse the formula of a referendum to give the people the opportunity to decide Britain’s European future after a Labour administration had ‘renegotiated’ the terms of entry, as a means both to ‘preserve Labour’s principled opposition and ensure party unity’.88 Healey

83 Radice, pp. 203–4.
88 Morgan, p. 397.
acknowledges the fact that he paid the price for his own ‘pragmatism’ in the shadow cabinet elections that followed the October debates, which was in part a reflection of the fact that he did not belong to any of the respective group alignments in the European debate. Having replaced Jenkins as shadow chancellor after the latter’s resignation from Labour’s front bench, his priority was his challenging new post as he was launched for the first time ‘on the stormy and shark-ridden seas of economic policy’.89 Crosland voted against the referendum motion in the shadow cabinet, but had no intention of resigning over the issue. In their appointments to the posts of shadow chancellor and shadow foreign secretary respectively in the subsequent reshuffle, it was Healey and Callaghan who were the immediate beneficiaries of Jenkins’s resignation. Wilson was also able to ‘rid himself of an increasingly troublesome deputy’, and Callaghan witnessed the elimination of Jenkins, his main rival for the post-Wilson Labour leadership, from the Labour party game.90

The dilemma of Jenkins’s position, was that the ‘more he upped the stakes on Europe’, the more he endangered his own position and that of the pro–European social democrats within the party. Not only did Jenkins resign, complaining bitterly about the inconsistency of key organs of the party on Europe and the ‘fudge’ of the referendum, he was joined by Thompson and Lever from the Shadow Cabinet and Owen, Taverne and Dickson Mabon from Labour’s front bench.91 Rodgers had already been removed by Wilson as a punishment for his effective organization of Labour’s pro–European rebels during the October 1971 debates, although Hattersley and Shirley Williams remained to take up positions in the shadow cabinet vacated by Thompson and Jenkins. Williams was not opposed to the (democratic) principle of a referendum, and although Hattersley was increasingly disenchanted with fundamental Jenkinist philosophy over issues such as public expenditure and comprehensive education, he remained anxious about the impact of Jenkins’s resignation on the unity of the Labour party. He later reflected on the underlying significance of Jenkins’s decision to resign the deputy leadership in April 1972 (and recognized, during his own occupancy of the office, the Labour deputy leader’s room as ‘a permanent memorial to the disintegration of the Labour Party’):

That was not the day on which the Social Democrats were born. It was not even the morning when they were conceived. But it was the moment when the old Labour coalition began to collapse. I did not realise it at the time, but once the envelope landed on the Chief Whip’s desk, the creation of a new Centre party was inevitable . . . our meeting in the Members’ lobby remains in my memory as the turning point in Labour’s history . . . the Labour Party was never the same again.92

