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**JOURNAL OF EUROPEAN  
INTEGRATION HISTORY**

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**REVUE D'HISTOIRE DE  
L'INTÉGRATION EUROPÉENNE**

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**ZEITSCHRIFT FÜR GESCHICHTE DER  
EUROPÄISCHEN INTEGRATION**

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edited by the

**Groupe de liaison des professeurs d'histoire contemporaine  
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## INTRODUCTION

*Fernando Guirao*

The historiography of European integration has traditionally focused on five central questions – the emergence of the various European Communities, the process of institution-building and policy consolidation of each community, the relations among the *Six*, their relations with the United Kingdom, and the role played by the United States. In recent years, the European countries left outside of the original Six, and the problems they consequently faced, have received increasing attention. The present volume of the *Journal of European Integration History (JEIH)* is an attempt to cast further light on countries rarely examined in standard historical accounts of European integration. The Editorial Board of the *JEIH* approved a special volume under the general theme of “Peripheral countries and the Integration of Europe” because it was interested in analysing how the less resourceful countries among those excluded from the Treaty of Rome perceived, and reacted to the consequences of exclusion. The concept of *periphery* adopted here is quite simple: it concerns those countries that have received scant attention in historiographical terms (or in some cases, have been totally ignored).

The case studies contained in this volume refer to Finland, Ireland, Norway, Portugal, Spain and Turkey. While a wider range of countries would have been desirable, the *JEIH* Editorial Board was restrained by the papers presented and the outcome of the peer-review process. The time span covered varies from country to country. For Ireland and Finland the period between the signature of the Treaty of Rome and European Community (EC)/European Union (EU) membership is treated as fully as the availability of archival sources permits. In the case of Norway, the author covers the period 1948-73 with the intention of explaining the gap between the Norwegian government, which successfully negotiated Community membership by 1972, and the people’s decision to reject the accession terms in a referendum. Regarding Portugal, the author deals with the country’s European integration policies during and immediately after Salazar’s autocratic reign. The fact that access to archives ends with the 1974 Revolution determined the author’s decision. The Spanish experience between 1957 and 1967, when official Spain-European Economic Community (EEC) negotiations began, is analysed from the German viewpoint. Finally, in the contribution on Turkey, there is much historical background that helps in understanding this country’s present position vis-à-vis the European Union. Why some governments thought that further was the solution to certain questions while others either ignored the problem or failed to appreciate the need for a specific response has become an area of intense research activity in the field of European integration history. Nor should it be taken for granted that the governments of some countries on the periphery of Western Europe decided to join the European Community at all. For a long time, many observers in these countries had even questioned the need for institutional links of any kind. Specific circumstances, of an economic, social and political nature, must have led the governments

of individual countries to put the question of their relations with the Community on the top of their respective political agendas. The contributors to this volume try to answer this question in their respective case studies.

Among the countries examined here, Ireland stands out but showing how political and economic elites can deliberately engineer a move away from self-imposed isolation. According to Maurice FitzGerald, the Irish political leadership understood that the closer they moved towards multilateral interdependence, the sooner they would leave behind an asphyxiating bilateral dependence upon their powerful neighbour, a relationship which was increasingly being perceived as disruptive for long-term political stability, social cohesion and economic growth. The author forcefully insists that EEC membership was part of a development strategy and not the government's emergency response to external and accidental pressure. In other words, the British application would have only hurried up the implementation of the already-decided strategy to reverse the inward-looking economic policies that had prevailed for thirty years. These had only led to severe economic distortions, massive emigration and considerable unemployment. In support of this view, the author argues that, following de Gaulle's veto of Britain's membership application in January 1963, the Irish government continued to put pressure on economic interest groups and social and political representatives in order to go on implementing those changes necessary for the country's future EC entry. At the failure of the first attempt to join the Community many governments felt relief because this led to a situation of standstill. Not so in Ireland, where the government used the delay "to ready itself, as well as the rest of the country, for the uncertain vagaries that full EEC membership implied". In the end, an overwhelming majority of the Irish electorate was persuaded that the country's future lay within the Community. An impressive eighty-three per cent of those polled voted in favour of acceding less than five months after Ireland signed the Treaty of Accession in January 1972.

Norway represents the opposite experience. The terms of accession the government negotiated were rejected in a referendum in September 1972. Any attempt to explain the fundamental differences in outlook with respect to the question of Community membership between the government on the one hand, and the people of Norway on the other, has to analyse deeply-rooted socio-political dilemmas. In contrast to earlier scholarship, which had highlighted foreign policy issues, Hans-Otto Frøland emphasizes the perceived threat to the existing national consensus on agriculture and fisheries, the preservation of which constituted the core of the national pact that – in the eyes of many Norwegians – would have rescued the country from the uncertainties of the 1930s and the post war years. The willingness to defend the wide set of agreements reached co-operatively by representatives of the economic interest groups and the state and involving income protection in the primary sector, undermined the case for Community membership in two important ways. First of all, it was responsible for a late and half-hearted effort at political mobilisation in favour of membership. Second, it was a crucial element in the population's rejection of accession. Membership was perceived as a potential threat to the kind of socio-political stability and lifestyle to which Norwegian population

had become accustomed. The Norwegian government expected to gain export markets without losing control of the primary sector. This was what made membership of the European Free Trade Association (EFTA) – in comparison with the EEC – attractive and meant that each Community application (in 1962, 1967 and 1970) contained provisions granting Norway *de facto* permanent exemption schemes in agriculture and fisheries. The unwillingness to accept closer political co-operation, the extensive list of demands for special treatment and the government's self-imposed narrow room for manoeuvre during the negotiations led the Commission and governments of the Six to question Norwegians interest in the integration process. The argument is so well presented in Frøland's contribution that further research should clarify why the European Community undertook negotiations with the Norwegian government at all.

The main question concerning Portugal is how successful the country's European policy actually was. Nicolau Andresen-Leitão's main thesis is that Portugal could have followed a more ambitious integration policy had it not been for Salazar's personal reservation about supranational institutions. Portugal had maintained a "prudent reserve" towards European integration while there was no need to act differently. Full participation in the in the co-operative schemes of the Organisation for European Economic Co-operation and the European Payments Union benefited the Portuguese economy in a number of ways, especially by boosting exports of manufactured goods by means of preferential access to European markets, and by promoting financial as well as price stability. This may be an explanation as to why Portugal became a founding member of EFTA. It further helped that Portugal distanced itself from those states requesting special treatment as 'underdeveloped' countries during the discussions about the industrial free trade area between October 1957 and November 1958. After the French veto, Portugal's representatives found themselves involved in the secret negotiations that led to the Stockholm Convention. The favourable terms under which Portugal entered EFTA rendered any bilateral arrangement with the EEC unnecessary. Ten months of pressure by its EFTA partners were necessary before Lisbon requested the opening of association negotiations with the EEC. De Gaulle's veto of the ongoing Community-enlargement negotiations in turn led to a strengthening of Portugal's EFTA membership after 1963. In 1970, the third British attempt at membership forced Lisbon to face the institutional question again. At that point, negotiating a trade agreement, instead of associate membership, became an attractive option since the possibility of the Community rebuffing Portugal's EC association was higher than ever before. The formula chosen reflected the increased international isolation of the Portuguese government due to its continued attempts at safeguarding its overseas empire and its unwillingness to move straight to democracy. In the meantime, EFTA membership continued to play an important role in liberalising the Portuguese economy and preparing it for future Community membership.

Both free trade with EFTA in industrial goods after 1961 and the free trade agreement with the EC after 1973 played important roles in Finland's transformation from a backward economy to an economically-advanced industrial society.

Many European economies needed the prospect of Community membership to overcome protectionist impulses. This was not the case in Finland, where the political context required a very different approach. Tapani Paavonen shows that due to the fact that membership of or association with, the Community was not an option, the Finnish authorities had to carry out a slow but continuous process of adaptation in the course of four decades. When the issue of Community membership suddenly arose at the sudden, the Finns negotiated an agreement in a matter of months. Finland was also the country which experienced the fewest adaptation problems after membership. What makes this case fascinating is the very fact that participation in West European integration involved, until 1991, a skilful political management with regards to the Soviet Union. Any strengthening of Finland's West European connections was conditional on taking the practical implications of this country's *special relationship* with the Soviet Union into account. The free trade agreement with the EC, for instance, had to be counter-balanced in the same year by a co-operation agreement with Comecon in order to develop Finland's Eastern trade. Only the arrival onset of the Soviet *perestroika* allowed profound changes in Finland's position in European economic relations, such as attaining full EFTA membership. A few months after the Soviet Union's collapse, Finland's membership application was submitted to Brussels. As a new member of the European Union, Finland has taken the initiative with a number of proposals. There are not many historical examples of a country moving so effectively to the core from the periphery.

Spain may well have been, for the first part of the second half of the 20<sup>th</sup> century, the most peripheral country in Western Europe since it was last in establishing closer links with any of the co-operative institutions emerging after World War II. This was the legacy of General Franco's close relations with the Nazis and Italian Fascists after 1936. In this sense, the establishment of formal and institutionalised links with the EEC came to represent the end of Franco Spain's Axis stigma. In this endeavour, the Spanish government counted on the strong support of the Federal Republic of Germany's government despite the danger of being accused of "reviving fascist alliances". Why the West German government became Franco Spain's "reliable ally" is the central question of Birgit Aschmann's contribution. Her paper shows that the West German government tried to accelerate Spain's access to European co-operation institutions from the mid-1950s. For the Germans, Spain's authoritarian system of government was not an impediment to co-operation. It only meant employing some additional subtlety whenever the West German government supported the Spanish cause. The author emphasizes three factors that help to explain German behaviour. First of all, the West German government had an interest in avoiding the general discrimination of Spanish exports, as this would in turn have diminished Spain's purchasing capacity for German produce and would also have increased the price of Spanish oranges for German consumers. Secondly, it was an attempt to divert Spanish requests for financial assistance towards the Six as a whole. Finally, the West German government hoped for Spanish support in its attempts to isolate the German Democratic Republic diplomatically. It comes as a surprise though that the support of Spain's pro-EEC policy would be justified as

strengthening the anti-Communist world when the deep animosities that it created within the Six worked in the opposite direction. Further research should assess whether the modest results for the Germans – both in terms of changing the EEC’s behaviour towards Spain and in terms of Spanish help in isolating the GDR – were worth the risk of increasing intra-EEC divisions on fundamental issues.

Today, many observers in the European Union remain uneasy about Turkey’s bid for membership. This is largely because of a fundamental issue – Turkey’s weak democratic credentials and human rights record. Without entering into a discussion of the nature of Turkish democracy, Ziya Önis presents an interesting working hypothesis. Had Turkey not been so insistent on full membership, its relations with the Community “would have evolved in a fairly straight-forward and non-problematic manner”. This hypothesis gives paramount importance to the preferred institutional option pursued by individual governments with respect to the Community. In all the countries represented in this volume there was a fundamental debate about this matter, and part of the success or failure of these countries’ stories, in their relations with the Community, relate in one way or another to the kind of institutional option chosen. Until 1974 Turkish political elites felt “no fundamental discrepancy” between their expectations and the actual progress made – in line with the 1963 association agreement reached between Turkey and the EEC – in relation to the Community. It was both the Turkish intervention in Cyprus in July 1974 and concerns regarding the rapid opening of the domestic market which caused what effectively was Turkey’s self-exclusion from the path leading to the Community. The military take-over of September 1980 and the “limitations” or “restrictive nature” of Turkish democracy ever since led in turn to a policy of active exclusion by the European Community itself. The Community’s Mediterranean enlargement of the 1980s and the process of enlargement towards the East a decade later have increased the sense both of isolation and unfair treatment felt by the Turkish political elite in their relations with the European Union. The six analyses in this volume are part of an attempt to produce a set of reliable studies of the individual experiences of nations and their particular interest or disinterest in EC membership. The next stage, a result of being able to draw on such a rich repository of detailed historical accounts, will make it markedly easier to obtain a more balanced comparative perspective. Other peripherals are still missing from the overall picture and much more needs to be done concerning the countries analysed here. Nonetheless, this volume constitutes an important step in the right direction. I am convinced that the 13<sup>th</sup> issue of the *JEIH* will become a reference work, due both to the quality of each individual article and to the coherence of the collection as a whole.

*Fernando Guiaro*  
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## Ireland's Relations With the EEC: From the Treaties of Rome to Membership

*Maurice FitzGerald*

### Introduction

In 1973, Ireland acceded to the European Communities (EC). This was at the third attempt. As far as some commentators are concerned, Irish involvement in the processes of European integration essentially dates from then.<sup>1</sup> The background and lead up to its membership have, for the most part, been glossed over.<sup>2</sup> But, as entry was never a foregone conclusion, what happened before accession is at least as important as what has taken place since.

It was not inevitable that a semiperipheral state on the “outer ring of Europe”, this island behind an island, would be married to a European mainstream.<sup>3</sup> Indeed, it was not only because sincere economic and political changes had taken place in Irish policy positions – in the intervening period between the Treaties of Rome being signed in 1957 and the EC's first enlargement in 1973 – that full membership became possible. It was a matter of opportunism as well. Certainly, the slowly maturing nature of ties with the European Economic Community (EEC) need to be established if present and prospective analyses are to find their proper context.

Having remained aloof from developments such as the creation of the European Coal and Steel Community (ECSC) in the early 1950s, it is often forgotten that Ireland attempted, and twice failed in 1963 and 1967, to join the EEC. By the same token, it also applied for membership of both the ECSC and the European Atomic Energy Community (Euratom) in this period, even if it was not especially interested in either. By the end of the decade, Dublin readied itself to make another application for full membership of the merged communities. Following this new set of negotiations, its third attempt proved to be more successful, a move subsequently

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1. See, for instance, P. KEATINGE (ed.), *Ireland and EC membership evaluated*, London, 1991; R. O'DONNELL (ed.), *Europe: the Irish experience*, Dublin, 2000.
  2. Exceptions to this rule include Brian Girvin and Dermot Keogh, both of whom have written about Ireland's first attempted entry. The contribution of the latter is of particular significance in many ways, but mainly because it anticipates what is being argued here in this article. B. GIRVIN, *Irish economic development and the politics of EEC entry*, in: R. T. GRIFFITHS & S. WARD (eds.), *Courting the Common Market: the first attempt to enlarge the European Community, 1961-1963*, London, 1996, pp.247-262; D. KEOGH, *The diplomacy of 'dignified calm': an analysis of Ireland's application for membership of the EEC, 1961-1963*, in: *Journal of European Integration History*, vol.3/1(1995), pp.81-101.
  3. I. WALLERSTEIN, *The capitalist world-economy*, Cambridge, 1979, pp.69-118. The term “semiperipheral” – even if unused elsewhere in this article – offers a truer impression of Ireland's situation, though not just in a geographical sense, the reality being that it was neither at the core nor totally on the periphery but somewhere in between.

endorsed by an overwhelming majority of the population through a referendum held on 10 May 1972. This was no electoral accident. Ireland had been patiently preparing for EC entry for more than a decade.

The bulk of the electorate, various interest groups and most politicians, were gradually won over by the arguments favouring adhesion. This had not always been the case though. In the late 1940s, for instance, as Western Europeans convinced themselves that closer integration was the solution to the ills that had plagued the continent for centuries, Ireland's principal political figure, Éamon de Valera, advocated entering the slower stream of what was developing into a two-speed integration process. Indeed, he told the Council of Europe that: "If the nations here on the mainland of the continent consider that they cannot wait for us, perhaps they should consider going on without us by an agreement among themselves for a closer union".<sup>4</sup> He was taken at his word. As a consequence, Ireland set about isolating itself – consciously and unconsciously – from the integration process.

As a country located on the geographical extremities of the European Union (EU), its experiences of integration are not unfamiliar or necessarily unique. However, in Ireland's case, it is quite clear that it was not necessarily the political elements of European integration that originally attracted adherents to the concept, rather it was the economic potential that this whole development held.<sup>5</sup> Despite the fact that the EEC was recognised "first and foremost [as] a political concept and not merely an economic organisation with a few political ideas added as an afterthought", the thinly-disguised endeavour to utilise it as a means for economic betterment would cause difficulties.<sup>6</sup> This was certainly its experience in efforts to convince Brussels that it was ready for all that membership implied. Not surprisingly, Ireland's choices were based on national preferences, while remaining allied to a full understanding of the contemporary and future possibilities that integration held, as well as its intrinsic requirements.

In historical terms, Irish governments displayed a rather *à la carte* approach towards Europe. Quite happily entering the Organisation for European Economic Cooperation (OEEC), it somewhat reluctantly accepted Marshall Aid.<sup>7</sup> It also participated in the aforementioned Council of Europe, thereby allowing it a political platform to raise subjects close to its heart. Meanwhile, it either maintained a distance regarding defence commitments, such as remaining outside the North Atlantic Treaty Organisation (NATO) ostensibly on the grounds of its military neutrality, or was passed over because of its economic tardiness, when it was refused entry into the European Free Trade Asso-

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4. Éamon de Valera (leader of *Fianna Fáil*, Ireland's main opposition party) speech to the Council of Europe, 17 August 1949, as quoted in M. KENNEDY & E. O'HALPIN, *Ireland and the Council of Europe: from isolation towards integration*, Strasbourg, 2000, p.49.

5. Indeed, this is the central argument presented in M. FITZGERALD, *Protectionism to liberalisation: Ireland and the EEC, 1957 to 1966*, Ashgate, 2000.

6. Francis Biggar (Irish ambassador, Brussels) to Sheila Murphy (Irish external affairs official), 30 December 1961, National Archives, Dublin (NA), Department of the Taoiseach (D/T), S16877X/62.

7. T. GEIGER, *Why Ireland needed the Marshall Plan but did not want it: Ireland, the Sterling Area and the European Recovery Program, 1947-1948*, University of Manchester Working Paper Number 44 in Economic and Social History, Manchester, 2000.

ciation (EFTA). According to Andrew Moravcsik's criteria, it is possible to assert that national self-interest meant that Ireland came to favour EEC entry above any other relationship, including deeper Anglo-Irish ties.<sup>8</sup> In truth, it was quite prepared to sacrifice a fair degree of sovereignty to the European institutions and other member states – something that daunted many other countries – in return for the benefits of full membership.

Up until recently, official Irish government archives and other source materials on these three applications have not been openly accessible or fully utilised but, over the next few years, newly discovered documents will gradually throw more light on this subject. The one major text that has been available up to now – *The tortuous path* by Denis Maher – was itself based on these sources regarding the origins and early functioning of European integration as it pertained to Ireland.<sup>9</sup> This account obviously needs to be supplemented by other substantial pieces of research in the years to come if the full story is going to be told.

Indeed, a history of *Ireland and the Council of Europe* by Michael Kennedy and Eunan O'Halpin has recently revealed a major change that took place in attitudes to integration even as disinterest was feigned. Frank Aiken, the Irish external affairs minister for most of the post-war era, is known to have supported the “European ideal in the political and defence fields” at a secret ministerial meeting held in Strasbourg in 1951. This was hardly a position that coincided with the government's stated policy of military neutrality, for example; at the same time, it might also be noted that he interestingly argued against a European customs union at that stage.<sup>10</sup> This stand would be reversed over the next quarter of a century, lending itself to the conclusion that Irish positions on integration were to change when that suited Dublin or if they were necessitated.

It is within this context that Ireland's relations with the EEC from the Treaties of Rome to membership must be viewed. This investigation is primarily concerned with analysing how this peripheral was initially excluded from that process, as well as how it perceived and reacted to the consequences of being cast into limbo. At the same time, it focuses on presenting an account of the impact European integration had on the economic and political policies the government pursued. Additionally, it must widen an existing debate even further, one that is as relevant to Ireland's contemporary history as it will be to Europe's destiny. This analysis should not put an end in its infancy to a discussion regarding this particular country's motivations for EEC entry but, rather, must open it out, providing room for comparisons with other peripherals, while not ignoring its individuality.

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8. A. MORAVCSIK, *The choice for Europe: social purpose and state power from Messina to Maastricht*, New York, 1998, pp.5 and 162-163.

9. D. J. MAHER, *The tortuous path: the course of Ireland's entry into the EEC, 1948-73*, Dublin, 1986, which in effect is considered to be the official Irish government view of the country's accession.

10. Frank Aiken (Irish external affairs minister) speaking at a secret ministerial meeting at the Council of Ministers in July 1951, as quoted in KENNEDY & O'HALPIN, *Ireland and the Council of Europe*, pp.83-84. According to these authors, this “secret meeting” was just one example of the “informal meetings of ministers to discuss the international situation” that took place in Strasbourg in this period; this was an initiative that also had the full support of Robert Schuman (French foreign minister).

