

EDITORIAL COMMENTS

Renegotiation?

The inconclusive outcome of the British General Election of February 28, 1974—an almost inevitable conclusion to an inept campaign which succeeded only in demonstrating an almost total disillusionment on the part of the electorate with both politics and politicians—has presented the Communities with a grave crisis of an as yet unparalleled kind. During the election campaign the Labour Party claimed that its intention, if returned to office, would be to secure “a fundamental renegotiation of the terms of entry,” and, that if such a negotiation was successful, “the people should have the right to decide the issue (of continued British membership of the Communities) through a general election or a consultative referendum.” On April 1, Mr. Callaghan, as Foreign Secretary of a minority Labour Government, charged with translating an electoral manifesto into a formula for practical action, made an uncompromising, and indeed an insensitive, declaration to the Council of Ministers in Brussels which understandably provoked resentment as well as dismay. Was the new British Government prepared to pull out of the Communities if “substantial changes” in the terms of entry could not be negotiated? His speech was clearly intended primarily for home consumption and, in particular, for the attention of the highly influential anti-EEC Labour left in the Cabinet, in Parliament and in the constituencies. On June 4, this time before the Council of Ministers in Luxembourg, Mr. Callaghan, with the advantage of ninety days in office, adopted a different tone. He specified that a renegotiation of the British contribution to the EEC budget was essential since the Community system was unfair to large importing countries and “the negotiated terms of entry were fundamentally inequitable.” In addition, major changes in the Common Agricultural Policy would be sought, together with a substantial *improvement* in the access to European markets available to certain Commonwealth countries (particularly the “associable” countries under Protocol 22 of the Act of Accession), a more generous EEC aid programme “according to need” and with especial regard to the countries in South Asia who have been most adversely affected by the recent increases in oil and commodity prices, and a fresh and flexible approach to industrial and regional policy, in order to help to arrest the “relative industrial decline” in Britain.

Of these demands, which were put forward on this second occasion with greater moderation and with frequent reference to the mechanisms for the change or modification of policies which are built into the constitutive Treaties, the first two will cause considerable difficulty and the first will undoubtedly in the end be crucial. Much may depend on whether Mr. Callaghan’s change of tone is maintained in the discussions and negotiations that will follow later this Summer and whether, should an early General Election be forthcoming in Britain—perhaps in the Autumn

—the Labour Party again chooses, for electoral purposes, to try to focus public attention on two issues—the Sovereignty of Parliament and the control of capital movements—of which much was heard in February. The British Government must approach the coming negotiations with a preparedness to state its case in the context of the Community interest that the disputed policies are designed to serve; it might then be pleasantly surprised at the understanding that could be forthcoming. Is such an approach too much to expect of a minority Government with its eyes on future electoral prospects? If it is, then the problems over British membership may well only presage other, similar, problems to come.