91 Owen Papers, D709/2/4/2/1, David Owen to Jack Harriman, 18 Apr. 1972; Owen to Mrs. M. Lightwood, 19 Apr. 1972; Owen to Mervyn Stockwood, 19 Apr. 1972; Radice, pp. 197–8, 206–7. Owen identified some benefits to emerge from an almost hopeless situation: in spite of the uncertainty about the consequences of resignation, and the risk of the pro–European social democrats giving up the ‘levers of power’ as the ‘situation was rapidly becoming intolerable’, at least ‘we are slightly freer to campaign for a continued European commitment within the Labour Party’ and to concentrate on the problem of preventing the ‘Labour Party Conference in October [making] a commitment to come out of the Common Market if we win the election’.
92 Hattersley, pp. 107–9, 110–11; Lipsey, interview with the author; Rodgers, pp. 133–4; Williams, interview with the author.
The schism of (Gaitskellite) revisionist social democracy engendered by the European issue was further reflected in the decision of the Jenkinsite group, with the possible exception of David Owen, to vote en masse for Ted Short rather than Crosland in the deputy leadership election after Jenkins’s resignation. It was a strategy designed to punish Crosland for his actions over Europe, and to undermine his position as a potential future leadership rival to Jenkins.93 Crosland’s general strategy in the post–October 1971 intra–party environment was to offer himself as a non–sectarian, party unity and explicitly anti–Conservative candidate ‘on the basis of a radical, egalitarian socialist programme’ of ‘full employment, housing, education, redistribution of wealth and an attack on social and economic privilege and inequality’. Although Crosland had failed to establish a substantial support base in the party, he possibly lost as many as fifty pro–European votes, ‘controlled’ by Jenkins, as a result of the Jenkinsite sabotage of his candidature.94 The result of the initial ballot was 111 votes for Short, 110 votes for Foot and sixty–one for Crosland, who was eliminated from the contest as Short defeated Foot in the second ballot.95 From the moment of Jenkins’s resignation from Labour’s shadow cabinet over the decision to hold a European referendum, ‘Labour Europeans were to be outsiders in the party’, which contributed directly to the implosion of Labour’s anti–left coalition and undermined the party’s ability to resist ‘the dangerous drift to the left during the 1970s’. The vote of 28 October 1971 and the events surrounding Jenkins’s subsequent resignation ‘had rearranged the pieces on a chessboard of the Labour Party, separating the European knights from the anti–European bishops of the right and centre. It took a long time to put them back together again’. Although (as Hattersley notes), it cannot be understood unambiguously as the point at which the S.D.P. was conceived, the depth of feeling and related tensions galvanized and set apart a core grouping that regarded Europe as an ‘article of faith’ and one that transcended the contingencies of tribal party loyalties and personal ambition. Ultimately, there was little attempt within the core leadership position to accommodate the pro–Europeans in the party, ‘an omission that was to have highly damaging consequences’. The rupture of the ‘old Gaitskellite coalition on the European issue (already foreshadowed at Labour’s 1962 party conference) was to have momentous consequences, leading to a dramatic increase in the influence of the left in the early nineteen–seventies and early eighties and, arguably, in 1981 to the SDP breakaway’.96

This was not the end of Labour’s European travails. Further tensions emerged over the lack of progress on the issue of direct elections to the European parliament in 1977, which were seen as the ‘main hope for the improvement of the links between the Community institutions and those whom they were set up to serve’. Further controversy also soon surrounded ‘green currencies’, fisheries and the increase in Britain’s net financial contribution to the Community, largely as a result of the C.A.P. which, as an industrial nation, brought little benefit to Britain and had reached a figure of almost £860 million by 1979. Further tension was fostered as the Callaghan...
government avoided membership of the exchange rate mechanism (E.R.M.) as it was launched in 1979.97

The experience of the 1975 Common Market referendum itself served to reveal the apparent paradox at the heart of the referendum proposal for the Labour party. Principally, the referendum was a management device to maintain party unity. Although the majority of pro-European social democrats were strictly opposed to the concept of a referendum to decide the outcome of such a seminal issue of British politics, they quickly realized that once it became an inevitable commitment of Labour party policy, the priority was ‘to concentrate on winning the referendum in the country and, before that, of winning the battle to get the Cabinet to agree to recommend acceptance [of the Common Market]’.98 Campaigning in the referendum allowed cross-party collaboration on either side of the argument after Wilson suspended collective cabinet responsibility for the duration of the campaign. Paradoxically (for the Labour party), the cross-party formula encouraged the belief of some Labour pro-Europeans that they possessed more in common with pro-European Liberals (and even some Conservatives such as Heath, Peter Walker and Ian Gilmour) than with many of their own Labour party colleagues (of both left and ‘traditional’ right). It also led to the perception inside the party that Labour’s Euro-enthusiasts ‘cared more about Europe than they did about socialism’. The experience of sharing the ‘Yes’ platform with traditional political opponents such as Heath and David Steel was significant for Jenkins, Williams and other Labour pro-Marketeers in reinforcing their ‘own innate centrism’ or converting them ‘to the idea of coalition politics’ in the context of the perceived sterility of the two-party system. In his initial opposition to the idea of a referendum, Jenkins warned that it would have ‘a loosening effect upon the tribal loyalties of British party politics’. After the European referendum of June 1975 things ‘were never quite the same for the Labour Party’. Previously, ‘peacetime cross-party co-operation could never be discussed without raising the spectre of Ramsay MacDonald. After then it called up for about a third of the party the much more benevolent image of referendum success’.99 These were some of the unforeseen consequences for the Labour party when it agreed to hold a referendum on Britain’s future in Europe in the cause of maintaining party unity, strength and identity. Whatever the philosophical merits of