## Ireland in a Europe at Sixes and Sevens

By the late 1950s, to a large extent because of developments beyond its control, Ireland faced a Europe that had split up into two major trade groupings. Classed as a “peripheral” by the United Kingdom (UK) and by other OEEC member states from the earliest stages of the Free Trade Area (FTA) negotiations, this tag proved extremely difficult for it to shake off. Ireland had inherited it partially as a result of its endeavours to protect lesser developed members like itself, partly because of how they were in some ways perceived as a grouping – the “Forgotten Five” – even if they undeniably had different needs.<sup>11</sup>

Ireland's classification as a peripheral helped to preclude it from negotiations that saw six states sign the Treaties of Rome and made sure that it was actively excluded from negotiations to create a separate grouping of seven EFTA countries when the OEEC's attempts to create a seventeen-nation FTA finally failed. In each case, certain choices were made in Dublin but, in many respects, their room for manoeuvre was circumscribed by the actions of others. Crucially, the immediacy for Ireland to decide its relative position vis-à-vis the EEC or EFTA was intimately linked to the choices that the UK was making and the effects that these would then have on Ireland, especially its agriculture. As long as Anglo-Irish economic relations remained stable, Dublin appeared reluctant to take any concrete European initiative.<sup>12</sup>

A radical Irish government attempt to remodel economic policy, spearheaded by politicians of the calibre of Seán Lemass and civil servants such as T. K. Whitaker, coincided with these major developments and divisions in European integration.<sup>13</sup> Indeed, these pivotal figures propelled a concerted move away from provincialism and conservatism to an outward-looking and progressive perspective by virtue of confident and enlightened leadership. As industry & commerce minister, Lemass had warned that, in pursuing economic isolation in the face of a 17 nation FTA, the “implications (...) would be political as well as economic” and argued for a “reconsideration of economic aims and policies”.<sup>14</sup> Looking to the future rather than the past, the Irish government thus made a conscious decision to progress gradually, but purposefully, away from a foreign economic policy based on protectionism to one of liberalisation.

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11. M. CAMPS, *Britain and the European Community, 1955-1963*, Princeton, 1964, p. 211. The 'Forgotten Five' – obviously coined with the EEC or 'Inner Six' and EFTA or 'Outer Seven' in mind – refers to Greece, Iceland, Ireland, Spain, and Turkey.
  12. In economic terms, Ireland was inextricably linked to the UK. Its level of dependence is perhaps best illustrated by export and import figures. In the decade following the Second World War, on average, Ireland exported 89.2% of its goods to the UK, but only 5.5% to the Six. Import data is equally revealing, with average figures for the same post-war period revealing that Ireland sourced 51.5% of its goods from the UK, but only 8.3% from the Six.
  13. Seán Lemass was Irish deputy prime minister and industry & commerce minister from 1957 to 1959, thereafter prime minister to 1966, while T. K. Whitaker was Irish finance secretary from 1956.
  14. Lemass speech delivered to the National Agricultural and Industrial Development Association, 5 March 1958, as quoted in *Seanad Éireann parliamentary debates official report*, 27 March 1958, Volume 49 Columns 330-331.

It was realised that Ireland could not remain outside of, and untouched by, the shake-up in European trading patterns. It was therefore decided that Ireland must strive for improvements in domestic agricultural methods and production, thereby boosting the strongest sector of the economy, while modernising its industrial base, essentially by promoting it as a prime location for foreign-owned and export-oriented firms to set up. The latter was achieved by espousing the fact that such companies would be able to take advantage of a generous government incentives package, as well as relatively low-cost, readily available and educated labour. It was clearly recognised in government that, in opening the economy up to external competition by the gradual elimination of quota and tariff barriers, inefficient indigenous industry would fail. Those that were strong and willing to change would survive; meanwhile, this sector would be supplemented by the introduction of overseas firms. At the same time, it was obvious that, in seeking to revolutionise the economy, changes would be beneficial in their own right, though they would also mark a long-term reorientation in the economy from being inward to outward-looking.

The focus of this change would be a redirection away from dependence on the UK to interdependence with Europe. The means of achieving this aim were not yet clear, especially when London flirted with the Six and actively excluded Ireland from the Seven because it suited them.<sup>15</sup> The UK was happy with the agricultural benefits that it received from the Anglo-Irish relationship and the industrial benefits that it would receive from EFTA. Ireland was of course seriously worried that, as a member of EFTA, Denmark might receive substantial agricultural concessions from the UK.<sup>16</sup> Additionally, there were domestic political implications for Ireland as a result of Portugal being in a position to join, but as was pointed out, "Ireland could not accept the obligations which it is likely Portugal will".<sup>17</sup>

As it turned out, despite its potential, EFTA did not meet Irish needs in agricultural terms, even if it seriously eroded industrial preferences in the UK market. Meanwhile, economics were beginning to come ahead of political considerations in Irish foreign policy decision-making. It was clearly time however for a change of leadership in Dublin, with the more proactive Lemass taking over from de Valera as *taoiseach* (prime minister); in turn, Jack Lynch became industry & commerce minister. The official Irish position regarding EFTA hardened as there was "little case for contemplating joining" but, as Dublin's suggestion of an Anglo-Irish FTA (AIFTA) was excluded for the time being, it soon became clear that a little more imagination was required.<sup>18</sup> Irish thoughts therefore turned to the possibility of EEC membership instead, a move that would also become a national necessity if, and when, London decided to apply.

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15. Dermot Keogh has argued that the UK "strongly encouraged" Irish membership of EFTA; D. KEOGH, *The diplomacy of 'dignified calm'*, p.85. But, this was not the case until some years after it had been created. In truth, both the UK and Sweden made sure that Ireland did not join in 1959. Hubert de Besche (Swedish foreign affairs deputy secretary) quoted in J. D. Brennan (Irish minister, Stockholm) to Con Cremin (Irish external affairs secretary), 29 May 1959, NA, Department of Foreign Affairs (D/FA), D/2/3Pt1.

16. Draft Irish Department of Finance memorandum, 8 July 1959, NA, D/T, S16674A/61.

17. UK Treasury note, 8 July 1959, Public Record Office, London (PRO), Records of the Cabinet Office (CAB), 134/1871.

18. Irish Industry & Commerce memorandum, 14 October 1959, NA, D/T, S15281T.

Relations with its neighbour were vital to its future, no matter what the scenario. Ireland was effectively in an economic union with the UK, “one from which she could not find a way of disengaging”.<sup>19</sup> Indeed, despite having left the British Commonwealth more than a decade earlier, it was, to all intents and purposes, especially in economic terms, still a member. The UK was determined though not to treat the OEEC peripherals as a distinct entity or Ireland any better within that context.<sup>20</sup> In many ways a “millstone” around its neck, Ireland was relatively low on London's list of priorities, especially if the UK could maintain easy access for its industrial goods into the Irish market and continue to source cheap agricultural produce from there.<sup>21</sup> On the other hand, in part seeing it as an escape-route from dependency, Ireland saw EEC membership as a reasonable step for it to take, especially if the UK itself applied. It was not as if Ireland would have had much of an alternative.

### Attempted entry ... and exclusion

In the end, there were many reasons why Ireland tried to join and was then effectively excluded. Attempted entry into the EEC was a logical step in – what had been up until then – its disjointed European integration process. The facts are simple enough. It had always been clear in Irish circles that they faced four choices. If the UK applied to join the EEC, Ireland could do the same or do nothing; if the former decided not to apply, the latter still had a similar choice regarding whether or not it should apply. Ireland's four choices effectively boiled down to none once Harold Macmillan, the UK prime minister, informed the Irish that his government was finally going to make its move.<sup>22</sup> Ireland had to apply too if it was going to protect its economic standing.

From an uncomfortable position on the sidelines at the turn of the decade, Ireland applied to join the EEC on 31 July 1961, knowing full well that the UK was itself about to do the same, as in fact happened on 10 August. Even though the London government applied ten days after Dublin, there was no disguising the fact that the Irish had applied because their neighbours were about to do so too.<sup>23</sup> Ireland's experience of the negotia-

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19. P. GERBET, *La construction de l'Europe*, Paris, 1983, p.294.

20. UK Treasury note, 8 April 1959, PRO, CAB, 130/136.

21. Anthony Meyer (UK foreign office official) note, 6 June 1961, PRO, Records of the Foreign Office (FO), 371/158219.

22. Harold Macmillan (UK prime minister) to Lemass, 26 July 1961, NA, D/T, S16877N.

23. The Dublin government had stolen a march on the UK; there is no suggestion here that these applications were synchronised. Quite the opposite, in fact; the Irish applied ten days earlier in order to make political capital. As Macmillan subsequently recorded, the “Prime Minister of Eire had made it clear that if Britain went into the Common Market his country would probably wish to do so”. H. MACMILLAN, *At the end of the day, 1961-1963*, London, 1973, p.11. London had learned that it could not easily persuade the Irish to do its bidding in such matters; the latter had a way of choosing its own “appropriate moment” when making its choices in European matters, sometimes to the detriment of UK interests. H. A. F. Rumbold (UK foreign office official) memorandum, 1 June 1961, PRO, FO, 371/158219.

tion process soon made it clear that it was a secondary consideration for the Six as well; indeed, the Irish suspected, with good reason, that – of the four applicants – they were fourth in line. Accession negotiations with the UK were not long in coming, opening in October 1961, before being followed by the Danes a month later and the Norwegians a year after that again. There had previously been mutterings in the Irish external affairs ministry that “we applied first”.<sup>24</sup> But, it was wisely decided that it would be both rash and “impolitic to rush” the Six into a decision; the fear was that otherwise they “may take up the position suggested by the most negatively minded member, this being the line of least resistance”.<sup>25</sup>

In January and May 1962, Ireland was twice required to present its case for EEC membership at gruelling meetings in Brussels; indeed, the EEC Council of Ministers only decided in October 1962 to approve its proposal for negotiations to begin. At the start of that year, the *taoiseach* divided his presentation to the Council into two parts, one addressing political aims, another firmly centred on economic issues. However, he was not entirely convincing on either. His woolly political assertions – that the Irish “people have always tended to look to Europe for inspiration, guidance and encouragement” – were always going to need substantiation if his government was to convince the EEC regarding Ireland's propensity for membership. Following this up with an extensive list of economic difficulties, ills and needs, was not the best way to satisfy the EEC that Ireland was ready to join on that score either.<sup>26</sup> The Irish soon found themselves back in Brussels when the Council submitted a list of fifteen questions on aspects of their position upon which they needed further elucidation.

This second presentation saw senior Irish civil servants dealing with each of the issues raised by this questionnaire in front of the Six permanent representatives in Brussels. Rather suddenly, it was the economic aspects of Ireland's candidacy, rather than political aspects, that were attracting all the attention. By the spring of 1962, an important realisation was dawning on the Dublin government; it was economics, not so much politics, which was going to be the vital consideration in its case for full membership. Over the next few months, while continuing to allay any fears that it might have on Ireland's political capacity for entry – regarding its neutrality, for instance – the *taoiseach* concentrated on convincing the EEC that there was nothing to worry about on either score.<sup>27</sup> Beginning with an invitation to prominent European and UK journalists to visit the country in September 1962, Lemass followed up this public relations coup with a tour of the main European capitals the following month. His efforts paid off when an official communication was issued

24. T. O'Carroll note (Irish external affairs official), 12 August 1961, NA, D/T, S168770/61.

25. Whitaker to Cremin, 1 March 1962, NA, D/T, S17246D/62.

26. Lemass speech to the EEC Council of Ministers, 18 January 1962, as quoted in D. J. MAHER, *op.cit.*, pp.375-385.

27. In truth, by the time Lemass famously declared that Ireland was “prepared to yield even the technical label of neutrality” – seen by some as an impediment to Irish entry even though it had applied for full and not associate membership – the focus of EEC attention had shifted to its economic capacity. *New York Times*, 18 July 1962, as quoted in D. J. MAHER, *op.cit.*, p.152.

by the Council to the effect that the Six had decided unanimously to accede to Ireland's entreaty to open accession negotiations.<sup>28</sup>

The fact that the UK's application for membership was vetoed by Charles de Gaulle, the French president, less than three months later effectively meant that Irish efforts were somewhat in vain. Nonetheless, in the intervening eighteen months between its decision to apply for full membership and the UK's exclusion, the Dublin government had at least been preparing itself and the general population – specifically Irish agriculture and industry – for the exigencies that membership would require. With the prospect of the Common Agricultural Policy (CAP) there were obvious market benefits for the farming community, explaining why the National Farmers' Association and the agricultural lobby were so in favour of membership, but achieving greater efficiency and higher production levels was proving to be a problem. The opening up of the traditional UK agricultural market to European competition would mean that imaginative enterprise and rapid adaptation was required if Irish farmers and exporters were to be successful, something Lemass was keen to stress.<sup>29</sup> However, if the situation facing agriculture presented an opportunity, the future for industry could be seen as a threat.<sup>30</sup>

It was readily apparent that indigenous Irish industry was going to have to adapt or fail especially as it was felt that accession would be achieved by the end of the decade, the promulgation of “membership by 1970” a constant refrain.<sup>31</sup> It was a case of modernising or dying and the *taoiseach* was quick to emphasise the need to adapt to the Irish Congress of Trade Unions and the industrial lobby.<sup>32</sup> It was clear that the car assembly industry and textile production would suffer when their places in Ireland's protected economy were exposed to the realities of liberalised trade. However, efficient industries, especially those benefiting from foreign direct investment, would prosper with the result that the gains to Irish industry from full EEC membership would outweigh the losses.<sup>33</sup>

Essentially, Ireland was unable to join the EEC in 1963 because it was not possible for it to do so on its own. It was too economically dependent on the UK. Ireland's application was effectively tied to the fortunes of its neighbour. This was despite all declarations to the contrary.<sup>34</sup> If that was not the case, it could still have

28. Emilio Colombo (EEC Council president) to Lemass, 23 October 1962, NA, D/T, S17339/62.

29. Lemass to Juan Greene (National Farmers' Association president), 13 July 1961, NA, D/T, S16877M/61.

30. Matthew McCloskey (US ambassador, Dublin) to John F. Kennedy (US president), 14 September 1962, John F. Kennedy presidential library, Boston (JFK), Kennedy Papers (KP), NSC Box#18.

31. Lemass interview with the *Irish Independent*, 23 April 1965, NA, D/T, S17427Q.

32. D/T memorandum on a meeting held on 11 July 1961 between Lemass and a deputation from the Irish Congress of Trade Unions, 14 July 1961, NA, D/T, S16877N/61.

33. McCloskey to Kennedy, 14 September 1962, JFK, KP, NSC Box#18.

34. Lemass speaking at a press conference, 5 September 1962, as quoted in D. J. MAHER, *op.cit.*, p.158. In fact, the *taoiseach* admitted as much when he said: “a failure of the British negotiations would require us to reconsider our position in the light of the circumstances which may then prevail”. Lemass speech to the Cork Chamber of Commerce, 15 November 1962, NA, D/T, S17389/62Annex.

joined independently of London; indeed, the *taoiseach* had previously reassured the French president that Ireland wanted to enter whether or not the UK itself ultimately adhered.<sup>35</sup> It can be assumed that, just like the Danes, there were limited overtures for Ireland to press on with its application, but it was incapable of so doing. The “feasibility” of full membership had been considered.<sup>36</sup> But, without the UK's accession, it was not yet possible to join for economic reasons, though it was clear that the time would come. Excluded from EFTA four years earlier, Dublin subsequently realised that this was not necessarily a bad thing. It was quite sure however that it eventually wanted Ireland to join the EEC.

There were considerable domestic reasons why Ireland was being encouraged to take part in the European integration process, including parliamentary support and the lobbying done by informative pressure groups such as the Irish Council of the European Movement chaired by Garret FitzGerald, a respected economic and political commentator.<sup>37</sup> Obviously, there were external considerations as well, ranging from the support of the United States (US) for British and Irish entry to an understanding in London that the UK could not stand in Ireland's way.<sup>38</sup> Ostensibly, there was also support from the Six, even if the institutions themselves were not always convinced of the propensity of such a move.<sup>39</sup> Ultimately, the decision lay with the Irish government and it was convinced that membership would be good for the country.

### Third time lucky

At the third time of asking, Ireland managed to join the EEC, along with Denmark and the UK – the Norwegians demurring – during the first wave of enlargement in 1973. In some respects, partly because it was a peripheral, its entry was unique, but

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35. Pierson Dixon (UK ambassador, Paris) to the Foreign Office, 17 October 1962, PRO, FO, 371/164772; Dixon to the Foreign Office, 19 October 1962, PRO, FO, 371/164772.

36. Lemass to Seán MacBride (former Irish foreign minister), 7 May 1963, NA, D/T, S174227G/63; MacBride to Lemass, 10 June 1963, NA, D/T, S17427G/63; Lemass to MacBride, 13 June 1963, NA, D/T, S17427G/63.

37. Garret FitzGerald (Irish Council of the European Movement chairman) to Whitaker, 29 April 1961, NA, D/T, S16023C/61. Of course, this supplemented the information that the government was receiving from diplomatic sources, but there is little evidence to suggest that this lobby group was particularly influential.

38. Clearly, the US was particularly interested in the UK joining the EEC but, because Ireland had applied for full and not associate membership, it enjoyed a strong degree of US support as well. McCloskey to Kennedy, 14 September 1962, JFK, KP, NSC Box#18. At times, the UK's view of Ireland was more ambiguous and self-interested; indeed, surreptitious attempts to dissuade its attempted entry were made. Roderick Barclay (UK foreign office official) minutes, 18 & 21 July 1961, PRO, FO, 371/158220; Cremin memorandum, 26 July 1961, NA, D/T, S16877N/61.

39. Florence O'Riordan (Irish chargé d'affaires ad interim, The Hague) report, 11 August 1961, NA, D/T, S16877O/61; S. TOSCHI, *Washington – London – Paris: an Untenable Triangle (1960-1963)*, in: *Journal of European Integration History*, vol.1/2(1995), pp.81-109.

it has been argued here that this was not an exclusive or predestined phenomenon; indeed, Ireland's singularity might have as readily been interpreted as being as troublesome as it was appealing. The reality of this position begs an obvious question: why was Ireland allowed to join? Whitaker argued in 1962 that "nobody so loves us as to want us in the EEC on our own terms".<sup>40</sup> Indeed, why did it thus become the first peripheral to accede?

The role external and internal influences played cannot be underestimated. During the course of the 1960s, the Irish government worked very hard to make its case for membership convincing. However, it was not just a case of Ireland looking to Europe, as it was also paying full attention to matters closer to home and across the Irish Sea. As Roy Foster declares, it would indeed be "disingenuous" to argue that the European continent is more influential than Ireland's closest neighbour.<sup>41</sup> So, who was responsible for this turnaround in Irish fortunes and who or what were these powerful influences?

Certainly, Ireland would not have contemplated joining without the UK acceding as well; in reality, it would not have applied in the first place way back in 1961 if the latter had not indicated that it was about to do the same. It would have been an "economic disaster" for it to do otherwise.<sup>42</sup> In the intervening period between initially applying and finally succeeding, the government had constantly been readying itself, as well as the rest of the country, for the uncertain vagaries that full EEC membership implied, while also readily acknowledging and recognising its real and inherent value. The effects, especially on industry, but also on agriculture, of shifting the Irish economy from protectionism to liberalisation were to be profound.

In signing the AIFTA agreement in 1965, Ireland clearly demonstrated that it could compete on an even economic playing field with the UK, at the same time showing that bilateral Anglo-Irish political relations had finally matured beyond pubescence. Dublin was even prepared to take a step backwards towards further dependence on the UK in order to go two steps forward in the direction of interdependence with Europe.<sup>43</sup> This was readily recognised by the EEC, while confirming the view in Brussels that – though it might not have been joining as part of some UK package or addendum – Ireland was only now dealing with the reality of its

40. Whitaker to Jack Lynch (Irish industry & commerce minister), 5 January 1962, NA, D/T, S16877X/62.

41. R. FOSTER, *Paddy and Mr Punch: connections in Irish and English history*, London, 1993, pp.31-32.

42. Whitaker to Lynch, 5 January 1962, NA, D/T, S16877X/62.

43. As evidence of this, it is possible to point to a considerable change that took place in Irish trading patterns. During the years in which Lemass was *taoiseach*, the average figures for exports to the UK and the Six were 72.8% and 8.4% respectively; concurrently, import figures became 50.7% and 14.1%, proof of a significant economic reorientation. In fact, this was an ongoing pattern. Trade with the EEC increased dramatically in the period after its creation was mooted in 1955, when 4.4% of Irish goods went in that direction; on the eve of its third set of negotiations at the end of the 1960s, it stood at 11.3% of exports. In the same period, exports to the UK fell from 89.2% to 65.9%, a significant and ongoing decrease. All data comes from official figures to be found in CENTRAL STATISTICS OFFICE, *Ireland: trade and shipping statistics*, Dublin, volume published in 1959, pp.5-10; vol.1969, pp.16-17 and 26-27; and vol.1970, pp.14-15.

economic situation. There was still some way to go in its transition from being a marginal consideration. In the lead up to – as well as during – their second and third applications, the Irish were very aware of the need to maintain close contact with the UK. At the same time, they had to work on their own case for membership, convincing the EEC that Ireland was ready to join when that became more feasible for its neighbour.<sup>44</sup>

Closer to home, repeated calls by farmers and federalists for Ireland to join were tempered by the plight that indigenous industry faced. However, pure economics favoured membership. Countries like Italy and Germany were importing considerable quantities of Irish cattle and beef, even if Irish manufactured goods were slowly becoming more significant. In turn, Ireland was importing manufactured goods demanding high capital and technological input, including cars and scooters. Thus, the Six provided a ready market for Irish agricultural produce and a ready source for the consumer products its population demanded.

