



THE POLITICAL PARTIES ON THE E.E.C.

AFTER reminding the House of the Resolution it passed on August 3, 1961, to the effect that Britain should make formal application in order to initiate negotiations for entry to the Common Market, the Lord Privy Seal (Mr. Edward Heath) opened a debate on the adjournment (June 6) to discuss afresh the principles involved and to give an outline of progress to date.

Britain could not ignore this market of 170 million people and must exert her influence upon the political and economic changes that were taking place, which, by her traditions, stability, Commonwealth ties and world friendships, she was well-suited.

Mr. Heath touched upon some problems still remaining, for example: British agriculture, help for the underdeveloped countries, and political developments. He claimed that imports from the undeveloped nations to the countries of the Six had already risen by 27 per cent since 1958, and that this was especially true of tropical products.

Perhaps the main problem in his estimation, was the reconciliation of the Customs Union with the Commonwealth preferential trading area. Here there was no simple solution; rather, a number of compromises would be necessary. For example, Britain has asked for zero tariffs for certain imports such as aluminium, lead, zinc, woodpulp and tea; in fact the whole process was one of gradual adaptation by means of the formulation of common policies—Mr. Heath admitted here that the Six had not yet offered association to any of the underdeveloped countries.

He noted that the countries of E.F.T.A. were moving towards the Common Market. Norway and Denmark had applied for full membership, the neutrals were seeking association, and others were making close arrangements. He explained that although the Rome Treaty was originally concerned with economic arrangements, the Six decided last year to work more closely on foreign policy, defence, education and culture, and the Fouchet Commission

had been set up for this purpose. This meant that the Community was moving towards political, economic and military unity (for defence purposes).

Mr. Heath hoped that the outline of a provisional agreement on Britain's entry would be reached by July.

The Leader of the Opposition, Mr. Hugh Gaitskell, replying, said there was still no clarity in the public mind concerning the whole issue; there was a "great deal of heat and not nearly enough light." To put it bluntly Britain was taking away preferences from Canada, Australia and New Zealand and giving them to the E.E.C.

The economic case for the Common Market had been grossly exaggerated, Mr. Gaitskell said, it being neither economic salvation to go in, nor economic catastrophe to stay out. He then quoted from an article written for the *Rotterdamsche Bank* by Sir Douglas McDougall:

"Many of the arguments used in favour of joining the Community have been in economic terms but none, in my opinion, is compelling. We can, I believe, prosper and grow more rapidly than in the past whether or not we take this decisive step. It is even possible that entry might aggravate our economic difficulties . . . If the foregoing analysis is correct there is no really compelling economic argument for Britain's joining unless it is thought that without being exposed to the blast of competition from the continent she will never put her house in order."

Mr. Gaitskell thought that the dynamic growth of the Community in recent years did not follow from the fact of the Common Market. He believed that owing to the economic crisis of last summer the Government had panicked into thinking that its future must necessarily lie with the Community. He said that no other country seemed to be as terrified as we do of not going in.

He was concerned with the arrangements that had been made for the

African states, and considered we owed them a responsibility, likewise the Asian countries. He asked whether regulations made under the Treaty of Rome by the Council of Ministers were to become automatically law in this country, without them ever being considered by the House. "It is a big difference," he said, "if we are now to have bits of our law made for us by majority decisions of the Council of Ministers."

Finally, Mr. Gaitskell said: "To go in on good terms would, I believe, be the best solution to this difficult problem, and let us hope we can get them. Not to go in would be a pity, but it would not be a catastrophe. To go in on bad terms which really meant the end of the Commonwealth would be a step which I think we would regret all our lives, and for which history would not forgive us."

Mr. J. Grimond, the Liberal Leader, congratulated the Lord Privy Seal on the work that had been done so far. He said that although the future of the Commonwealth was of the greatest importance there was no enthusiasm among its members for a Commonwealth Free Trade Area and it could not be regarded as an alternative or a rival to Europe. What the Commonwealth did need, in his view, was the aid of services and capital.

He was in favour of Britain's entry because he felt that a united Europe with Britain in it could be a force for peace; he also believed European civilisation to be the greatest the world had ever seen and the civilisation of which we should be a part. The political and economic advantages were extremely important.

He was against regarding the Community as a defence against communism and thought this should not be the prime argument.

With reference to the African, West Indian and Commonwealth countries he desired to see some form of ultimate association, and hoped the Community would be outward-looking and prepared to absorb as large a quantity of manufactures from the new industries in Asia as Britain and Europe do now, and a test of this would be its willingness to reduce tariffs on raw materials, and to have zero tariffs on others.

Regarding the political implications, Mr. Grimond added this significant statement: "*We should not try to conceal from the people of this country that the Community fully intended to have a European Parliament.*"