97 Mackintosh Papers, 323/92, Roderick MacFarquhar to John Mackintosh, enclosing copy letter from James Callaghan, 17 May 1977; Mackintosh to Roderick MacFarquhar, 19 May 1977; Mackintosh Papers, 323/52.
the argument, the experience and rifts created by the referendum were ‘a great, ghastly and shaping experience’, in the wake of which ‘the party would never be the same again’.\(^\text{100}\)

Although it is difficult to quantify the precise influence of Labour’s European divisions on the later S.D.P. breakaway from the party, its relative role in serving to expose the emerging complexity and divisions of the parliamentary Labour right and revisionist social democracy and in the formation of a collective consciousness of the ‘social democrats’ was an important one.\(^\text{101}\) The Common Market issue was not, as many saw it, a simple division between left and right in the Labour party. It divided the parliamentary Labour right ‘within itself’, with important implications for the party and for British social democracy. It is also problematic to conceive merely of a conventional ‘revisionist’-‘labourist’ divide on the Labour right over Europe. To some extent, there was a distinction between the ‘principled’ approach of revisionist social democrats led by Jenkins, including the likes of David Marquand, Rodgers and Taverne, who were ‘very much motivated by pro-European sentiment’, and the more phlegmatic approach of ‘the whole group around ... Callaghan, Merlyn Rees’, who were ‘not particularly interested in Europe or particularly keen on it’.\(^\text{102}\) There were also tensions within the respective ‘revisionist’ and ‘labourist’ folds. With the likes of Mason and Brown also in the pro–European camp and, for the most part, Healey and, to a lesser extent, Crosland (and earlier, of course, both Gaitskell and Jay) adopting relatively detached, pragmatic and ambivalent perspectives of European integration, neither was it a clear division between the ‘intellectual revisionist right’ and the ‘old trade union right’. The heartfelt pro–European position was increasingly ‘unfashionable’ in the context of Labour’s ‘politics of opposition’ after 1970, and the Jenkinsite core of pro-Europeans found themselves alienated not just from the anti–Europeanism of the Labour left, but also from more ‘agnostic’ colleagues of the parliamentary centre-right who, anxious about party unity, refused to treat the issue as an ‘article of faith’ and one which transcended the (tribal) loyalties and adversarial character of party politics.

This article has attempted to demonstrate that the pivotal issue of Britain’s relationship with Europe was significant in dividing Labour revisionism and the parliamentary Labour right within itself at a critical juncture for Labour party and social democratic politics. European divisions helped to undermine the fragile alliances of the parliamentary centre-right, and precipitated the marginalization of a committed group of Jenkinsite pro–Europeans within the Labour party. Given the emergence of relatively distinct positions in a number of key policy areas, including incomes policy, industrial relations and trade union reform, taxation and public expenditure, and an emerging critique of wider social democratic philosophy and political economy, the Jenkinsites were increasingly alienated from both the general mood and disposition of the Labour party after 1970 and their erstwhile revisionist and centre–right colleagues. Although it remains problematic to attempt to identify the precise origins of secessionist social democratic activity in the Labour party, there is a sense in which the seeds of the S.D.P. split were sewn earlier than conventional accounts allow. The cumulative effect of differential perspectives and emerging divisions within the

\(^{100}\) Lipsey, interview with the author


\(^{102}\) David Marquand, interview with the author, 16 Jan. 2001; Williams, interview with the author.
European divisions and the schism of British social democracy, 1962–72

parliamentary Labour right and revisionist social democracy in a number of critical policy areas – Europe, industrial relations and trade union reform, and issues of social democratic political economy – was conducive to a longer gestation period in the formation of the S.D.P. Arguably, its roots can be traced back to the emergence of explicit social democratic divisions over industrial relations reform and Europe in the 1970–2 period.

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