In political circles, the arguments for joining the EEC were already won. Even if the left was divided on the subject, the overwhelming majority of politicians in both houses of parliament recognised the inevitability and imperative behind accession. Persuading the Irish population that this was the case proved to be no mean feat. But, it was achieved with some style when over eighty-three per cent of the polled electorate voted in favour of acceding less than five months after Ireland signed the Treaty of Accession on 22 January 1972. Efforts throughout the previous decade had proved to be worthwhile and – even if it has been viewed in retrospect – it has rightly been argued that “one can scarcely doubt the economic advantage (...) of the time gained through the reluctance of France (...) to see Great Britain in the EEC”.<sup>45</sup> Ireland effortlessly slipped from the boundaries to the heart of the EEC once the UK entered too.

### **Opportunity or threat?**

It is clear that, once the debate focused on the choices Ireland faced, the argument regarding whether or not it should join the EEC came down to determining the costs and benefits on two separate interlinked levels: one economic, the other political.<sup>46</sup> Obviously, it was crucial to determine whether integration presented an opportunity or posed a threat. In the end however, it was just a matter of weighing up the economic advantages against the political price of membership.

Economically, the advantages had been made clear at the outset, even if the realities of the situation were rather passed over at times. The reasons behind its

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44. Irish embassy (Brussels) report, 27 January 1965, NA, D/T, S17427Q/62; Department of the Taoiseach report, 24 March 1965, NA, D/T, S17427Q/62.

45. T. K. WHITAKER, *From protection to free trade: the Irish experience*, in: *Administration*, 21/4, 1973, pp.405-423.

46. IRISH COUNCIL OF THE EUROPEAN MOVEMENT, *Opportunity: Ireland and Europe*, Dublin, 1972, p.5.

application to join the EEC in the first place remained as valid, perhaps even more so, when the second and third attempts were made. Simply put, Ireland needed to continue the radical revamp of its economy. Certainly, agriculture stood to gain from the CAP, while inefficient industry would undoubtedly fail in the face of liberalisation. Outside investment would in turn create jobs to replace those that would be lost, leading it was hoped to the steady alleviation of emigration, poverty and unemployment.

Of course, this new situation would institute a reliance on multinationals and footloose industries with all of their inherent disadvantages, but that was a price that was considered worth paying. It would also create interdependence with Europe rather than establishing the autarky of myth; again, this was preferable to absolute reliance on the UK. By this stage Minister for Foreign Affairs, Garret FitzGerald argued in the early 1970s that, though “economic dependence” on the UK had proved to be “unfavourable” to Ireland, “the general economic and trading relationship between the two countries will (...) necessarily be determined on a Community basis [within the EEC]”.<sup>47</sup> They would thus be on a much more equal footing.

Over a quarter of a century since Ireland joined and half a century since its inception, the EU continues to offer the country an economic escape-route away from dependence on the UK. In 1973, two-thirds of Irish exports still went in that direction; those arguing in favour of joining the EEC saw alleviating this degree of reliance as one of the main benefits of membership. The UK nevertheless remains as economically important to Ireland today as the rest of the EU member states put together, one third of Irish exports going in each of these two directions. At the same time, dependency on the UK has been replaced by a greater sense of interdependency with the EU. As a peripheral, Ireland has thus attained what it set out to achieve – equality and individuality within a collective.

In the ten years following the signing of the Treaties of Rome in 1957, Anglo-Irish political relations improved to such a degree that it is possible to remark that they have hardly ever been better. Bilateral contrivance on many policies – including Europe – has since been unmistakable, even if Ireland has generally demonstrated a greater degree of sophistication and far-sightedness when dealing with its European partners. The economic balance sheet had clearly shown that accession to the EEC would be favourable to Ireland. However, this just meant that questions regarding politics were explained away or ignored, even if there was no doubt but that the government was prepared to make the difficult decisions if and when required. This was a policy that Jack Lynch continued once he took over as *taoiseach* in November 1966.

Political considerations – such as its military neutrality, an independent stance in international organisations, sovereignty, the partitioning of the island of Ireland, *et cetera* – needed to be addressed or demonstrated to be of secondary importance

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47. G. FITZGERALD, *Towards a new Ireland* Dublin 1973, p.161.

in the different sets of negotiations.<sup>48</sup> It was crucial for Irish supporters of European integration to stress the various economic benefits – such as access to the CAP or the possibility of acquiring regional and structural funds – while emphasising that Ireland would have a “seat at the table” afforded by full EC membership. In the process, it would no longer have to rely on unevenly balanced bilateral relations with the UK. In this endeavour, successive Dublin governments have proved to be very successful.

None of Ireland's traditional political positions, regarded as central to an independent foreign policy line during and after the Second World War, were allowed to get in the way of an economically advantageous *quid pro quo*. Irish politicians have thus expended, but not wasted, substantial time and energy in directing the foreign policy agenda away from the political to the economic. This switch in emphasis was no doubt overdue. It was also considered worthwhile and has undeniably moved Ireland from the geographical periphery to the mainstream of integration.

### Conclusions

In the fifteen years from its creation to its first enlargement, Ireland's relationship with the EEC radically transformed from that of outsider to equal member. Europe became a focal point for government policy despite, perhaps even because of, its experiences. These included the traumatic phase of economic stagnation that occurred during the 1950s, disappointment regarding its utter rebuff by EFTA later that decade, the EEC's outright indifference to its candidacy in the early 1960s, and the AIFTA's express implications for it from the middle of that decade onwards. Once it had domestic and Anglo-Irish affairs in order, it looked further afield towards EC membership with a certain degree of openness, even if a large degree of opportunism – both economic and political – was allied to this determination.

The impact of full membership on all areas of Irish life has been extraordinary. It has been argued here that this has been especially revealing in foreign policy terms. The EEC indisputably played a major role in shifting emphasis away from outdated political considerations to encouraging the government to give the lead in dealing more effectively with the requirements of a rapidly modernising world economy. This direction, which had been lacking for most of the 1950s, burst into life as the result of a number of factors, both internal and external, so that the 1970s opened with Ireland in a reasonably comfortable – and certainly a more confident –

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48. The neutrality issue is a particularly fine instance of the government downplaying, what had been up until the 1960s, a fundamental pillar of Irish foreign policy in return for economic advancement. Another good example was the transformation of its radical agenda at the United Nations into that of a more conformist participant. M. FITZGERALD, *Irish neutrality and European integration, 1960-1972*, in: M. GEHLER and R. STEININGER (eds.), *Die Neutralen und die europäische Integration, 1945-1995*, Vienna, 2000, pp.144-172; J. M. SKELLY, *Irish diplomacy at the United Nations, 1945-1965: national interests and the international order*, Dublin, 1997.

position. It was now ready to take on the responsibilities and face the challenges that would inevitably present themselves. Indisputably, the EEC was central to this set of changes, Ireland experiencing a reformation in its outlook and, in time, how it is itself perceived. Slowly but surely, the Irish learned a valuable lesson; no matter how historic, principled or worthy the politics, the economic periphery can be a very lonely place indeed.

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## Portugal's European Integration Policy, 1947-72

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The role played by Portugal in European integration is relatively unknown, although this country has been a founding member of both the Organisation for European Economic Co-operation (OEEC) and the European Free Trade Association (EFTA), and though it has joined the European Economic Community (EEC) in 1986. Less known yet is the reaction of Portugal to the creation of the Community and its application for associate membership in 1962.

Literature on Portugal and European integration is comparatively underdeveloped in relation to other countries of the European Union. The published works of the politician José Gonçalo Corrêa d'Oliveira, the diplomat José Calvet Magalhães, and the economist José da Silva Lopes are useful starting points, but as Magalhães himself warned "some important facts which explain [Portugal's] approach to European institutions are not registered or sufficiently clarified in the works that have dealt with this subject".<sup>1</sup> These facts will only be known with the publication of work based on archival

1. R.T. GUERRA, A.S. FREIRE and J.C. MAGALHÃES, *Movimentos de Cooperação e Integração Europeia no Pós-Guerra e a Participação de Portugal nesses Movimentos*, Oeiras, 1981, p.35. This collection of articles constitutes the first survey of literature in the field. The contributors were Ruy Teixeira Guerra, José Calvet de Magalhães and António Siqueira Freire who, as career diplomats, played crucial roles in Portugal's relations with Europe from 1948 to 1979. Guerra was ambassador to the OEEC 1948-56, director-general of economic and consular affairs during 1956-64 and head of delegation for both the 1959 EFTA negotiations and the 1972 trade agreement with the EEC. A compilation of Guerra's published and diplomatic work has recently been published; N. VALÉRIO, *Ruy Teixeira Guerra*, Lisbon, 2000. Magalhães was ambassador to the OEEC in 1956-64 and during 1962-64 at the same time ambassador to the EEC and Euratom, director-general of economic and consular affairs in 1964-70 and secretary-general of the Portuguese Ministry of Foreign Affairs in 1970-74. Magalhães also has a distinguished career as a writer and has published relevant articles on the subject of this paper, "Portugal e a integração europeia", in: *Estratégia*, no.4(winter 1987-88), pp.33-74, and "Salazar e a Unidade Europeia", in: *Portugal, España y Europa. Cien años de desafío (1890-1990)*, Mérida, 1991, pp.129-61. Freire was ambassador to both EFTA and GATT during 1966-74 and ambassador to the EEC during 1974-79. The work of the economist Lopes provides the economic background to the articles mentioned. As senior trade official from the 1959 EFTA negotiations onwards, Lopes has written widely and knowledgeably on the subject. His most recent contribution has been "A economia portuguesa desde 1960", in: A. BARRETO, *A Situação Social em Portugal, 1960-1995*, Lisbon, 1996, pp.233-364. Other important works by this author are, *Portugal and the EEC: the application for membership*, in: A. GIRÃO, *Southern Europe and the Enlargement of the EEC*, Lisbon, 1982; and *Portugal and EC membership evaluated*, London, 1993. For the Portuguese government's view, see C. d'OLIVEIRA, *Portugal e o Mercado Comum Europeu*, 2 vols., Lisbon, 1963 & 1967. Corrêa d'Oliveira was a senior trade official from 1944 to 1955, involved in all the major OEEC negotiations, and a member of the Portuguese government from 1955 to 1969, working under the direct orders of Salazar from 1961 to 1965. From 1955 to 1958, Corrêa d'Oliveira was in charge of the OEEC free trade area (FTA) negotiations, under the supervision of the Presidency minister, Marcello Caetano. From 1958 to 1969, Corrêa d'Oliveira was directly responsible for European economic relations as well as for setting up the putative Portuguese Single Market (PSM), a projected free trade area between Portugal and its colonies (see footnote no.34). Corrêa d'Oliveira believed that isolation from Europe would be disastrous for Portugal – a view that would influence his entire political career.

research.<sup>2</sup> The research project *Portugal e a Integração Europeia: uma perspectiva histórica*, co-ordinated by António Costa Pinto and Nuno Severiano Teixeira, and some doctoral theses in the making might shortly change the present situation.<sup>3</sup>

Based on archival sources, this article will seek to provide a brief history of Portugal's official European integration policy up to 1972. The article is divided into four sections which will provide I) an outline of Portugal and Europe prior to the Treaty of Rome, II) a presentation of Portugal's reaction to the Treaty of Rome, which resulted in EFTA membership, III) an explanation of Portugal's application for EEC association in 1962 with the objective of full membership, and IV) a survey on the period from French President Charles de Gaulle's veto to British EEC membership in January 1963 to the signing of the trade agreement between the EEC and Portugal in July 1972. A conclusion on Portugal's European integration policy during the period under consideration will close this article.

### I. Salazar and Post-War Europe, 1947-57

Small, peripheral, and set apart from the rest of continental Europe by Spain, Portugal has rarely played a part in European contemporary history. If Portugal's minor participation in the First World War were momentarily put aside, we would have to go back to the Napoleonic Wars to include the country in any European-wide context. António de Oliveira Salazar, the country's autocratic ruler from 1933 to 1968, believed that geography had excluded Portugal from the main track of European history by providing an ocean through which fulfil Portugal's manifest destiny of exploration, colonisation and migration.<sup>4</sup>

This belief would even result in the initial refusal of Marshall aid in 1947, due to the "prosperity" of the Portuguese economy, in the words of the Foreign minister, and because being involved in the American-aid scheme was not in the "interest of the

2. The main sources of information on Portugal's relations with the European Community are the Lisbon-based Arquivo Nacional - Torre do Tombo (ANTT), the *Arquivo da Presidência de Conselho de Ministros* (PCM) and the *Arquivo Histórico-Diplomático of the Ministério dos Negócios Estrangeiros* (AHD-MNE). The habitual thirty-year rule applies to Portuguese archives with the exception of the AHD-MNE, where documentation may be consulted up to 1974. Other sources can be found in the archives of the industrial associations of Oporto and Lisbon and in parliamentary records. Outside Portugal, the main source of information is the Public Record Office (PRO) in London.

3. The project is compiling a bibliography, a guide of archival sources and an ambitious oral history project in collaboration with the AHD-MNE. Doctoral theses are being prepared by the author at the European University Institute, on *Portugal and European Integration, 1947-1974. From the Marshall Plan to Democracy*, and by Sérgio Rodrigues at the Université de Paris I Pantheon-Sorbonne, on Portugal vis-à-vis the process of European integration in 1960-74.

4. "Circular sobre integração europeia, para as missões diplomáticas do Presidente do Conselho, de 6 de Março de 1953", in: R.T. GUERRA, A.S. FREIRE and J.C. MAGALHÃES, *Movimentos de Cooperação ...*, op.cit., p.64.

country”, in the opinion of the Finance minister.<sup>5</sup> This wishful thinking was echoed by Salazar when he affirmed that “the [post-war] crisis of some of the [European] nations [was] only temporary and superficial”. A problem that, according to the Portuguese ruler, could be solved by calling upon each nation’s “reserves of nationalism” to fight the true causes of the economic crisis: “despondency, indiscipline and sloth”. Africa would provide the necessary “material conditions” for the economic recuperation of Europe – to the point that the old continent would become the “equal partner” of America.<sup>6</sup>

The illusions of the Portuguese government, and especially Salazar’s, would not last long. The worsening balance of trade led Portugal to request financial assistance in the following year, 1948. The recourse to Marshall aid was decisive in the government’s future determination of not being isolated even though it meant sacrificing its autonomous policy. Portugal was a founding member of the OEEC, but had initially showed little enthusiasm. Once the need for financial aid had become imperative, official government policy swung round to defending the Organisation as a privileged forum for conducting a nominally independent European economic policy. Salazar himself considered the OEEC responsible for one of the most “constructive achievements” undertaken in Europe.<sup>7</sup>

The reality for Portugal was more accurately analysed by the Oporto Industrial Association, which recognised in 1957 that “[Portugal’s] foreign trade policy in the last ten years is almost completely a response to the policy dictated by the OEEC”. Should circumstances change within the OEEC, or in its most important member countries, Portugal would have to compromise with these developments; as the Association clearly spelled out – “the circumstance of being a small country in Europe, and at the same time so dependent on Europe forces us to follow closely her politics”. Portugal’s economic policy was inexorably being limited by the OEEC, which according to the Association, has “since its foundation, [prepared] the ground for the formation of big economic areas” and the “plan to co-ordinate policy of member countries (...) has been nothing else but a preliminary experience of what will be an economically united Europe”.<sup>8</sup> Even if this interpretation is open to debate, it is clear-cut that this was a permanent threat the Portuguese government had to face during the 1950s.

In 1951, the Treaty of Paris set up the supranational European Coal and Steel Community (ECSC). The following year the even more ambitious European Defence

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5. J. CAEIRO DA MATTA, *Ao Serviço de Portugal*, 3rd vol., 1951, pp.74-75, and AHD-MNE, 2º P, A 39, M 53, “Parecer João Pinto da Costa Leite, 27 de Agosto de 1947”; respectively.

6. A. SALAZAR, *Discursos e Notas Políticas, 1943-1950*, 4th vol., Lisbon, 1951, “XXVI – Miséria e medo, características do momento actual”, speech of 25 November 1947, pp.293-295.

7. PCM, Estado Novo, Conselho de Ministros para o Comércio Externo (CMCE), NP 118, Súmula (SUM) 58/12, 11 December 1958, p. 3. For a detailed analysis of the impact of the Marshall Plan on Portugal see F. ROLLO, *Portugal e o Plano Marshall. Da rejeição à solicitação da ajuda financeira norte-americana (1947-1952)*, Lisbon, 1994. A briefer account by the same author is, *Portugal e o Plano Marshall: história de uma adesão a contragosto (1947-1952)*, in: *Análise Social*, 4th series, vol.28, no.128, 1994-4º, pp.841-869.

8. *Acêrca da «Comunidade Económica Europeia - Zona de Trocas Livres»*, in: *A Indústria do Norte*, no.451(July 1957), pp.21-22 & 26.

Community (EDC) treaty, which included plans for a European Political Community, was also signed in Paris. The motives behind these two supranational organisations were clear to Salazar: American policy and French weakness. The former, “does not see another political solution for Europe, other than unity through federation”, the latter “adopts the idea to avoid German rearmament”. The idea of a European federation was “repugnant” to the Portuguese people, according to their ruler, because of “their love of independence and the overseas territories”. The Portuguese vocation, according to Salazar, lay in the overseas territories and not in the “disagreements of continental Europe”. If in the face of European pressure to integrate, Portugal had to seek an external link it should be the creation of an “Iberian-American bloc”.<sup>9</sup> Fortunately, for Salazar, the sectorial nature of the ECSC and the demise of the EDC in the French National Assembly in the summer of 1954 appeared to vindicate his decision to maintain “a prudent reserve in the face of these experiences (...) contrary to our fundamental principles”.<sup>10</sup> In January 1956, Salazar still considered that there were “definite disadvantages” in European integration compared to the traditional nation-state and that, in a clear reference to France, “some nations appeared to be fatigued of their existence as independent nations”.<sup>11</sup>

## II. Portugal, the EEC and EFTA, 1957-61

The signing of the Treaty of Rome exposed the misjudgement in Salazar’s thinking that “nothing in European politics is of significant interest to us”, that there were “limits [to the policy] of European co-operation”, and that the Portuguese economy should be under “national command”.<sup>12</sup> Actually, the establishment of a customs union was to have a profound effect on Portugal’s foreign trade.<sup>13</sup> This was a reality accepted by the Portuguese Cabinet, and graphically described by the Foreign minister, Paulo Cunha, when stating that “economic isolation could lead us (...) to an economic catastrophe [and] other [internal] difficulties could ensue, capable of profoundly affecting the future of the Nation”.<sup>14</sup> In the summer of 1957, Budget junior minister Corrêa d’Oliveira informed the Cabinet that “if we are placed in a position of isolation [from the British-proposed free trade area (FTA), this would mean] such a loss in our export trade as to affect our social peace and

9. “Circular sobre sobre integração europeia”, op.cit., pp.61 & 64.

10. A. SALAZAR, *Discursos e Notas Políticas, 1951-1958*, 5th vol., Lisbon, 1959, “VII – O Plano do Fomento”, speech of 28 May 1953, p.121.

11. Ibid., “XVIII – Governo e política”, speech of 19 January 1956, pp.318-320.

12. “Circular sobre sobre integração europeia”, op.cit., p.64.

13. The debate on how Portugal perceived and reacted to the creation of the EEC is largely absent from the literature. The exceptions are, J.D. ROSAS, *O Movimento Económico Europeu: suas incidências na economia portuguesa*, Lisbon, 1957; L.T. PINTO, *Portugal e a Integração Económica Europeia*, Lisbon, 1957 and A. POLICARPO and N. JÚNIOR, *A economia portuguesa (metropolitana e ultramarina) perante o movimento de integração económica europeia*, in: *Económica Lusitânia*, no.12(October-December 1958), pp.43–86.

14. PCM, Estado Novo, CMCE, NP 4, SUM 57/5, 29 March 1957, p.5.

our hopes of economic development".<sup>15</sup> By November 1957, the Portuguese ruler himself recognised publicly that the creation of the Common Market broke the "balance" of trade and that the economic independence of Portugal was "very limited". Furthermore, if Portugal faced by a tariff barrier of the Six had to alter its trade policy, Salazar implicitly accepted that a retaliatory autarkic policy was not "possible" due to the need of promoting "economic development" to counter growing popular dissatisfaction. Salazar admitted that "it will not be possible to act in any way which denies us the economic development called for by the needs and life of our people".<sup>16</sup>

If becoming a member of the OEEC in 1948 seemed a logical step in post-war Europe, the options that Portugal faced in the second half of the 1950s were not so simple. Portugal did not envisage becoming an EEC member both for political and economic reasons. Thus, Portugal adopted the policy of seeking special conditions for its developing economy within any future FTA. Salazar was acutely aware of the vulnerability of Portugal on the world and particularly the European stage. Fear of isolation and a lack of a real alternative provided by either Spain, Brazil or Latin America despite the public façade of political solidarity; the wish to maintain an informal alliance in Europe with Britain; and above all, dependency on European markets forced Portugal to adopt a forthcoming policy in the FTA negotiations. This attitude revealed the importance of the European market for the country's industrial base and overall economic development by the late 1950s and the recognition of these facts by the government.

Non-governmental bodies were of the same opinion. The conclusions of the 2<sup>nd</sup> Congress of Portuguese Industry, held by the Lisbon-based Portuguese Industrial Association in 1957, did not consider any alternative to participating in European economic integration, due to "the high level of external [i.e. European] dependency of the Portuguese economy" although this option would imply industrial reform and the need of safeguards.<sup>17</sup> The leading industries of the north of Portugal were also in favour of European integration. The Report on European integration by the Oporto Industrial Association concluded that if Portugal "were excluded from the common market [i.e. the proposed FTA which included the Six] we would continue being protected by prohibitive customs duties and quantitative restrictions. Our economic production would stagnate rather than develop".<sup>18</sup> Thus both industrial associations coincided in finding no alternative to favouring the European option, which at that point in time meant active participation in an OEEC-wide FTA.

The Oporto Industrial Association, contrary to its southern brethren, did not ignore the political issue behind any form of economic integration, in fact, its first conclusion considered that "the thinking behind integration [exceeds] economic objectives" – "his-

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15. PRO, FO 371/134488, Report of the [Portuguese] Committee appointed by the Council of Ministers to study the question of the Common Market and the Free Trade Area, attached to British embassy to Foreign Office, Lisbon, 17 January 1958, p.8. My italics.

16. A. SALAZAR, *Discursos e Notas ...*, op.cit., 5th vol., 1959, "XXIII – A atmosfera mundial e os problemas mundiais", speech of 1 November 1957, pp.438-440.

17. II Congresso da Indústria Portuguesa, Conclusões, Lisbon, 1957, p.25.

18. *Acêrca da «Comunidade Económica Europeia ...*, op.cit., p.22.

tory demonstrates that economic integration has led to political integration". On the issue of sovereignty, it held a diametrically opposed view to that of Salazar:

"if surrendering economic powers to an organisation of states implies the loss of political power, nowadays the importance of economy in the life of nations has become self-evident, [therefore] the issue has to be faced as a contract. We believe that no country can consider itself to be wounded in its sovereignty, when, freely, it accepts entry into an organisation which can give it advantages and represents an instrument of defence against the threat which hangs over the Western World".<sup>19</sup>

Even though this opinion was expressed in Cold War terms, it was a notable statement, for it ran contrary to Salazar's private and public statements on European integration and national sovereignty. Contrarily to the Portuguese administration, the Oporto Industrial Association had realised that economic growth could "occupy in the national collective psyche (...) the place formerly occupied by the growth of national territory".<sup>20</sup>

The breakdown of the FTA negotiations in November 1958 constituted a serious reverse for the countries that had followed the British lead in seeking to minimise the consequences of the establishment of the Community. In the particular case of Portugal, the special FTA status it sought had already been approved by the corresponding group of experts but had not been discussed by the OEEC inter-governmental committee dealing with the problems of the FTA (the so-called "Maudling Committee" after the appointment of Reginald Maudling as its chairman in mid-November 1957).<sup>21</sup>

It was only in July 1959 that Britain and the Scandinavian countries accepted that Portugal could be a member of EFTA. As they feared that the economic exceptions which Portugal sought would seem to publicly weaken EFTA vis-à-vis the EEC, the solution was a gentlemen's agreement proposed by Trade minister Corrêa d'Oliveira, whereby the concessions to Portugal would remain confidential until the signing of the EFTA Convention.<sup>22</sup> In political terms, the negotiations also were successful for Portugal, considering that Portugal achieved what it had sought from the start, i.e. not having to negotiate by itself with the Six. Corrêa d'Oliveira reported to Salazar that in future negotiations between the Six and Seven, which he believed to be near, "we will be in a guaranteed safe position, because we have the right of veto", concluding that "we are among the group of countries which lead European politics with equal rights without equal obligations".<sup>23</sup>

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19. *Ibid.*, p.26.

20. A.S. MILWARD, *The European Rescue of the Nation-State*, London, 1992, p.41.

21. The status Portugal was about to reach in the FTA negotiations provided the basis for the special status obtained by Portugal in the EFTA Convention. Under Annex G, Portugal was given double the time span of other EFTA members to dismantle tariffs and the right to introduce new tariffs to protect infant industries.

22. ANTT, AOS/CO/EC-17, Pt. 6, telegram, Corrêa d'Oliveira to Salazar, 23 July 1959, p.136.

23. ANTT, AOS/CO/EC-17A, Pt. 4, handwritten comments by Corrêa d'Oliveira to Salazar, dated 6 November 1959, on Guerra's telegram to Comissão Técnica de Cooperação Económica Externa of 2 November, p.186.

### III. Portugal's Application for Associate Membership, 1961-63

On 11 August 1961, less than two years later, the powerhouse behind EFTA, Britain, applied for entry to the European Economic Community. Previously, Portugal's Trade minister Corrêa d'Oliveira had informed the other EFTA members that Portugal would not be seeking EEC membership because the "multi-continental" structure of Portugal and the national "guidelines" behind the constitution and the administration made it "difficult" for the country to enter a supranational organisation. In economic terms, Oliveira considered that even if the favourable EFTA concessions were maintained, the policy of EEC social harmonisation would have more negative effects on the domestic economy than remaining outside the customs union. Despite these objections, Oliveira accepted that a "realistic solution" between Portugal and the EEC needed to be negotiated and that the Portuguese government would be prepared to compromise on common tariffs, specific harmonisation policies and the acceptance of majority decisions in areas where "national interest and (sovereign) rights" were not involved.<sup>24</sup>

By June 1962, Portugal being the last EFTA member to request negotiations with the EEC, the Portuguese government had radically changed its attitude. Having reached the conclusion that a trade agreement under Article 111 of the Treaty of Rome, "would not adequately protect Portuguese interests", the Portuguese Cabinet had decided to negotiate for association with the EEC under Article 238 with a view to full membership, after a transition period that could go up to fifteen years.<sup>25</sup> Worried that the EEC would have difficulties in negotiating successfully with Portugal, due to the authoritarian nature of its government and its colonial policy, Corrêa d'Oliveira informed Lord Privy Seal Edward Heath, responsible for the British negotiations with the Community, that the 1961 Greek Association Agreement "would offer a suitable basis [for negotiation], but Portugal would be asking less", and in particular would not be seeking any financial aid.<sup>26</sup> More important, the Portuguese government was willing to accept that the association agreement would cover only mainland territory during the transition period, after which the initial exclusion of Portugal's Overseas territories would be reviewed. During

24. ANTT, AOS/CO/EC-30, Pt. 2, Portuguese memorandum to EFTA delegations, 5 June 1961, pp.38-42.

25. PRO, FO 371/164716, Sir Robin Barclay, head of the British delegation to the Brussels Conference, to British Ambassador to Portugal, Sir Archibald Ross, 27 June 1962. See also PRO, FO 371/164741, EFTA/C.SR 18/62, 12th Meeting at Ministerial Level, Copenhagen, 21-22 June 1962.

26. PRO, FO 371/164722, FO COMLEE (62) 153, "Record of Conversation with Dr. Corrêa de Oliveira, Portuguese Minister of State", 21 October 1962, unsigned. See also, PRO, FO 371/164721, Sir J. Walker, head of the British delegation to the EFTA ministerial meeting in Oslo, to the British Embassy to Portugal, telegram of 21 October 1962. Greece was the first country to conclude an Association Agreement with the Community (Treaty of Athens, July 1961). The agreement made explicit reference to full membership at a later date.

the interim period, the Portuguese government would seek a waiver in order to avoid the application of the common external tariff to the Overseas territories.<sup>27</sup>

By postponing the issue of membership for the Portuguese colonies for fifteen years, the proposal satisfied the Portuguese Constitution that considered the colonies as Overseas provinces, allowed for the maintenance of the colonial trade preferences and sought to make unnecessary any formal consultation between the EEC and its African associates, since their interests were not affected. This clever solution had been the brainwork of the EFTA Secretary-General, Sir Frank Figgures, at the request of Corrêa d'Oliveira. The second major advantage of postponing the issue for so long was that probably by then both the political and colonial situation in Portugal would be different. Actually, in 1968 Salazar was forced to leave office due to illness and in 1975 the Portuguese colonies became independent after the Democratic Revolution of the previous year, well within the fifteen year time frame of the proposal.

Although Portugal faced increased external difficulties from 1961 onwards, with the annexation of Portuguese Goa by India, the outbreak of colonial war in Angola and intense international pressure from the newly independent African nations, the rationale behind the Portuguese government's change of policy in relation to the EEC, seeking association agreement with the objective of full membership at a later date, lay in the domestic sphere. Internally the regime led by Salazar was noticeably weaker, having faced widespread opposition during the 1958 presidential campaign and an attempted military coup by the Defence minister, Botelho Moniz, in 1961. Although an authoritarian ruler, Salazar was an able politician seeking to maintain his power base, and in April 1962 he admitted that if Portugal did not apply for negotiations with the EEC, "the Portuguese government would put itself in a very difficult position in relation to the country's public opinion".<sup>28</sup> According to Corrêa d'Oliveira this attitude was imposed by the need to guarantee economic expansion to satisfy both Portugal's population and war effort in the colonies.<sup>29</sup> During an EFTA meeting in Oslo in October, Oliveira confirmed to Heath that Portugal sought negotiations for "internal political reasons".<sup>30</sup>

27. PRO, FO 371/16472, EFTA Secretary-General, Frank Figgures, to Portuguese Foreign ministry director-general of economic and consular affairs, Ruy Teixeira Guerra, 13 June 1962; FO 371/164721, Figgures to FO, 9 July 1962; and FO 371/16472119, British delegation to the Brussels Conference to FO, 9 October 1962. Portugal's quest for EEC association with the objective of full membership is well documented in the PRO. The aim of the Portuguese government was stated by Corrêa d'Oliveira both during EFTA meetings and in direct talks with Heath and senior British officials, and repeated to Heath by the Portuguese Finance minister, António Manuel Pinto Barbosa, during a meeting in London on 4 September 1962. Pinto Barbosa elaborated that his government "had in mind economic arrangements on the same lines" as those obtained by Portugal under Annex G of EFTA; PRO, FO 371/164718, COMLEE (62) 110, Call by the Portuguese Minister of Finance on the Lord Privy Seal on September 4 [1962], unsigned.

28. AHD-MNE, Mercado Comum, EOI 210, telegram, Salazar to Portuguese ambassador to Belgium, Eduardo Vieira Leitão, 19 Abril 1962.

29. C. d'OLIVEIRA, *Portugal e o Mercado Comum ...*, vol.I, op.cit., pp.69-70.

30. PRO, FO 371/164721, Walker to FO, telegram of 21 October 1962.

#### IV. From Veto to Trade Agreement, 1963-72

French President Charles de Gaulle's veto to British EEC accession on 14 January 1963 led to the collapse of the attempt by EFTA members to reach an overall agreement with the EEC. Thus, Portugal sought to obtain from its EFTA partners the advantages it had sought in becoming an associate member of the Community.<sup>31</sup> Initially, Portugal had not sought financial aid from the EEC to increase its chances of successfully reaching an agreement. With the demise of these negotiations, the Portuguese government considered that its position as a member of EFTA had been strengthened and therefore that its request for agricultural concessions as well as for financial aid would have to be heeded by the other members, and in particular, by Britain. The satisfaction of these needs did not conceal the fact that British membership of the EEC only was a matter of time, and that Portugal and other members of EFTA would then have to reach an agreement with the EEC.

By the late 1960s and early 1970s, an important sector of the ruling elite was in favour of democracy and European integration. During the celebrations in 1966 of the forty years of the regime, the keynote speech on the Portuguese economy openly defended EEC membership for the EFTA countries because it was a better European "concept" and, in economic terms, integration was superior to cooperation.<sup>32</sup> In 1972, the Minister of State, João Mota Campos, publicly declared that Portugal should seek to extend the EEC trade agreement so "that we can someday overcome present impediments and occupy the place we are entitled to have among the people of Western Europe".<sup>33</sup>

If important sectors of the Portuguese elite were in favour of European integration by the early 1970s, the dominant trend within the regime was opposed to this policy option. Initially, the defenders of the Estado Novo argued that the European and colonial options were complementary and the first strengthened the second. The main advocate of this view within the government was Corrêa d'Oliveira, with the argument that the fact being a co-founder of EFTA in 1960 did not impede Portugal launching the following year the project of a free trade area with the colonies, known as the Portuguese Single Market (PSM).<sup>34</sup> By the end of the 1960s, however, the apologists of a continued colonial policy were to deem European integration

31. PRO, FO 371/171328, Record of conversation, Barclay to FO, 19 February 1963.

32. D. BARBOSA, *Novos Rumos da Política Económica*, in: *Celebrar o Passado, Construir o Futuro, Ciclo de Conferências Promovido pela Comissão Executiva das Comemorações do 40º Aniversário da Revolução Nacional*, Lisbon, 1966, pp.241-243. Barbosa was a prestigious economics professor and member of Parliament, having served briefly as Economy minister from 1947 to 1948. From the beginning of his career, Barbosa was in favour of rapid industrialisation as a means of achieving rapid and sustained economic growth.

33. Quoted in M. PORTO, *Portugal: Twenty years of change*, in: A. WILLIAMS, *Southern Europe Transformed. Political and Economic Change in Greece, Italy, Portugal and Spain*, London, 1984, p.98.

34. PSM was little more than a propaganda device and a stratagem to maintain trade preference once Portugal joined GATT in 1962 at the request of its EFTA partners; see LOPES, *A economia portuguesa ...*, op.cit., p.283 and J.B. MACEDO, C. CORADO and M. PORTO, *Trade Liberalization Episodes in Portugal: An Overview*, Washington, 1986, pp.168-169.

as a rival threat. Although this threat was implicit, with Europe proving a magnet both for the Portuguese economy and Portuguese migration, reality would be a scarce commodity in the colonial argument. In 1970, the hard-line ex-Foreign minister, Franco Nogueira, argued in Parliament that if Portugal were to join the EEC, Portugal would be “colonised by Europe”. Although, Nogueira went on to consider European economic integration “a myth”!<sup>35</sup>

In the same year, a government report on the EEC was to conclude that Portugal had no alternative to negotiating an agreement. Written by a committee chaired by Ruy Teixeira Guerra, with José Calvet de Magalhães, and José da Silva Lopes among its members, the report recommended the government to maintain the objective of the 1962-63 negotiations, i.e. associate membership of the EEC.<sup>36</sup> The advice was to be rejected in favour of a trade agreement. Salazar’s weak successor, Marcello Caetano, understood that the EEC would only be prepared to negotiate a trade agreement due to Portugal’s continued colonial policy. Caetano was opposed to Community membership on political grounds, although, in public, he rejected EEC entry solely on economic grounds, considering that Portuguese agriculture, industry and trade would not survive. According to Caetano, “we did not ask, did not want, nor did it suit us to have any form of entry into the Common Market”, deliberately overlooking the possibility of signing an association agreement.<sup>37</sup> Salazar thus proved to be more adaptable in European affairs than his successor, since he was prepared to negotiate an association agreement after 1962 while Caetano only favoured a trade agreement, which was finally signed in July 1972, and ratified by the Portuguese Parliament in December.<sup>38</sup>

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35. Nogueira’s parliamentary intervention is published in J.M.T. CASTILHO, *A Ideia da Europa no Marcelismo (1968-1974)*, Lisbon, 2000, pp.335-343. This recently published work, without the benefit of access to archive sources, gives an excellent history of the contradictory relations of the Caetano government with Europe. For an economic justification of Nogueira’s argument see P. XAVIER, *Portugal e a Integração Europeia*, Lisbon, 1970.

36. “Relatório da Comissão de Estudos sobre a Integração Económica Europeia”, Lisbon, September 1970, mimeo, pp.136-139. This report is available in the Archive Library of the Arquivo Histórico-Diplomático.

37. M. CAETANO, *As Grandes Opções*, Lisbon, 1972, p.33.

38. Some authors, like J. Cravinho, consider that Portugal “got a rough deal” in the 1972 EEC trade agreement with exceptions, as Lopes points out, to the general rule of free trade affecting forty-five per cent of Portuguese exports; Characteristics and Motives for Entry, in: J.L. SAMPEDRO and J.A. PAYNO, *The Enlargement of the European Community, Case-Studies of Greece, Portugal and Spain*, London, 1983, p.135, and LOPES, *A economia portuguesa ...*, op.cit., p.277. According to Guerra the 1972 Portugal-EC trade agreement was regarded by the hard-line faction of the Salazar regime as containing the risk of “political infection (...) prejudicial to the overseas pledge”, quoted in R.T. GUERRA, A.S. FREIRE and J.C. MAGALHÃES, *Movimentos de Cooperação ...*, op.cit., p.21.

## Conclusion

The hostility of the Portuguese Premier Salazar towards European supranational organisations was not only the consequence of his nationalistic ideology but also due to the perceived threat they represented to his autocratic regime. Salazar was aware that if the concept of European integration gained popularity in Portugal it would lead to pressure in favour of democracy. By the same token, Salazar was worried that if the concept of federalism gained adepts in Portugal, as the logical evolution of a unified Empire, it would reduce his autocratic power and ultimately question the regime itself. Portugal's European policy, Magalhães believes, resulted from the "personal initiative" of Corrêa d'Oliveira, who managed to obtain the "resigned" support of Salazar.<sup>39</sup> It would be churlish to deny the importance of Corrêa d'Oliveira, yet Portugal was already a member of the OEEC before Corrêa d'Oliveira reached office in 1955, and was to sign a trade agreement with the EEC after he left office in 1969.

The active policy of the Portuguese government regarding European integration was, in political terms, an attempt to maintain its external economic relations at the intergovernmental, not supranational level. This led the government to seek FTA membership first and then EFTA membership, judging that if Portugal were left out in the cold it would be dangerous not only to the domestic economy but also to its political regime. As a member of EFTA, the Portuguese government believed that in future negotiations with the EEC it was in a safe position. The second objective of the Portuguese government pursued with the FTA and EFTA membership was to guarantee economic development. By the late 1950s the Portuguese government faced increased domestic pressure, which should be encountered with a successful European policy.

Britain's request for EEC membership in 1961 exposed the fallacy of the Portuguese government's expectations on maintaining foreign economic relations at the intergovernmental level through EFTA membership. Salazar and his cabinet implicitly accepted the failure of their early views by deciding that EEC association was the best policy option to protect Portuguese interests, guarantee economic expansion and finance the colonial war. Such was the desire of the cabinet to negotiate successfully with the EEC that it was prepared to exclude the colonies from membership during a prolonged transition period and was ready to accept less favourable terms than those negotiated by Greece. The option in 1972 for a trade agreement reflected both the increased international isolation of the Portuguese government due to its continued colonial policy and the intransigent opposition of Salazar's successor, Caetano, to EC membership. In 1977, less than five years later, Portugal finally applied for full membership, after democracy had been re-established in 1974 and the colonies had become independent.

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39. R.T. GUERRA, A.S. FREIRE and J.C. MAGALHÃES, *Movimentos de Cooperação ...*, op.cit., p.53. This constitutes an opinion shared by the main writers on this period. Rollo provides a useful synopsis of Salazar's thinking on European integration and challenges previous accounts by arguing that Salazar was flexible on his European policy when necessary; "Salazar e a construção europeia", in: *Penélope*, no.18(May 1998), pp.51-76.



## The Reliable Ally: Germany Supports Spain's European Integration Efforts, 1957-67

*Birgit Aschmann*

In the summer of 1965, the German ambassador to Madrid, Helmut Allardt, in his annual report of the bilateral relations, wrote that “the Federal Government in spite of the danger of being suspected of reviving fascist alliances (...) has contributed to leading Spain out of its isolation. And when today Spain’s relations with the Common Market are brought up for discussion in Brussels, so besides France the Federal Republic as well may consider itself as a sponsor of this development”.<sup>1</sup> In the meantime it has generally been acknowledged in literature, that the Federal Republic of Germany stood by Spain’s side in its striving for European integration as a “reliable and lasting ally”.<sup>2</sup> So it is all the more striking that up to now, it has scarcely been analysed how this German support actually came to fruition.

Existent publications on the European integration history of Spain if at all, barely touch upon the important role of the Federal Republic, whereas analyses of the German-Spanish bilateral relations mostly neglect the European issue.<sup>3</sup> Thus, there is no survey so far, which on the basis of German records would deal with the question of

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1. Politisches Archiv des Auswärtigen Amtes (PAAA) IA 4/319, "Spanisch-deutsche Beziehungen", enclosure No.7 of the report sent by the German embassy in Madrid on 7 July 1965.
  2. M.T. LA PORTE, *La política europea del régimen de Franco 1957-1962*, Pamplona, 1992, p.155, which is one of the few existing scientific studies on General Francisco Franco’s EEC policy.
  3. On the early policy of Franco post-1945 Spain towards Europe with emphasis on the economic aspects, Fernando Guirao is authoritative, *Spain and the Reconstruction of Western Europe, 1945-1957. Challenge and Response*, London, 1998. Also in the publications on the early stages of the Spanish EEC-policy, the economic policy is central for Guirao, “*Solvitur ambulando*”: *The Place of the EEC in Spain’s Foreign Economic Policy, 1957-1962*, in: A.S. MILWARD and A. DEIGHTON (eds), *Widening, Deepening and Acceleration: The European Economic Community 1957–1963*, Baden-Baden/Brussels, 1999, pp.347-58. On this phase of the Spanish EEC-policy see besides La Porte also A. MORENO JUSTE, *España y el proceso de construcción europea*, Barcelona, 1998 and *Franquismo y construcción europea (1951-1962). Anhelo, necesidad y realidad de la aproximación a Europa*, Madrid, 1998. Besides there is a series of writings by politicians or officials, who have directly participated in the Spanish integration process and are now presenting their memories – completed by literature and records –, for instance R. BASSOLS, *España en Europa. Historia de la adhesión a la CE 1957-1985*, Madrid, 1995, or F. ÁLVAREZ DE MIRANDA, *Del «contubernio» al consenso*, Madrid 1985. On the German-Spanish relations see B. ASCHMANN, *Treue Freunde? Westdeutschland und Spanien 1945-1963*, Stuttgart, 1999 (with the hitherto sole considerations on German support of the Spanish EEC-policy, cf. pp.286-311) and the research (*Magisterarbeit*) by P.M. WEBER, *Spanische Deutschlandpolitik 1945-1958. Entsorgung der Vergangenheit?*, Frankfurt am Main, 1992. An abridged version of the latter account is available in Spanish, *Política española hacia Alemania, 1945-1958: El impacto político y económico de las relaciones hispano-alemanas*, in: W.L. BERNECKER (ed.), *España y Alemania en la Edad Contemporánea*, Frankfurt am Main, 1992, pp.209-31. Finally the essay by C. COLLADO SEIDEL, *En defensa de Occidente. Perspectivas en las relaciones del régimen de Franco con los gobiernos democristianos de Alemania (1949-1966)*, in: J. TUSELL, S. SUEIRO, J.M. MARÍN and M. CASANOVA (ed.), *El régimen de Franco (1936-1975). Política y Relaciones Exteriores*, Madrid, 1993, pp.475–492. For their publications on the German-Spanish history Weber as well as Collado Seidel consulted only Spanish records.

how and why the Germans did support the European interests of the Spanish government. This essay intends to contribute to filling this gap.

After a short description of earlier efforts, the first part of this article will retrace chronologically to what extent the Germans supported the Spanish cause, particularly after the Spanish government in a letter by minister of Foreign affairs Fernando Castiella had applied for association to the European Economic Community (EEC) on 9 February 1962. This longitudinal section ends in 1967, when a new chapter of Spanish efforts at integration opened with the taking up of official negotiations between Spain and the European Commission. The second part will bring out the most important reasons that induced the Federal Government to co-operate with Spain in spite of the latter's non-democratic political system and the potential risk involved of compromising themselves owing to the Franco regime's incriminating past.

### Spanish Efforts for Integration and German Assistance

Spain, as a former ally of national-socialist Germany first was denied admission not only to political but also to economic international organisations of the Western world. This was of significance for Spain in so far as the political stability of the Franco regime depended on its economic prosperity, which in turn was conditional on a flourishing trade particularly with the West-European economic area. In order not to miss completely the chance of participating in the integration movement of the West-European nations, growing more intensive in the 1950s, which would have brought about massive economic disadvantages, Spain first approached the Organization for European Economic Co-operation (OEEC).<sup>4</sup> When in the late 1950s Spain decided to apply first for association, then for full membership with the OEEC, the Federal Republic proved to be a determined supporter of the Spanish efforts. Whereas other European countries still were sceptical about an association of Spain, the Federal Government pleaded already in 1956 for the full membership, even if this was first put off in favour of a more realistic association.<sup>5</sup> The Federal Government was not willing to consider Franco's system of government as an obstacle to Spain's integration. "There is no obvious cause for giving up this line for political reasons".<sup>6</sup> However it seems that the Germans did not fail completely

4. Spain's first official dealings with this organisation resulted from an invitation in 1955 to participate in the OEEC activities in the field of agriculture and food. On this episode and Spain's participation in the so-called *Green Pool* initiative for establishing a European Agricultural Community, see F. GUIRAO, *Spain and the Green Pool: Challenge and Response, 1950 to 1955*, in: R.T.GRIFFITHS and B. GIRON (eds.), *The Green Pool and the Origins of the Common Agricultural Policy*, Bloomsbury, 1995, pp.261-288. On motives and stages of the Spanish OEEC-policy, which cannot be dealt with in detail here, see F. GUIRAO, *Spain and the Reconstruction of Western Europe*, op.cit., pp.131 ff.

5. On the position of the German government representatives to the OEEC on Spanish integration, see Bundesarchiv (BA) B 102/11150: "Bericht zur chronologischen Entwicklung der Beteiligung Spaniens an den Arbeiten der OEEC", drawn up at the Federal ministry of Economy on 16 August 1956.

6. BA B 146/734: Letter to the German representation to the OEEC, 21 September 1956.

to notice the politically explosive nature of a close German-Spanish co-operation in European questions, as the Federal Government typically enough preferred to proceed "as discreetly as possible" with its commitment.<sup>7</sup>

After Spain's association with the OEEC was achieved in January 1958, the Federal Government thought it important to continue promoting the relations between the OEEC and Spain. In personal talks, the German minister of Economics Ludwig Erhard encouraged the Spanish minister of Commerce Alberto Ullastres to intensify the integration efforts and affirmed that the Federal Government was willing "to help Spain effectively (...) and to see to it that the other OEEC powers would do the same".<sup>8</sup> When in 20 July 1959 Spain finally became the 18<sup>th</sup> full member of the OEEC, the German delegate to the OEEC declared in the name of his government, that only with the accession of Spain that was culturally, economically and politically a vital part of Europe, the OEEC actually deserved the name of a European institution.<sup>9</sup>

Spain's integration efforts reached a decisive stage, when Foreign minister Castiella after careful consideration applied for association to the EEC on 9 February 1962.<sup>10</sup> The Federal Government was not caught unprepared by this development; after all the Federal ministry of Foreign affairs had started to ponder "on the political and economic aspects of Spain's entry into the EEC" at the end of January 1962.<sup>11</sup> As the Federal ministry of Foreign affairs always had pleaded for a really close connection of Spain to Europe, and as Foreign minister Heinrich von Brentano had already stressed the possibility of association with the EEC in 1958, Castiella's letter was very well received.<sup>12</sup> Nonetheless the German reaction towards Spain was not euphoric at all, but on the contrary rather restrained.

7. PAAA Referat (Ref.) 412/234: "Allgemeine Instruktionen für Botschafter Karl Heinrich Knapstein", 7 September 1956.

8. PAAA Ref. 206/88: "Unterredung mit Bundesminister Erhard", minutes by the of which intentions were really hidden German ambassador to Madrid, Wolfgang Freiherr von Welck, 6 May 1959.

9. BA B 102/11150: Report by ambassador Sebastian Werkmeister, head of the German delegation to the OEEC, to the Federal ministry of Foreign affairs, 23 July 1959.

10. The wording of the application is reproduced in English in F. GUIRAO, *Association or Trade Agreement? Spain and the EEC, 1957-64*, in: *Journal of European Integration History*, Vol.3/1(1997), pp.103-120. Guirao (p.120) looks into the question of which really intentions were hidden behind the wording of the application. On the genesis of the Spanish application also see F. GUIRAO, *The Origins and Nature of the First Spanish Application to the European Economic Community*, in: *La Unión Europea en los albores de un nuevo siglo*, Madrid, 1997, pp.31-45.

11. This was the title of a report by Ministerialdirektor Josef Jansen on 22 January 1962; PAAA Ref. 206/167. No indication has been found that the Germans were directly involved in deciding on the Spanish application and its formulation. It is however conspicuous, that the wording of the Spanish application practically corresponds verbatim with formulations found in the records of the Federal ministry of Foreign affairs.

12. On the statements of von Brentano, see PAAA Ref. 206/163: "Besuch des Bundesministers des Auswärtigen Amtes in Spanien, here: Spanien und die EWG", record by Ulrich von Rhamm, official at the Federal ministry of Foreign affairs, Bonn, 17 March 1958. The minister had been advised to show greatest restraint on questions concerning the EEC. On the positive statement of the Federal ministry of Foreign affairs concerning the actual Spanish application, see PAAA Ref. 206/167: "Spaniens Antrag auf Assoziierung an die EWG", record by Jansen, 15 February 1962.

Particularly Erhard's response was far more restrained than the Spanish wanted to admit. When the Spanish minister of Finance Mariano Navarro travelled to Bonn in February 1962 and was quite confident in his talks with Erhard, that the Spanish request would be dealt with rather quickly, the German minister of Economics dryly pointed out to him that anything but a swift handling of the Spanish application was to be expected, on account of bureaucratic obstacles, as well as the British application, which had priority and political reservations of some member countries.<sup>13</sup> The evolution of events was to show that Erhard was right. Even the steady support from the Federal Republic was not able to accelerate the procedure. The struggle alone for a first reply to the Spanish EEC-application letter gave an idea of how problematic the *Spanish question* continued to be on the European level. Although Germany and France pronounced for a positive answer, the Benelux countries put through that the Spanish application was confirmed in March 1962 by a simple acknowledgement of receipt, which the Spanish administration considered a "frosty" reaction.<sup>14</sup>

At a symposium of the European Centre for Documentation and Information (CE-DI) at El Escorial, Madrid, the minister of Federal Council Affairs, Hans-Joachim von Merkatz announced in the very summer of 1962, that the Federal Government did not identify itself with the negative attitude of the Community. To the delight of his audience, he spoke of the "admiration and respect" felt by the German people regarding the historical achievements and sacrifices of the Spanish people. He declared that the accession to the EEC not only was possible, but that it was over and above necessary, as Europe would "disown its identity without the Spanish contribution, because Spain belonged to Europe on the basis of its history, its religious faith and its sense of honour".<sup>15</sup> The lack of democracy characterising the Franco state did not carry great weight with the members of the CEDI; it came second to the effort of strengthening the Christian West against the supposed Bolshevik aggressor.<sup>16</sup> The CEDI presented itself as a cultural meeting place for like-minded people and from the 1950s it also crystallised as a political forum, where meetings of statesmen could be arranged, when official talks

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13. PAAA Ref 206/167: "Besuch des spanischen Finanzministers Navarro Rubio 19.-24.2.1962", record by Allardt, then director of the economic department of the Federal ministry of Foreign affairs, 20 February 1962.
  14. On the feelings of the Spanish administration see R. BASSOLS, *España en Europa*, op.cit., p.44. On the efforts of secretary of State Rolf Lahr to send the Spanish government a more positive answer, see PAAA Ref. 206/167: Report by department 2, 30 March 1962.
  15. PAAA Ref. 206/162: Report by ambassador von Welck about the XI CEDI Conference, Madrid, 3 July 1962.
  16. On the CEDI see B. ASCHMANN, *Treue Freunde?*, op.cit., pp.427-435. On the circumstances of the its foundation as well as on its structure, see in particular A. MORENO JUSTE, *El Centro Europeo de Documentación e Información. Un intento fallido de aproximación a Europa, 1952-1962*, in: J. TUSELL, S. SUEIRO, J.M. MARÍN and M. CASANOVA (eds.), *El régimen de Franco*, op.cit., pp.459-474. Even if Moreno Juste declares the attempt on the whole failed to initiate via the CEDI a specific EEC-policy, he must nevertheless admit that up to a certain extent the CEDI succeeded in propagating a favourable image of Spain or in taking influence on some politicians. On the mental orientation of CEDI-members also see P.M. WEBER, *El CEDI: promotor del occidente cristiano y de las relaciones hispano-alemanas de los años cincuenta*, in: *Hispania*, vol.LIV/3, No.188, September-December 1994, pp.1077-1103, which presents in Spanish the findings of Weber's dissertation concerning the CEDI.

were thought to be inopportune. Thus statements made by foreign ministers in this panel traditionally enjoyed the status of a personal comment made by the private individual, but they were also regarded as representative of the opinion of the home government. Therefore the statements of Merkatz were taken as seriously as those uttered by Federal minister for Housing, Urban development and Environmental planning, Paul Lücke, during his official mission in Madrid in June 1963.

Exactly like his cabinet colleague, Lücke as well did not call the favourable attitude of the Federal Government into question: it was “more than equitable, that the Spanish requests for association with the Common Market should be acknowledged and complied with”, and that the Federal Government should “do its utmost to back this application”.<sup>17</sup> Even Erhard had promised the Spanish minister of Industry Gregorio López Bravo, who had come to Germany in order to seek “personal advice from Prof. Erhard as the great authority”, that the Federal Republic would continue supporting most strongly the Spanish application for association.<sup>18</sup> All in all the German government representatives had been signalling in unison their support of the Spanish application since it was put forward to the EEC authorities, support which however had not yet materialised beyond the - vain - efforts to put through a favourable reply to the application letter of 9 February 1962.

In the spring of 1964 the Federal Republic was given the opportunity to prove the seriousness of its untiring declarations of support towards Spain. After the Community institutions in 1962 had been dealing to a large extent with the British application, temporarily dismissed in the beginning of 1963 because of the French veto, the Spanish were anxious to prevent their issue from being forgotten. So they asked the ambassadors of France and Germany in Madrid to intercede on behalf of a quick decision in the EEC Council. Even before the Spanish ambassador to the EEC in a letter on 14 February 1964 officially reminded the president of the Council of the application, the German and French delegates prepared the ground by pleading for a positive answer in the Committee of permanent representatives of the EEC in Brussels.<sup>19</sup> Although the Federal Government was not very optimistic about the prospects of success and had a long time been of the opinion that forcing the debate would not be advisable in view of the negative attitude of Belgium, it was henceforth beyond all question for them that Spain's initiative should be sup-

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17. PAAA Ref. 206/180: Report by ambassador von Welck to the Federal ministry of Foreign affairs, 19 June 1963.

18. PAAA Ref. 412/353: Record of 30 May 1963 by Werner Seldis, Director of the economic service of the German embassy in Madrid, accompanying the Spanish minister of Industry on a journey to the Federal Republic from 2 to 10 May 1963.

19. PAAA IA 4/281: Report by Otto von Stempel, in charge of matters concerning the European Coal and Steel Community, EEC and Euratom at the ministry of Foreign Affairs, 14 February 1964. The account was drawn up on the occasion of the forthcoming journey of the President of the *Bundestag* to Madrid. As it was written the very day, when Spain brought up again the issue of its 1962 application, without referring to it, it may be assumed that the Spanish action had not been arranged with Bonn. Concerning the French-German co-operation, cf. B. ASCHMANN, *Partner in der Projektion: Die deutsch-französische Kooperation zugunsten einer EWG-Integration Spaniens*, in: *Historische Mitteilungen*, 12(1999), Heft 2., pp.262-274

ported on the part of Germany, as it had been promised again and again. In concrete terms, they had to succeed in reaching agreement on a reply to the Spanish application that would leave open as large a room for negotiations as possible. Even if association could not be guaranteed, it should at least not be excluded from the beginning, as Belgium or the Netherlands had been asking for. In order to reach agreement on a draft written on German initiative, which kept the possibility open for Spain to associate with the Community, German diplomats contacted the governments of the Six in the forerun to the talks of the Commission scheduled for 25 March 1964.<sup>20</sup> Whereas the Italian ministry of Foreign affairs reacted sceptically with reference to the socialist coalition partner who rejected any form of Spanish participation in EEC business, the officials in the Belgian, Dutch and Luxembourg ministries promised to support the German proposal. How worthless these promises were turned out when at the Council meeting neither the Dutch nor the Belgian delegate could remember their pledge and asked instead, against all prior arrangement, for a clarification to be put into the reply, which from the start would exclude association with the EEC.<sup>21</sup> At the end of the debate the president of the Council Paul-Henri Spaak promised to formulate a reply on his part, which could serve as a basis for further discussion. For the Federal Government this result was a bitter setback. They let the ministries of Foreign affairs in The Hague and Brussels know their disappointment, as they had relied on their support.<sup>22</sup> The gratitude of the Spanish government that had appreciated “how warmly” especially the German delegate had supported the Spanish request was the only comfort for the Federal Government’s fruitless efforts.<sup>23</sup>

As Spaak fell ill, he needed more time than planned for drafting a reply to the Spanish government. Only in the beginning of June, the affair was put on the agenda of the Council of Ministers again. In the meantime there were frequent contacts between the Federal Government and the Spanish embassy in Bonn, which kept the Germans precisely informed of the Spanish views. Via the representation in the Committee of permanent representatives in Brussels, which was responsible for preparing the discussion about the drafts finally presented by Spaak, the Federal Government acted as a spokesman for Spanish interests.<sup>24</sup> This effort was success-

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20. The draft of a reply worked out by the Federal ministry of Foreign affairs read: “I have the honour of informing you that the Council of Ministers of the EEC has invited the Commission to start exploratory talks with the Spanish government on the organisation of economic relations between Spain and the EEC, in particular on the economic difficulties resulting from the existence of the EEC”. PAAA I A 4/283: Jansen to the EEC representation of the Federal Republic in Brussels, 17 March 1964. According to Jansen’s instructions, the French ambassador was to give his opinion on the proposal beforehand.
  21. PAAA I A 4/283: Report on the EEC Council session of 25 March 1964 by ambassador Peter Günther Harkort, head of the permanent representation of the Federal Republic to the EEC, Brussels.
  22. PAAA I A 4/283: Instructions by Jansen to inform the ministries of Foreign affairs in The Hague and Brussels of the Federal Government’s disappointment, 1 April 1964.
  23. PAAA I A 4/283: Statement of the director-general for European affairs at the Spanish ministry of Foreign affairs, Fernando Olivié, telex of 26 March 1964.
  24. PAAA I A 4/283: Heinz Voigt, from the department of Spanish affairs at the Federal ministry of Foreign affairs, to the German embassy in Madrid, telex of 27 May 1964.

ful in so far as finally in the course of the meeting of the Council of Ministers on 2 June 1964 agreement could be reached on a wording that did not expressly exclude association.<sup>25</sup>

Under the pretext of wishing to express his thanks immediately, the *chargé d'affaires* of the Spanish embassy in Brussels, José Manuel Abaroa, visited the German embassy on the following day. In the end he was interested in learning details about the course of the meeting and in passing on Spanish ideas regarding the organisation of the prospective exploratory talks.<sup>26</sup> For the time being however the Federal Government saw no possibility of influencing this process. They rather thought that it was now up to the Spanish to stress in the preliminary talks the economic necessity of an association; even if within the Federal ministry of Foreign affairs the Spanish association request was hardly given any prospects of success. The Federal Government wanted first to wait for the presentation of the Commission's account on the talks with the Spanish delegation before supporting again actively the issue.<sup>27</sup> However this took a long time.

After the first meetings in December 1964 and February 1965, the talks began to flag, first because of the catalogue of questions, which the Commission asked the Spanish to answer, then also because of the French blockade of the EEC-policy. The crisis triggered off by the *policy of the empty chair* in July 1965 was only settled in January 1966 with the so-called *Luxembourg compromise*. Only then the Spanish EEC-application was granted attention again. In bilateral talks Spain tried hard to gather support for a favourable solution. The first capital to be visited by the former minister of Commerce Ullastres appointed Spanish ambassador to the EEC in 1965, on his tour of the EEC countries, was of course Bonn, where he paid visit to Lahr, the secretary of State for Foreign affairs on 3 March 1966. Lahr confirmed Ullastres in his intention to dispel as soon as possible existing political or economic doubts in bilateral talks with the foreign ministers of the Six and advised him to discuss afterwards the arising questions in detail mainly with the German members of the EEC Commission.<sup>28</sup> A more intensive German-Spanish exchange took place during a working meeting at the Ministry of Foreign Affairs in Madrid, where the Spanish intimated that their patience had been terribly strained because of the long waiting period. With an unambiguous dig at the countless empty promises made by the Germans, the Spanish reminded that "it was now up to the friendly nations to support actively the Spanish request in Brussels and not to content themselves with paying lip-service".<sup>29</sup>

25. The compromise solution addressed to the Spanish government went now: "The Council of Ministers examined the letters which you addressed to its President on 9 February 1962 and 14 February 1964 concerning the links to be established between Spain and the EEC. In accordance with its policy pursued, the Council is willing to authorise the Commission to take up talks with the Spanish government in order to examine the economic questions arising for Spain from the development of the EEC and to look for suitable solutions". PAAA I A 4/283: Harkort to the Federal ministry of Foreign affairs, Brussels, telex of 2 June 1964.

26. PAAA I A 4/283: Harkort to the Federal ministry of Foreign affairs, telex of 3 June 1964.

27. PAAA I A 4/318: "Jahresbericht 1964", by ambassador Allardt, Madrid, 19 January 1965.

28. PAAA Ref. 412/526: Report by Harkort, 4 March 1966.

Spain expected the EEC Council of Ministers to authorise the Commission to take up now regular negotiations with Spain within the next months. The German delegates promised that the Federal Government would adopt the Spanish request. At the inter-governmental conference of 13 June 1966, the German Foreign minister actually tried to speed up the handling of the Spanish application by proposing to ask the Commission to present an account on the course of the exploratory talks with Spanish-government officials by the end of July. When the Commission refused this deadline too short to draw up a written account, Foreign minister Gerhard Schröder could at least achieve, that an oral general report should be demanded for July.<sup>30</sup> The Federal ministry of Foreign affairs did not intend to overrate this procedural success, after all Italy and the Benelux-countries had not changed their disapproving attitude.<sup>31</sup> At least the delegate of the EEC Commission gave the Council as agreed an account on the state of the negotiations on 22 July, but again the written report promised for October was a long time in coming. When at the end of October high-ranking Spanish officials called on secretary of State Lahr, the account was not yet available. The Spanish handed over a memorandum to the secretary of State with which the Spanish government had tried to bring its influence to bear on the work of the Commission. They withheld from their German interlocutor the request of the Commission, not to pass on this document to the governments of the member states, so as not to tempt them to influence the judgement of the Commission.<sup>32</sup> The secretary of State thanked the Spanish officials for their confidence and promised to ask at the Council session the following day that the Commission's report should be presented without delay and that the issue should be handled at the next Council meeting in November. The German proposals apparently fell on fertile ground: On 23 November 1966 the Commission actually presented to the EEC Council its account on the exploratory talks with Spain.

With regard to further proceeding the Commission brought up for discussion three models, with the first proposal amounting to an association – without explicitly mentioning it. The German ministry of Foreign affairs classified this solution as “unquestionably the best”.<sup>33</sup> As the possibility of an association would have found no support among the EEC partners, it had to be ruled out. The third model, which proposed a limited trade agreement, was rejected by the Germans as well as by the

29. PAAA I A 4/391: “Arbeitsbesprechung im spanischen Aussenministerium am 29.3.1966”, note by Richard Breuer, head of the economic section of the German embassy in Madrid, attached to a report from the embassy of 13 April 1966.

30. PAAA I A 4/342: “Spanien und EWG”, report by Stempel, 15 June 1966.

31. PAAA I A 4/342: Stempel to the embassy of the Federal Republic of Germany in Washington, 7 July 1966.

32. PAAA I A 4/343: “Das Gespräch des Herrn Staatssekretärs mit Herrn Generaldirektor für Wirtschaftsangelegenheiten im spanischen Aussenministerium, Don Faustino Armijo, Herrn Generaldirektor für Internationale Organisationen, Marqués de Nerva, und dem spanischen Botschafter in Bonn, Herrn [José Sebastián] de Erice, am 25.10.1966 im Auswärtigen Amt”, minutes by Stempel.

33. PAAA I A 4/343: “Beziehungen EWG–Spanien. Stichwortartige Stellungnahme zum Bericht der Kommission an den Rat über Sondierungsgespräche mit Spanien vom 23.11.1966”, note by Stempel, 2 December 1966.

Spanish. The second model was consequently the most realistic: It planned a two-tier procedure with decisive steps towards a customs union occurring only in a second stage. For the Spanish the difficulty consisted in the fact, that the transition from the first to the second level would not occur automatically at all, but only by mutual consent; moreover in the first stage, the preferential regulations would alone profit industrial products. Again the Germans tried to put through on behalf of the Spanish that also the agricultural produce, which constituted such an important part of Spain's export trade, could enjoy increasing customs preferences. According to the mandate, on whose basis the negotiation with Spain started in 1967 and finally led to the signing of a preferential trade agreement in June 1970, agricultural commodities were also taken into account in the determination of the preferential customs duties of the first stage, but only in an extremely limited extent of seven per cent of the Spanish agricultural exports. Thus obviously German influence was on the whole rather limited until 1967.

On six occasions the Germans had interceded on behalf of the Spanish after their original 1962 application for association – with varying degrees of success. Their striving for a favourable reply had been an outright failure. First, against the German vote in 1962 a simple acknowledgement of receipt had been decided on, then in 1964 the Germans, in the course of the campaign for their own draft had to suffer a downright diplomatic defeat, when the Dutch and the Belgians contrary to prior arrangement suddenly voted against the German proposal. Certainly the efforts deployed afterwards were crowned with success, when the possibility of association at least was not excluded from the beginning and when the exploratory talks in 1966 were scheduled according to the German proposal.

On the whole two things are striking: first, the results the Germans achieved for the Spanish were not in the least spectacular, but on the contrary rather modest. Even the consideration of seven per cent of the Spanish agricultural exports, which the Federal Government had been able to put through during the 1967 discussion about a preferential trade agreement could, by no means, come up to Spanish expectations. The mere fact, that after two further years the rate of the agricultural exports to be taken into consideration was raised to sixty-three per cent, shows how frankly ridiculous the first quota had been.<sup>34</sup> Particularly as the German commitment in that precise field was all but selfless, after all the German economy also benefited from a favourable solution. Secondly, it is conspicuous that German involvement became perceptible, only when the Spanish explicitly asked for support beforehand. As a rule, the Germans did react promptly to the Spanish requests, but obviously never hit on the idea of acting on their own initiative. In 1964, the Germans even refused the indirectly expressed request of the Spanish to bring an influence to bear on the exploratory talks, so that from 1964 to 1966 nothing happened in this issue, until the Spanish again asked for an active commitment.

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34. This increase occurred in the course of the second mandate the Council of ministers gave to the Commission on 17 October 1969. On this basis the negotiations on the preferential trade agreement progressed quickly. After Spain had been able to obtain concessions on certain points, the agreement was ready to be signed in June 1970.

Compared with the vociferous pro-Spanish rhetoric, which unceasingly repeated that Germany was a reliable ally supporting the European integration efforts of Spain, the actual result is surprisingly meagre. The key to the understanding of this discrepancy lies in the analysis of the Federal Government's motives.

### German Motivations

The Federal Government had economic as well as political reasons for supporting the Spanish EEC-policy. As far as the economic aspects are concerned: If Spain did not participate in the European economic unification that was progressing, the Spanish agricultural produce were likely to become more expensive for the German consumer because of the common external tariffs applied by the EEC States, which were clearly higher than the former bilaterally negotiated tariff rates. Given the fact that fifty-five per cent of the German orange imports came from Spain, whereas only eight percent were imported from Italy, a price increase of the Spanish products did not meet the needs of the German market.<sup>35</sup> In addition lower sales of Spanish oranges abroad would lead to a drop in Spanish earnings of foreign exchange, which would reduce the Spanish purchasing power and hence the exportations of German industrial products to Spain. The minister of Commerce Ullastres intimated to a delegation of German industrials that such consequences would have to be seriously reckoned with. If Spanish agricultural produce continued to be disadvantaged, it was not to be ruled out that German products soon could only be admired at Spanish trade fairs or exhibitions, but no longer be bought.<sup>36</sup> Thus already for practical economic considerations, the Federal Republic, whose economic goods as opposed to France or Italy were not in competition with those of Spain (apart from the wine), had to be interested in Spain's close connection to the EEC.

On top of pragmatic considerations there were also questions of principle. The Federal Republic had followed with satisfaction how Spain had opened since 1957 and especially since the stabilisation measures in the summer of 1959 to a gradual liberalisation of foreign trade. The drastic economic adjustment had been carried out with a view to affiliation with the European economic trade area. In order to enable Spain to achieve the promised and expected results, European concessions were required. This argumentation amounted to a moral obligation. The politicians in Bonn were aware of having to assume their share of the responsibility for the current Spanish economic policy in so far as they had urged the Spanish to the course adjustment by unceasing exhortations and encouragement.<sup>37</sup>

35. PAAA I A 4/391: "Antworten auf das Interview, Fragen vom spanischen Journalisten Alfonso Barra, ABC, an Aussenminister Schröder", 11 March 1966.

36. PAAA Ref. 412/473: Ambassador Allardt to the Federal ministry of Foreign affairs, 1965.

37. See, for instance, the minutes of the conversations held by Erhard with José Solís, Spanish minister, Secretary of the *Movimiento* and the Syndicate Organisation, on 16 June 1959 in PAAA Ref. 206/165 and with Foreign minister Castiella on 10 November 1959 in PAAA Ref. 206/166.

At the same time the Spanish government had expected not only vague advice but also substantial financial support. In Madrid it had obviously been taken for granted that the wealthy Federal Republic, Europe's banker, would help its Spanish friend financially out.<sup>38</sup> In Bonn, however, it had been decided on interministerial level that the credit tap for Spain would be turned off. Contrary to the pleas of the Federal ministry of Foreign affairs, the ministries of Economy and Finance had put through not to consider Spain any longer as belonging to the developing countries that were granted public credits.<sup>39</sup> As it had been decided in the treaty for economic co-operation signed in 1961 only specific projects were to be supported in exceptional cases. Within the frame of this treaty Spain had been granted a lump sum of DM 220 million for the construction of irrigation plants. This gesture already had been a concession to the German ministry of Foreign affairs, which had warned that the German reputation was to suffer, if Erhard travelled empty-handed to Madrid in May 1961.<sup>40</sup> Afterwards the representatives of the Federal ministries of Economy and Finance steadfastly refused to grant further credits. From this time on Spanish requests were referred to the private industry, whose commitments were backed by Hermes-guarantees of the Federal Republic – until 1966 after all on a scale of DM 700 million.<sup>41</sup>

The Federal Government had already refused financial support to the economic stabilisation efforts deployed by the Spanish government in the summer of 1959 by referring to the own precarious situation of its budget. Neither the development plan which depended on foreign financing and whose successful outcome ought to have interested the Federal Republic in so far as it was conceived to prepare the Spanish economy for the EEC, nor a more generous credit policy in France could not persuade the hard-liners in the ministry of Finance in Bonn. As the financial needs of the Spanish economy had to be covered in some manner, the European coffers suited the Federal minister of Economy perfectly.<sup>42</sup> When Erhard was asked by the Spanish minister of Industry López Bravo to help with raising the funds indispensable for realising the development plan, he promised “that the Federal Republic would continue to support most firmly the Spanish association application in Brussels”.<sup>43</sup> Backing the Spanish EEC-integration policy had thus the double func-

38. PAAA Ref. 206/86: Speech by ambassador Marqués de Bolarque after the presentation of the credentials, March 1959. As to the conviction that Spain had decided on economic reforms “confident of an effective German support”, see “Verhandlungen wegen Verlängerung des deutsch-spanischen Handelsabkommens vom 20.6.1960”, ambassador von Welck to the Federal ministry of Foreign affairs, 25 February 1963 in PAAA Ref 412/354.

39. PAAA Ref 412/352: “Spanischer Entwicklungsplan”, Bonn, 19 December 1963. See also PAAA I A 4/391: Letter by Ref. III A 5 to Ref. I A 4, 16 February 1966.

40. On Erhard's journey to Madrid cf. B. ASCHMANN, *Treue Freunde?*, op.cit., pp.316 ff.

41. On the veto of the German ministry of Finances against further credits to Spain, see PAAA Ref. 412/416: “Deutsch-spanische Wirtschaftsverhandlungen”, 3 March 1961, and PAAA I A 4/318: “Gesprächsunterlagen für den Abschiedsbesuch des Spanischen Botschafters, November 1964”.

42. PAAA I A 4/318: The economic section in the annual report for 1964 of Madrid Embassy, 19 January 1965.

43. PAAA Ref. 412/353: Record of López Bravo's journey to the Federal Republic from 2 to 10 May 1963.

tion of relieving the budget in Bonn and the conscience of the German minister of Economic affairs.

At the same time, the Federal Government feared the political consequences, which Spain could incur as a result of its economic exclusion. An aggravation of Spain's economic performance could become a direct menace to the political order. Thus the Federal ministry of Foreign affairs already scented "a revolutionary explosive for the Iberian peninsula, which can catch fire, if liberalisation within the frame of a free Europe does not go hand in hand with an adjustment of the Spanish standard of living to that of the European countries".<sup>44</sup> For the Federal Government it was important to maintain political stability in Spain. Especially from the point of view of Western security strategies subversive sparks at the South West edge of Europe were to be avoided. Thus the aspect of the *reinforcement of the West* was a current argument of the Federal ministry of Foreign affairs in favour of Spanish integration.

In exchange of the safety guarantees, which Spain seemed to offer, the Germans were willing to put aside for the time being political doubts as to the anti-democratic character of the Franco regime. On the other side, it would have ill befitted the young Federal Republic, which did not want to leave the slightest doubt about its own democratic foundation, to have a completely uncritical attitude towards the authoritarian state. Actually the Federal Republic too asked for a democratisation of Spain. Nevertheless the Federal Government unlike the social-democratic opposition, which regarded democratisation as a precondition to European integration, believed that integration would be the appropriate means to bring about such liberalisation. In this context the Federal Government was concerned about making this process take place in both a slow and controlled manner. It counted on a *political evolution* and wanted to avoid at any price a *revolution*. Remembering the Spanish turmoil in the run-up to the Civil War the Federal Government feared the outbreak of chaos, if the pace of the developments would speed up: "Experience of the time of the Republic and the anarchical traits always latently inherent in the Spanish national character exhort to thaw the ice block of the authoritarian regime only slowly, in order not to fling the country again into a revolutionary whirl".<sup>45</sup>

The German diplomats in Spain tended to adopt the official Spanish viewpoint. This was most strikingly the case when evaluating the Spanish government's nervous reaction vis-à-vis a supposed conspiracy at the time of the 4<sup>th</sup> Congress of the European Movement, which took place in Munich, in June 1962. As part of the congress resolutions, Spanish opposition politicians together with exile Spanish had drawn up a resolution, which called for liberalisation measures prior to any attempt to consider the question of Spain's association with the EEC. This was presented by the Spanish authorities as an anti-Spain conspiracy and was thus official-

44. PAAA I A 4/318: Record "für eine evtl. Bundestagsdebatte aus Anlass der ersten Beratung des Vertrages zwischen der Bundesrepublik Deutschland und dem Spanischen Staat über die Krieg-sopfferversorgung, 4.-6.3.1964" by Adolf Velhagen, in charge of the department of Spanish affairs at the ministry of Foreign affairs, and Hans Georg Stelzer, 3 March 1964.

45. Ibidem.

ly labelled the *Contubernio de Múnich*. The Spanish authorities reacted with disproportionately severe sanctions.<sup>46</sup> In his account, the German ambassador von Welck clearly criticised the Spanish opposition, which by its action had tried to “discredit the Franco regime and to impede Spain’s association with the EEC”. Von Welck did not have any understanding for the calls for recognition of political parties, democratic representation, freedom of the press, etc., because their realisation was possible “only by overthrowing the Franco regime, which would entail unforeseeable consequences for Spain and Europe”.<sup>47</sup>

The Federal Government expected a slow but sure opening from a Spanish integration. In all internal papers on the Spanish issue in the 1960s the Federal Government affirmed that precisely the objective of a democratisation of the country was a central motive for advocating a close connection of Spain to Europe. The Federal Government was firmly convinced that liberal processes, once they got going would gather momentum:

“A closer co-operation with the countries of the free world, particularly within the frame of the EEC, by the automatism of modern free economy will certainly support via the social policy also Spain’s further democratisation, whereas a failure of the integration efforts would reinforce the risks of the adaptation crisis and possibly throw the country again on to the old track”.<sup>48</sup>

So the German diplomats were readily willing to take at their face value the tactically motivated statements of the Spanish according to which they were prepared to make political concessions in the case of a connection with the EEC.<sup>49</sup>

The reliability of the Franco government so highly appreciated by the Federal Government was founded among other things on its unalterable ideological orientation. In the times of the Cold War the determined anti-communism of Franco Spain was considered to be of great value to the West and particularly to the Federal Republic whose domestic policy was based on Western anti-communism. As long as the main attention of Western policy focussed on the defence against the Soviet Union, the country at the junction of the political systems could rely on special attentiveness, and as long as the Eastern satellite-states were regarded as a product of the sanctions of the illegitimate totalitarian regime, the Federal Republic’s claim for sole representation remained unchallenged. In the 1950s however the process of habituation inexorably set in and the existence of the German Democratic Republic (GDR) was taken more and more for granted. For the Christian-Democratic Federal Government it became all the more important to insist on its legal position, in order to counteract international acknowledgement of the German *status quo*. In this campaign every friend was welcome. Spain proved to be one of

46. On “Contubernio”, see reports by the victims in F. ÁLVAREZ DE MIRANDA, *Del “contubernio” al consenso*, Barcelona, 1985, pp.31-39. See also J. SATRÚSTEGUI (ed.), *Cuando la Transición se hizo posible. El “Contubernio de Múnich”*, Madrid, 1993.

47. Both quotations, in PAAA Ref. 206/162: Report by ambassador von Welck, 23 June 1962.

48. PAAA I A 4/318: Record by Velhagen and Stelzer, cit., 3 March 1964.

49. On the instructions by minister of Foreign affairs Castiella to the Spanish ambassadors to reaffirm Spain’s willingness for a change, see F. GUIRAO, “Association”, op.cit., p.118.

the most loyal allies. Spain's representatives did not limit themselves to condemning the Soviet system in general, which since the Spanish Civil War had symbolised for them the Anti-Christ. Moreover, the delegates of Franco Spain took advantage of each opportunity to denounce at international organisations, on behalf of the Federal Republic, the German partition.<sup>50</sup>

Since both the Federal Republic and Spain had been admitted to the Organisation of the United Nations (UNO) in 1955 the German issue belonged to the standard repertoire of Spanish speakers in all the UNO bodies. In this connection one could not help thinking that Spain and the Federal Republic had reached a sort of tacit deal that consisted in speaking on behalf of each other's most important foreign issues. The link between the intercession of the Federal Republic in favour of the rapprochement of Spain to Europe and the commitment of Spain in favour of West-Germany's claim to sole representation becomes all the more obvious, as both aspects coincided in common communiqués, in speeches and in the reports of the Embassies.<sup>51</sup> The altruistic striving to do each other a favour in return went together with most pragmatic considerations. Via Spain they also expected to gain influence on the Arabian and above all on the Latin-American states, whose vote at UNO quantitatively alone was considerable.<sup>52</sup> Spanish minister Solís made, during his visit to Germany in 1959, the proposal of building up in these countries a "climate that would be favourable to Germany".<sup>53</sup>

As the international relevance of the German issue began to diminish, Spain's support became all the more important. This was revealed by the fact, that on one side the Germans overwhelmed the Spanish with declarations of friendship and on the other side began to ask them explicitly to defend West Germany's position. In May 1965 ambassador Allardt complained that hardly a week passed "without having to present to the Spanish minister of Foreign affairs a request of the Federal Government asking them to pronounce in international organisations against the acknowledgement of the Soviet Occupation Zone, and hardly a day went by without the Spanish press referring to the absurdity of the German partition".<sup>54</sup> The German requests being carried out promptly, the Federal Republic in return was

50. PAAA Abt. 2, Ref. 200/8: "Die spanische Regierung hat den Bitten der Bundesregierung, in internationalen Organisationen unseren politischen Standpunkt in der Frage der Nichtanerkennung der sogenannten DDR zu unterstützen, bereitwillig entsprochen", 11 July 1956; PAAA Ref. 206/163: "Aufzeichnung über Spanien und die Beziehungen zwischen der Bundesrepublik und Spanien", instructions for ambassador von Welck, 1958; and PAAA Ref. 206/162: The explanation of the Spanish plenipotentiary in the general debate of the United Nations after the Berlin-crisis 1961, annual report on the year 1961 by Ambassador von Welck, 16 January 1962.

51. PAAA I A 4/391: Common communiqué on the occasion of the visit of the German minister of Foreign affairs Schröder to Spain in March 1966 and related documents. Significantly, in an after-dinner speech, Schröder brought up his gratitude to the Spanish commitment against the GDR, immediately after which he honoured the "great and significant role of Spain in European history".

52. PAAA Ref. 206/163: Instructions for ambassador von Welck, op.cit., 1958.

53. PAAA Ref. 206/165: Minutes on conversation with Federal minister von Merkatz, 16 June 1959.

54. PAAA I A 4/318: "Zeigen der Flagge der spanischen Republik bei Maifeier in Berlin", Allardt to the Federal ministry of Foreign affairs, 29 May 1965.

bound to comply with the demands of the Spanish government. As the Federal ministry of Finances was opposed to granting generous credits - which the Spanish surely would have preferred - the very least was to intercede on behalf of the Spanish EEC integration.

### **Conclusions**

The German government was interested in a Spanish EEC-integration for economic reasons. This was mainly so because the bilateral trade exchange just would gain by it, and because European financial aids eased the Federal coffers. The Federal Government and in the first place the German ministry of Foreign affairs, advocated integration also for political considerations, especially because it was to bring about a slow evolutionary transition to more democratic conditions, the stability of the Franco regime ensuring at the same time the stability of the West. Even if the Federal Government was firmly convinced of the advantages of a close connection of Spain to Europe, nonetheless since 1964 it had obviously been in great doubt as to the feasibility of a Spanish EEC-accession or a mere EEC-association. This scepticism may explain, in my opinion, the relative restraint and the sparse results achieved in supporting the Spanish cause in the EEC-circles. The meagre results are glaringly contradictory to the wordy announcements of the Federal Government to back the Spanish government in its EEC efforts by all means available. According to my thesis, the reason of this discrepancy is to be found in that tacit agreement, to stand at least orally by each other's side in matter of foreign issues. Just like the Franco regime mobilised in different forums again and again all possible media in favour of the domestic policy of Germany, so the Federal Government stood up for the Spanish policy towards Europe. In both cases the results did not match the effusive rhetoric. Even if the achievements compared to the talk turned out to be relatively modest, the Federal Republic's contribution in view of Spain's approach to Europe must not be completely neglected. However it consisted in smaller steps and was on the whole more limited than some official declarations may suggest.

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## From Isolation to the Core: Finland's Position towards European Integration, 1960-95

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As a result of World War II Finland fell into the Soviet Union's sphere of influence in terms of security policy but her social institutions continued to follow the Western pattern. Even though in an awkward position, Finland participated in the West European integration process since the late 1950s in line, by and large, with the European neutrals. Participation in West European integration was, without doubt, a precondition for the country's development from a backward semi-agrarian country to an advanced industrial and post-industrial society. Finland's relationship with the Soviet Union, however, constituted an obstacle to Finland's relations with the West as long as the Soviet Union existed. Therefore, the Finnish pro-European integration policies involved special political management with regard to the Soviet Union.

The basic structures of Finland's post-war manoeuvring room were created in 1944-48. Finland's international position was determined especially by the Truce Agreement of September 1944, the permanent provisions of which were included in the Paris Peace Treaty of 1947. Problematic for Finland's international position during the Cold War were organisations that have been referred to as regional integration. Finland's decline to participate in the Marshall Plan, July 1947, was an important precedent for the future Finnish policy vis-à-vis what subsequently was known as the West European integration process. Remaining outside of the Marshall Plan, Finland did not become member of the Organization for European Economic Cooperation (OEEC) nor, consequently, the European Payments Union (EPU). In the Trade Agreement of December 1947 Finland and the Soviet Union granted each other "unconditional and unlimited" most favoured nation (MFN) treatment.<sup>1</sup> This was to complicate later on Finland's participation in free trade arrangements under Article XXIV of the General Agreement on Tariffs and Trade (GATT). In the Agreement of Friendship, Cooperation and Mutual Assistance of April 1948 Finland and the Soviet Union, among other things, pledged "not to conclude any alliance or join any coalition directed against the other High Contracting Party".<sup>2</sup> Consequently, Finland did not join those organisations that were regarded as anti-Soviet. Thus, Finland did not react in any way to the emergence of the Council of Europe. Because of the Soviet suspiciousness Finland even avoided conspicuous appearance in the Nordic framework. Finland, for example, did not participate in the early negotiations on a Nordic customs union, nor did Finland join the Nordic Council, which had been established in 1952, until 1955. On the contrary, those organisations that were at least in principle universal, i.e. acted at

1. K. MÖTTÖLÄ et al. (eds.), *Finnish-Soviet Economic Relations*, London 1983, Supplement A, p.250.

2. *Ibid.*, p.248.

least nominally under the auspices of the United Nations (UN), were basically not problematic. Thus Finland joined the International Monetary Fund and the International Bank for Reconstruction and Development or World Bank in February 1948 and the GATT in 1949-50.

Soviet policy towards Finland passed through different phases which coincided relatively closely with changes in the Soviet leadership. Up to the end of Joseph Stalin's dictatorship the Soviet attitude was extremely suspicious of Finland developing any relations with the West. The period of Nikita Khrushchev, on the contrary, was characterised by a responsive attitude towards the Finnish aspirations, provided that Finland consequently followed the friendship policy. Under Leonid Brezhnev, again, the Soviet Union tightened its control on Finland. In the 1980s, especially during *perestroika*, i.e. the reform policy under Mikhail Gorbachev, the Soviet Union finally relaxed its control over Finland.

For about the first ten years after World War II, coinciding largely with Juho Kusti Paasikivi's presidency (1946-56), the Finnish foreign-policy orientation can best be characterised as an *endeavour towards neutrality* within a narrow manoeuvring room. In the mid-1950s, however, Finland's international position eased considerably. As previously mentioned, Finland joined the Nordic Council and, finally, the Soviet Union also enabled Finland's membership in the UN. In early 1956 the Soviet Union abandoned, prematurely, the Porkkala naval base. This change coincided with the beginning of Urho Kekkonen's long-time presidency (1956-81). As the result of these changes, from 1956 onwards the Finnish foreign-policy orientation has openly been called a *neutrality policy*, known also as the Paasikivi-Kekkonen Line.

The self-made dependence on the Soviet Union as the result of seeking Soviet support for the purposes of internal political struggles became crucial for Finland's international positioning. President Kekkonen's practice, which found a large number of followers was most notorious. Kekkonen was an agrarian politician who based his post-war political career on the development of Soviet relations. As the President of the Republic, Kekkonen closely linked Finland's foreign policy to the Soviet Union's consent. He consulted the Soviet Union about every major decision. This meant that, while the Finnish position towards cooperation with the West was defined on a broad basis within corporatist structures representing all important interest groups, decisive negotiations with Soviet representatives were conducted in a narrow circle, between President Kekkonen and the respective Soviet leader as a last resort. During his first term, i.e. 1956-62, Kekkonen's position was extremely disputed but with the consolidation of his power position consent with the Soviet Union became the generally recognised political wisdom of the Finnish statecraft.

An integral part of the good-neighbour relations was the flourishing Finnish-Soviet trade, which was based on a bilateral basis until 1990. From 1945 to 1990 trade with the Soviet Union covered in average sixteen per cent, sporadically even a quarter, of Finland's total foreign trade. Such volumes would hardly have been possible without the special political relationship between the two countries. For Finland, bilateral trade with the Soviet Union formed an element of international protectionism, exempting the

scope of this trade from foreign competition. Finland exported to the Soviet Union mainly manufactured goods and imported mainly raw materials, thus saving currencies.

The economic determinant of Finland's West European integration policies was, however, the necessity to safeguard economic relations with the leading West European countries with which the bulk of Finland's foreign trade was concluded (see figure 1).<sup>3</sup>

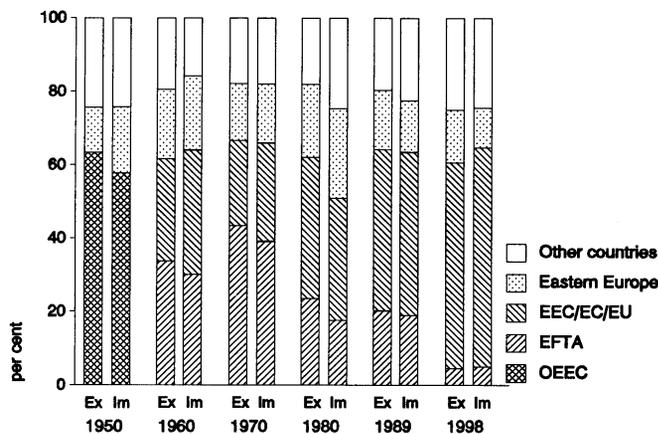


Figure 1. Distribution of Finnish exports and imports by groups of countries, 1950-98

Finland is usually characterised as belonging to the open economies of the small Nordic countries, with an export share varying, in different times, usually between about a fifth and a quarter of domestic production. Safeguarding the export interests has been the main point of departure for the Finnish foreign economic policies. When the question of larger West European market formations became topical during the latter half of the 1950s, the principal Finnish anxiety was to avoid being left alone behind tariff walls. Up to the 1960s this concern referred almost exclusively to the export interests of wood-processing industries, but the argument suited also other export sectors.

The endeavour to be identified as a Western country has no doubt been an important driving force behind the country's pro-integration policies, even though it

### 3. Statistical note to the figures:

Imports by country of origin, exports by country of consumption/destination. The original Standard International Trade Classification (SITC) is used for trade with individual countries and groups of countries for the years 1960-61. The SITC Rev. (1) is used for the years 1962-75, while also the figures for total trade in 1954-61 are re-classified according to SITC Rev. (1). SITC Rev. 2 is used for the years 1976-87 and SITC Rev. 3 from 1988 onwards. Sources: *Suomen taloushistoria 3. Historiallinen tilasto – The Economic History of Finland 3. Historical Statistics*, Helsinki 1983, Table 5.13; *Finnish Official Statistics: Foreign Trade, 1950-98* (The Customs Board of Finland), Helsinki, various years.

was usually not expressed publicly. As long as the Finnish political culture was dominated by the controversy between the radical left on the one hand and the rest of the political forces on the other, generally up to the 1970s, the prevalent integration policies were supported by Conservatives, Liberals, Agrarians and Social Democrats and opposed by the so-called People's Democrats who demanded to favour trade relations with the Soviet Union and other Socialist countries.

### I. Finland and the European Integration Plans, 1955-58

Non-participation in the OEEC was reflected, among other things, in the fact that, in Finland, abolishing the wartime regulations on foreign trade and resuming the multilateral trade regime vis-à-vis Western Europe was delayed until 1957. From the autumn of 1957 onwards, however, Finland's trade relations with Western Europe were conducted on a similar basis, in institutional terms, than it was the case among OEEC/EPU partners. In 1957-58 Finland even negotiated informally about membership in or at least association with the OEEC, but the negotiations foundered on the opposition by the Soviet Union. At the end of the 1950s Finland followed suit when the West European countries moved to partial convertibility of their currencies vis-à-vis the dollar.

Even though Finland was an open economy in the sense of foreign trade dependence, Finnish foreign-trade policies in the 1950s were highly protectionist, a heritage from the interwar period. The level of the Finnish customs tariffs equalled approximately that of Britain or France, being clearly higher than that of other Nordic countries. Selective import regulations were resorted to even after 1957, publicly justified for balance-of-payments reasons but consciously applied for protectionist purposes. Finland was, thus, extremely unprepared to meet the international competition which by definition forms an essential element of economic integration.

Finland did not participate in the negotiations on the West European Free Trade Area (FTA), which were carried on within the OEEC in 1956-58. The Soviet Union was opposed to the project, which caused the Finnish government to follow the so-called *wait-and-see policy*. In addition to Soviet opposition, the representatives of the Finnish import-substituting industries felt the country unprepared to face the structural adjustment which foreign competition would bring about. Representatives of the wood-processing export industries were interested in the FTA but, when others hesitated, they did not support their standpoint vehemently. The consensus view within the Finnish economy was however that, for safeguarding the export interests, Finland should also eventually join the FTA.

The projected Nordic customs union was Finland's first direct contact with West European market-integration plans. After becoming a member of the Nordic Council Finland participated in the negotiations on a Nordic customs union from 1956 onwards. The discussion on a Nordic common market was, however, to a high degree a substitute for the FTA plan, which was a delicate matter from the point of

view of Finnish-Soviet relations. Nordic cooperation was popular in the Nordic countries and especially popular in Finland, that lived in the shadow of the Soviet Union. Nor did the Finnish Communists oppose the idea of Nordic cooperation provided that it did not lead to strengthening Finland's West European connections to the detriment of the country's relationship with the Soviet Union. From the economic point of view, however, among business leaders, a Nordic customs union was not seen as especially valuable. The export interests lay in a wider European market, and for the Finnish domestic industries accustomed to protection against foreign competition, a common Nordic market mainly represented a threat.

The Nordic countries' own foreign trade was directed overwhelmingly to countries outside the Nordic sphere. Therefore, also the Nordic integration plans were outward looking. According to the Joint Nordic Committee on Economic Cooperation, a Nordic common market could not be an alternative to wider trade relations but rather a complement. Even the Nordic customs union was to be realised within the FTA. The basic view of the architects of the Nordic common market was to accelerate economic growth by promoting economies of scale – a quite strange thought in Finland at that time. Joint Nordic action in international commercial diplomacy was another important element of the plan. The Nordic customs union failed, but the endeavour towards close cooperation among the Nordic countries remained.

The reports of the Joint Nordic Committee on Economic Cooperation from 1957 and 1958 envisaged Finnish participation in a Nordic customs union. The Finnish negotiation position was, however, very protectionist. Finland asked for transitional periods, for the abolition of either tariffs or import regulations (or both at the same time) for a large number of articles. The Finnish government delayed adopting the official decision to join until 1959, when the projected European Free Trade Association (EFTA) already superseded the Nordic customs-union plan. The provisions for Finland's participation in a common Nordic market were never definitively determined but abolishing intra-Nordic obstacles to trade and a common Nordic external tariff, with a considerably lower average level than the Finnish one, would have, in any case, remarkably changed the course of the market situation in Finland towards an open economy.<sup>4</sup>

## II. The FINN-EFTA Agreement

Finland did not belong to the original EFTA. The question of Finland's participation arose, however, already in the summer of 1959, when negotiations among the so-called *Seven* still were going on. When the Finnish Prime Minister V.J. Suk-

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4. This section is based on the author's already published work, T. PAAVONEN, *Suomalaisen protektionismin viimeinen vaihe. Suomen ulkomaankauppa- ja integraatiopolitiikka 1945-1961*, Helsinki, 1998, spec. pp.66-101, 149-279 and *Finland's Relationship to West European Economic Integration, 1947-1958*, in: M. GEHLER and R. STEININGER (ed.), *Die Neutralen und die europäische Integration 1945-1994*, Vienna, 2000, pp.218-238.

selainen announced, at a meeting of Nordic Prime Ministers and Nordic Cooperation Ministers in July 1959, Finland's readiness to join the planned Nordic customs union, the Finnish government had already decided in principle in favour of the Seven. Finland's integration aim, as expressed by the Prime Minister, consisted of an exclusively economic agreement, which would not include any supranational decision-making profile and which should safeguard Finland's extensive bilateral trade with the Soviet Union.

The British government regarded it as politically purposeful to include Finland in the sphere of the emerging EFTA, and the Nordic governments acted on the basis of mutual Nordic solidarity. Thus, when Finland's aspiration was repeated later in the same July 1959, at a ministerial meeting of the Seven, by Ahti Karjalainen, the Finnish Minister of Trade and Industry who in fact led the Finnish negotiations process under President Kekkonen, it was agreed upon that the Finnish government was allowed to follow the proceeding negotiations. However, on the demand of the British, Finland's observer was not allowed to be present in the negotiation room but was to be kept informed, in the first place, through Sweden.

The Soviet Union opposed Finland's EFTA membership. Apparently, the Soviet leadership was nonetheless ready to accept alternative arrangements for free trade between Finland and the EFTA countries, which in the first place would have meant bilateral agreements between Finland and the individual EFTA countries. The Finns when preparing a policy position in 1959 took into consideration such bilateral agreements but this procedure was found unfeasible, alone because the GATT provisions would have obliged Finland to generalise trade preferences to all the Contracting Parties. The only way was either to join EFTA according to Article 41 Paragraph 1 of the Stockholm Convention or to create an association according to Paragraph 2 of the same article. President Kekkonen, seemingly, committed himself already at the early stages of Finland's moves towards EFTA to satisfy the Soviet demand of non-membership, even though the exact content of such a commitment remained unclear. Nor were the Soviet objections known among wider circles.

Finland's negotiation position, defined in early 1960, envisaged either joining or creating an association with EFTA. In any case, the Finnish integration aim was defined as follows:

- “The competitive position of Finnish exports will be safeguarded in such a way that
- [1] The domestic market industries will be guaranteed appropriate tariff protection for a transitional period
  - [2] The special position of agriculture will be preserved
  - [3] Finland's present significant commercial relations with third countries, especially with countries outside GATT with which Finland has a bilateral commercial agreement on a most favoured nation treatment, will not be endangered”.<sup>5</sup>

Negotiations were carried out from February to May 1960, after the Stockholm Convention had been signed. Finland's delicate international position was reflected

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5. Records of the Finnish Foreign Ministry (FM Records) 58 DA: Foreign Trade Committee (Kaupapoliittinen neuvottelukunta) 4 January 1960, “Suomen suhteet EFTA: an”.

in the question of the form of accession, which was left unsolved until the final stage. Both the Finnish government and the EFTA countries favoured association. Eventually this procedure was chosen, according to Minister Karjalainen, to emphasise Finland's special position. The Soviet Union claimed however that the EFTA countries should apply EFTA provisions to Soviet imports on the basis of the MFN clause. The EFTA countries refused, appealing to Article XXIV of GATT. Also Finnish business leaders and even Foreign-Ministry officials seemed to give support to the general EFTA view, but President Kekkonen and Minister Karjalainen eventually managed to convince the members of the Foreign Trade Committee – the body supervising foreign trade policy – of the necessity to satisfy the Soviet demand. The final outcome, the so-called *Lisbon Draft Agreement*, was agreed upon at the end of May 1960 but not signed. Negotiations with the Soviet Union resulted in November 1960 in a Finnish-Soviet tariff agreement, which granted the same benefits to the Soviet Union with regard to exports to Finland as those granted to the EFTA countries. The Western governments were upset by the event but eventually accepted the Finnish proceeding in order to safeguard Finland's participation in the West European integration process.

After this, the agreement between Finland and EFTA (hereinafter referred to as FINN-EFTA) was signed in March 1961 and approved by the Finnish Parliament in April by an overwhelming majority. Only the Communists voted against. Yet, the Communists were not opposed to declaring urgent the Enabling Act to implement the agreement's regulatory reservations, which were regarded as the precondition for FINN-EFTA itself. In the next GATT session the contracting parties vehemently attacked the Finnish-Soviet agreement, however rather as a matter of form to prevent Finland's case from becoming a precedent, since the leading Western powers did not want to risk Finland's participation in EFTA.<sup>6</sup>

FINN-EFTA emphasised Finland's special status. It set up a new free trade area between Finland and EFTA for industrial goods. For the management of the agreement a Joint Council was created, parallel to the EFTA Council. The term of notice was only three months, while within the EFTA itself it was one year. FINN-EFTA did not include any far-reaching commitment towards the promotion of economic integration within the whole of Western Europe, as was actually the case for the Stockholm Convention, which applied to the EFTA countries.

The timetable for tariff reductions followed that of the Stockholm Convention. Import duties on industrial goods originating in the FINN-EFTA area were to be abolished gradually from July 1961 to the beginning of 1970 (according to the original scheme). Subsequently, tariff reductions accelerated to be completed by the be-

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6. Previous account based on D. ANCKAR, *Partiopinioner och utrikespolitik. En studie av partipolitiska pressopinioner kring ett antal händelser i Finlands utrikespolitik 1955-63, Åbo 1971*, pp.159-161; H. HAKOVIRTA, *Puolueettomuus ja integraatiopolitiikka. Tutkimus puolueettoman valtion adaptaatiosta alueelliseen integraatioon teorian, vertailujen ja Suomen poikkeavan tapauksen valossa*, Tampere, 1976, pp.195-212; E. ANTOLA and O. TUUSVUORI, *Länsi-Euroopan integraatio ja Suomi*, Helsinki, 1983, pp.132-133; T. PAAVONEN, *Suomalaisen protektionismin*, op.cit., pp.102-107 & 282; and J. SEPPINEN, *Suomen EFTA-ratkaisu yöpakkasten ja noottikriisin välissä*, Helsinki, 1997, pp.107ff.

ginning of 1968. The ban on export regulations forced Finland to cancel this practice on unprocessed wood with regard to EFTA countries.

The Finnish requests for transitional periods for sensitive branches were subject to tough negotiations in the spring of 1960. As a final result, most of those industries on whose behalf the Finns had interceded, were included in the list of delayed tariff reduction. EFTA negotiators did not, however, accept a delayed timetable up to 1972 but admitted only that after the initial reductions the general timetable would be caught up in 1965-66. The list covered traditionally most-protected industries such as textiles, knitting and clothing of all kinds, footwear, rubber and leather products, floor and wall plates, some sectors of the chemical industry, and some metal products. These were important industries in particular from the point of view of employment. When the general timetable accelerated, the Finnish government, which would have been entitled to apply the original timetable to the sectors in the special list, decided instead to abolish also these duties by the beginning of 1968.

The Finnish-Soviet tariff agreement was mainly of symbolic value from the point of view of safeguarding these countries' bilateral trade. The permanent exemption for continued import regulations on fossil fuels and phosphate and potassium fertilisers, which were relatively easily attained in the FINN-EFTA negotiations, constituted the really significant scheme from the economic point of view. These exemptions consolidated a regime of international protectionism, under the auspices of which, apart from the fact that exports to the Soviet Union were protected against competition from third countries, a flourishing domestic oil-refining industry was developed within the state-owned company Neste Oy as well as a relatively flourishing domestic fertilisers industry within the state-owned company Kemira Oy (named Rikkihappo- ja superfosfaattitehtaat Oy up to 1961 and Rikkihappo Oy up to 1972). Both companies enjoyed, in fact, a monopoly position until 1990. Import regulations on fossil fuels were maintained within the official import-regulations scheme, while import regulations on fertilisers were implemented through a voluntary cartel agreement between Kemira Oy and the wholesale corporations.<sup>7</sup>

### III. The Standstill of the 1960s

Originally EFTA was mainly envisaged as an intermediate stage in a comprehensive West European arrangement. Originally the endeavour to promote further economic integration in Western Europe, recorded in the preamble of the Stockholm Convention, intended efforts to resume the negotiations for a wide West European free trade area. However, already from the summer of 1961 this option was superseded by the British and Danish applications for European Economic Community

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7. *Building EFTA. A Free Trade Area in Europe*, Geneva, 1968, pp.17-19, 27-30, 53-55, 60-64, 69-70 & 99-100; E. ANTOLA and O. TUUSVUORI, *Länsi-Euroopan integraatio*, op.cit., pp.134-135; PAAVONEN, *Suomalaisen protektionismin*, op.cit., pp.283-286; and *Valtionyhtiöt markkinataloudessa*, Helsinki, 1989, pp.44-46 & 52-53.

(EEC) membership, followed by Norway in July 1962. The neutral EFTA states Sweden, Austria and Switzerland applied for association, which also implied a form of closer connection with the EEC than a mere free trade area.

The situation that prevailed from 1961 to 1969 seemed not to offer any feasible integration option for Finland. Association with the EEC was excluded from Finland's policy options. Finland's policy consisted in observing. Even though Finland did not take a stand nor made any suggestions for the opening of negotiations, Finland's strategy was to follow suit if any important change in the West European situation occurred. From the Finnish point of view it would seemingly have been optimal to resume the option of free trade on industrial goods. The Finnish foreign-policy leadership emphasised the need to observe the compatibility of any integration option with Finland's neutrality, which of course implied Finland's special relationship to the Soviet Union. With the consolidation of President Kekkonen's political power this view became generally recognised. Preserving the existing scale and regime of Eastern trade was part of Finland's central policy aims. Behind the authorities' public silence, the EEC was unofficially informed about Finnish aspirations.<sup>8</sup>

Finland's policy of *wait and see* – a formula frequently repeated at the time – was defined in the government declaration of 9 August 1961, soon after the British and Danish applications for EEC membership, as follows:

“The Government will (...) observe closely the development created by the negotiations initiative of some EFTA countries with regard to the EEC with a view to safeguarding the interests of [Finland's] domestic-market industries, export industries and agriculture, considering her status of neutrality and her existing international obligations”.<sup>9</sup>

In 1968 Minister Karjalainen, the main spokesman for Kekkonen's foreign policy, formulated the implication of the neutrality requirement on Finnish-Soviet relations as follows:

“Foreign trade policy must be in accordance with our basic foreign policy goals and, as far as possible, support them. Thus, one must not apply means that could be interpreted in a sense as conflicting with these goals”.<sup>10</sup>

A consolidation of Finland's multilateral trade regime with regard to the Western economies, which had been set up during the previous decade, was made possible in 1968 when Finland finally became a member of the Organization for Economic Cooperation and Development (OECD), the successor organisation of the OEEC. This membership was negotiated both against the Soviet leadership's opposition expressed in March 1968, when the preliminary negotiations had been taken up, and the disapproval of the Finnish communist party, then already a member of the coalition government. However, when the decision was reached, the Soviet Union

8. See H. HAKOVIRTA, *Puolueettomuus ja integraatiopolitiikka*, op.cit., pp.220 ff.; E. ANTOLA and O. TUUSVUORI, *Länsi-Euroopan integraatio*, op.cit., pp.137 ff.; *Ulkopoliittisia lausuntoja ja asiakirjoja (ULA)*, Helsinki, (The Ministry of Foreign Affairs), annual issues from 1961 to 1969. 9. *ULA 1961*, Helsinki, 1962, p.89.

10. A. KARJALAINEN, *Suomen kaupapoliittisia ongelmia ja niiden ratkaisuja toisen maailmansodan jälkeen*, in: *Metsäteollisuus itsenäisessä Suomessa. Suomen Puunjalostusteollisuuden Keskusliitto 1918-1968*, Helsinki, 1968, pp.170-171.

did not react publicly, and also the domestic Communist opposition remained rather formal.<sup>11</sup>

The NORDEK negotiations of 1968-70 were the third and last round of negotiations for a Nordic customs union or economic community. Finland participated in these negotiations from the start. Observing the Soviet interests was an integral part of the Finnish position. The Finnish government kept the Soviet government informed of the course of the negotiations. Although the Soviet Union was opposed to the project from the very beginning, motivating its stand with the planned EC enlargement the Nordic project was linked with and NATO's expected gain in influence, the Finnish government apparently assumed that disagreements could be finally settled like in the EFTA issue.

From the point of view of Finnish-Soviet relations, the NORDEK question became even more complicated in December 1969 when the first EC enlargement finally was in the making. Soviet opposition was then intensified. In Finland, President Kekkonen and Foreign Minister Karjalainen were anxious to withdraw from the NORDEK process, while especially Prime Minister Mauno Koivisto, ideologically committed to the Nordic course of the Nordic labour movement, was eager to defend Finland's participation in NORDEK.

The first evidence of Finland's hesitation occurred when the Finnish government cancelled the meeting of Nordic governmental delegations, which was to take place in Finland in December 1969. Thereafter the question was in which form Finland's dissociation from NORDEK would proceed. The Finnish government chose to stick to the *primacy (itseisarvo)* of NORDEK as an inter-Nordic arrangement and thus in January 1970 it announced the suspension of Finland's participation in the NORDEK process if any Nordic country started official negotiations about EC membership. In March, finally, the Finnish government decided not to sign the agreement. The Finnish position was in direct contradiction to the very idea of Nordic economic cooperation that it could not be an alternative but a complement to wider international arrangements.

Picturing Finland as responsible for the failure of NORDEK is, however, too simplistic. NORDEK namely was not especially important economically but rather emotionally, since free trade on industrial goods among the Nordic countries prevailed already within EFTA. Nor was NORDEK supported unanimously in the Nordic countries. For example, many industrial leaders in various Scandinavian countries feared that it would complicate negotiations with the EC. Also for Finland the economic significance would have been modest, even though the prospective Nordic investments would have been quite welcome in Finland. Seemingly, NORDEK was sacrificed in order to make the really important issue, i.e. a free trade agreement with the EC, more acceptable to the Soviet Union. One could even

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11. H. HAKOVIRTA, *Puolueettomuus ja integraatiopolitiikka*, op.cit., pp.220-224; E. ANTOLA and O. TUUSVUORI, *Länsi-Euroopan integraatio*, op.cit., pp.137-142; J. SUOMI, *Taistelu puolueettomuudesta. Urho Kekkonen 1968-1972*, Helsinki, 1996, pp.102-103 & 170-174.; and M. KOIVISTO, *Liikkeen suunta*, Helsinki, 1997, pp.207-208.

claim that the Finnish government did in front of the international public opinion, the dirty work to bury the Nordic plans which threatened to complicate negotiations with the EC. What the NORDEK negotiations achieved in concrete terms were the Nordic Council of Ministers and the Nordic Investment Bank.<sup>12</sup>

#### IV. The Free Trade Agreement with the EC

After December 1969, when the enlargement issue was on the table for the four applicant countries, the policy of the EC consisted in offering the other EFTA countries free trade agreements on industrial goods. From the Finnish point of view this was the most suitable form of relationship. Already in the spring of 1970, after having buried NORDEK, President Kekkonen started preparations for an agreement with the EC. Negotiations between Finland and the EC were carried out from December 1971 to July 1972, which coincided in practice with the negotiations of three other neutral EFTA countries on a free trade agreement. Given Finland's international position, any relationship with the EC was a more delicate matter than the EFTA question had ever been. On one hand, the matter was complicated by the then recent EC plans for a closer political union, materialised in the European Political Cooperation, and for the projected Economic and Monetary Union (the latter being subsequently postponed for two decades). On the other hand, the Soviet attitude towards Finland had become tighter since the occupation of Czechoslovakia in 1968, which implied for instance that Finland's neutrality was no longer recognised. The Soviet Union did not take up a categorical position on Finland's relationship with the EC, but it followed up Finland's moves closely, and the general tone of Soviet comments was warning. In the last instance, however, as proved President Kekkonen's negotiations with the Soviet leadership in February 1972, the Soviets were also prepared to accept Finland's free trade agreement with the Community, provided they received sufficient guarantees that such an agreement would not dissociate Finland from the Soviet Union.<sup>13</sup>

The anti-EC movement was very active in Finland. Communists formed, of course, the basic mass support for this movement, but its range was wider. Those to the left from the mainstream of Social Democracy regarded the EC as a Capitalist stronghold keen to discourage any attempts at realising Socialism or any Socialist values.<sup>14</sup> The Social Democratic Party solved the dilemma between the necessity to

12. For the Nordek question see H. HAKOVIRTA, *Puolueettomuus ja integraatiopolitiikka*, op.cit., pp.240-269; J. SUOMI, *Taistelu puolueettomuudesta*, op.cit., pp.180-198 & 318-357; and M. KOIVISTO, *Liikkeen suunta*, op.cit., pp. 199-245 and L. SONNE, *Nordismens debacle? Analyse af sammenbruddet i NORDEK-forhandlingerne 1970 med særlig henblik på politiske og økonomiske interesser samt Finlands rolle*, Speciale ved Institut for Historie, Københavns Universitet, August 1998, pp.31-45.

13. Paragraph based on H. HAKOVIRTA, *Puolueettomuus ja integraatiopolitiikka*, op.cit., pp.269-283; and J. SUOMI, *Taistelu puolueettomuudesta*, op.cit., pp.358-362, 425-441, 482-486, 555-562, 655-659 & 673-690.

reach a free trade agreement and accusations of promoting a Capitalist course by demanding so-called protective laws as a precondition for the agreement, i.e. the government retains regulating powers in order to alleviate possible negative effects of freer trading. The National Coalition Party, i.e. the Conservative party, agreed to guarantee parliamentary support to the Social Democratic proposal in order to ensure the approval of the EC agreement itself.

The process leading to the negotiation of a free trade agreement with the Community involved gestures and measures that were to convince the Soviet leadership of that a free trade agreement with the EC will not mean a re-orientation in Finland's foreign policy. For this, maintaining the duty-free regime of the Soviet trade constituted a "precondition, not even subject to negotiations" for any Finnish-EC free trade arrangement.<sup>15</sup> The most dramatic gesture was the government's decision in July 1972, after the negotiations had been completed, not to sign the agreement arranged thus far. The event stirred much restlessness in business and conservative circles. The re-election of President Kekkonen in early 1973 by means of an emergency law was part of the EC agreement process. The required qualified majority of five sixths of MPs was eventually achieved, as the re-election seemed to be a guarantee both for realising the free trade agreement and for continuing the foreign policy. The agreement was finally signed in the autumn of 1973, when the deadline set by the EC was approaching. In its proposal to the Parliament the government still declared that Finland would cancel the EC agreement if it jeopardised the implementation of Finnish-Soviet agreements.

At Parliament, Communists tried to compel the Social Democrats to retreat by voting, in the autumn of 1973, the protective laws over next parliamentary election. The EC agreement was, however, approved by 141 votes to 37, with 7 abstentions. The opposing votes came from the People's Democratic parliamentary group, and the abstentions were left wing Social Democrats. Parliament finally approved a new package of protective laws in the spring of 1974.<sup>16</sup>

The agreement with the Community was counterbalanced by agreements to develop Eastern trade within the so-called Comprehensive Solution on Foreign Trade Policy (*kauppapoliittinen kokonaisratkaisu*). The tariff agreement with the Soviet Union of 1960 suited, with minor modifications, also for the new situation. In 1973 Finland, "as the first market-economy country", concluded a cooperation agreement with the Council of Mutual Economic Assistance (known in the West as Comecon).<sup>17</sup> In 1974-76 Finland concluded the so-called KEVSOS agreements with five People's Democracies for the "reciprocal removal of obstacles to trade be-

14. Cf. e.g. E. ANTOLA and O. TUUSVUORI, *Länsi-Euroopan integraatio*, op.cit., pp.194-198; E. TUOIOJA, *Suomi ja EEC*, Sipuli 8, Jyväskylä, 1971, pp.128, 135 & 161.

15. FM Records, 73 D<sub>1</sub>: EEC (folder 28), Paavo Kaarlehto, "Muistiinpano keskusteluista, jotka käytiin Brysselissä 21.12.1970 suurlähetiläs Rossin ja EEC:n komission apulaisjohtajan Braunin välillä", 22 December 1970.

16. H. HAKOVIRTA, *Puolueettomuus ja integraatiopolitiikka*, op.cit., pp.275-298.

17. *Valtiöpäivät – Riksdagen 1973, Asiakirjat – Handlingar* I:2, Government Proposal No. 90, p.1.

tween Finland and the Socialist countries". Within GATT these agreements caused trouble, but eventually they were, in fact, passed.<sup>18</sup>

The free trade agreement with the EC entered into force from the beginning of 1974, a year behind the originally scheduled deadline. Finland's special status became evident by the fact that the agreement did not include the so-called evolutionary clause with regard to future arrangements and that the term of notice was defined, like in FINN-EFTA, as three months, while for EFTA countries it was one year in accordance with the Stockholm Convention.<sup>19</sup>

Even though the adjustment of the Finnish economy to EFTA competition is to be regarded as successful, many branches of the Finnish domestic industries requested a similar delayed tariff-reduction scheme as in FINN-EFTA. These requests were noted by the Finnish Foreign Ministry but subordinated to the principal integration aim, which was the abolition of duties on paper products by the EC. The EC was known for its protectionist policy with regard to paper industries. Unlike the EFTA partners the EC was not prepared to make unilateral concessions. Indeed, the main grievance during the negotiations was the EC position on the duties on paper and related products, which gave the Finns grounds for putting their own protectionist claims onto the agenda. Eventually the EC consented to make concessions which satisfied the Finnish demands in the long run. Controversies were settled within a package of delayed transitional periods for sensitive branches of both parties.<sup>20</sup>

As in the framework of EFTA, free trade comprised industrial goods originating in the area. Import duties on industrial products were gradually removed, as a general rule, by July 1977. When the EC agreement was delayed, Finland agreed upon continued free trade with Britain and Denmark for the year 1973. Free trade with Britain and Denmark continued also during the transitional period, except that duties on paper were partially resumed, but in fact free trade according to the previous pattern continued within duty-free quotas. The so-called sensitive branches were protected by delayed timetables for tariff reductions until the beginning of 1980 and 1984 for Finnish exports and until the beginning of 1981 and 1985 for Community exports. For Finland, sensitive branches were, above all, textiles, clothing and knitwear, footwear, some branches of the chemical industry, metal and electro-technical industries, and for the EC, paper industries and a relatively modest number of other, mainly metal products. The EC agree-

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18. See R.C. BABAN, *The GATT and Free Trade Agreements between Market and Centrally-Planned Economies*, in: *Economia Internazionale*, Vol. XXXIII, No.2-3, 1980, pp.178-179 & 198-199; The Contracting Parties to the General Agreement on Tariffs and Trade, *Basic Instruments and Selected Documents. (...) Protocols, Decisions, Reports (...)* [1974-1980], Geneva, 1976-1981.

19. E. ANTOLA and O. TUUSVUORI, *Länsi-Euroopan integraatio*, op.cit., pp.152-154.

20. See The Federation of Finnish Industries: *Teollisuutemme ja EEC*, Helsinki, 1971, pp.11 & 21-22; *Suomen Teollisuusliitto. Toimintakertomus 1971, 1972*, pp.16-17; and *Suomen Teollisuusliitto. Toimintakertomus 1972, 1973*, pp.24-26; The Ministry of Foreign Affairs, *Suomen EEC-neuvottelut*, Helsinki, 1972, p.29; FM Records 58 D a: Ulkomaankaupan neuvottelukunta (The Foreign Trade Committee), "Selvitys Euroopan integraatiokehityksestä ja Suomen ulkomaankaupasta. Euroopan integraatiokysymyksiä selvittävän toimikunnan mietintö", Helsinki, 8 June 1967, pp.93, 97-102; and FM Records 73 D1: EEC (folder 28), letters by Finnish industrial associations to the Foreign ministry, autumn 1970.

ment prohibited, of course, foreign trade regulations on products subject to the agreement. The agreement included, however, the same reservations than FINN-EFTA for import regulations on fossil fuels and phosphate and potassium fertilisers, in order to secure Finland's Eastern trade.<sup>21</sup>

## V. The Question of the European Economic Space/Area

The extension of EFTA-EC cooperation beyond mere free trade was discussed, especially within EFTA, from 1977 onwards. Eventually, the mid-1980s marked a completely new stage in Finland's relationship with the West European integration. Since then Finland's position too shifted away from mere free trade on industrial goods to an all-embracing integration, albeit the new orientation materialised only a decade later.

The Luxembourg Declaration of 1984, issued by the first joint meeting of EFTA and EC ministers, was the starting point for the creation of the European Economic Space (EES), later on renamed the European Economic Area (EEA). The EES project was connected with the new Single Market program of the EC, which was made public in the White Book of 1985, to create a genuine common market by 1992. The EES agenda was, thus, enlarged to comprise the so-called four freedoms, i.e. free movement of goods, services, capital and labour. Up to the East European revolution in the autumn of 1989 it was supposed that EFTA and the EC would remain separate organisations, approximately as they were thus far, and therefore the new West European market construction was to be based on cooperation between these two pillars. This also gave impetus to the design of strengthening EFTA, i.e. transforming it into an EC-like organisation acting on behalf of its member states.<sup>22</sup>

By 1984 Finland's readiness to participate in West European integration had changed decisively. Economically, Finland had been transformed into a developed industrial country, completely adjusted to the competitive circumstances of West European markets. Over half of her foreign trade was conducted with the EC. Finland's international position too had changed in fact. Surely the East-West tensions did not vanish until the latter half of the 1980s and the officially proclaimed basic assumptions of both the Soviet and the Finnish foreign policy remained intact. There were, however, no visible signs, at least not publicly expressed, that would have indicated any Soviet objections to Finland's participation in the projected

21. See E. ANTOLA and O. TUUSVUORI, *Länsi-Euroopan integraatio*, op.cit., pp.152-154; R. VOLK and H. ESKELINEN, *EEC-vapaakauppa 1970-luvulla. Näkökohtia toimialoittaisista ja alueittaisista vaikutuksista Suomessa*, Helsinki, 1982, pp.56-57 and *Valtiopäivät – Riksdagen 1973, Asiakirjat – Handlingar III:1*, Government Proposal No.171, pp.4-6.

22. See E. ANTOLA, *EFTA and its Limits*, in: H. WALLACE (ed.), *The Wider Western Europe. Reshaping the EC/EFTA Relationship*, London/New York, 1991, pp.240-244; and *ibid.*, *Special Relationship. EFTA and the European Community as Actors in European Free Trade*, in: *Efta Bulletin*, 2/2000, pp.13-23.

EES. President Gorbachev, during his state visit to Finland, in October 1989, recognised the Finnish neutrality "without reservations".<sup>23</sup> The Soviet leadership avoided to take an explicit stand on Finland's EC relationship.

Finland's reservations with regard to West European integration were considerably relaxed. Instead of sticking to a special status, Finland backed the general EFTA line, expressed in the Luxembourg declaration and subsequent EFTA resolutions. As a first step Finland joined the EUREKA program in 1985. From the beginning of 1986, in view of joint action with regard to the EES, Finland's status within EFTA was changed to full membership. In 1986 Finland became an associated member of the European Space Agency. Liberalisation of international capital movements in the latter half of the 1980s created preconditions for the participation in a European financial market.

The main Finnish anxiety was to avoid ostracism in the new stage of West European integration. Its concern referred no longer exclusively to export interests but to the benefits of integration such as the increase of economic efficiency in general. Nor was it any longer a question of exclusive economic integration but in fact, of political integration as well. The EES process, namely, involved that the Finnish policy, in fact, moved away from the established pattern of neutrality, since the commitment to the EC market legislation clearly constituted a supranational element, which Finland had decisively rejected previously. For reasons of political appropriateness, however, the government's statements emphasised continuity in the country's foreign policy orientation.<sup>24</sup>

When the Finnish government issued three reports to the Parliament on Finland's relationship with the projected EES in 1988-90, West European integration was no longer a topic of sharp ideological controversies. The political parties that were the most pro-European were those representing the Blue-Red government coalition of 1987-91, i.e. the Coalition Party, the Swedish People's Party and the Social Democratic Party, albeit many old workers among the rank and file were reluctant to accept internationalisation. The opposition parties, i.e. the Center Party, the People's Democratic Union (from 1990 the Leftist Alliance) and the Green Party as the most important one, were divided.

In the spring of 1990 the Finnish Parliament defined Finland's negotiation position. The general foreign policy position was that the EES should not affect Finland's neutrality policy. Additionally, Parliament defined four preconditions – in order to gather the opposition around a common consensus policy – on the economic and social dimension. Firstly, the national authorities should have the power to control foreign ownership of fixed capital, especially of the property of land. Secondly,

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23. *Helsingin Sanomat*, 26 October 1989.

24. See Pankit ja integraatio. *Rahoitusalan suunta Euroopassa*, Helsinki, 1991, pp.40-41; E. ANTO-LA, *Finnish Perspectives on EC-EFTA Relations*, in: *EFTA and EC: Implications of 1992*, Maastricht, 1990, pp.170-174; and *Finland*, op.cit., pp.149-157; and *From Bridge-Building to Broker: Finland and Transition in Europe*, Thorkil Kristensen Institute, Centre for East-West Research, Working Papers on European Integration and Regime Formation, 38/98, Esbjerg (South Jutland Univ. Pr.), 1998, pp.12-15.

Finland should preserve the right to maintain social security on a sufficiently high level. Thirdly, Finland should preserve the right to maintain and develop higher standards for environmental protection than those in the EC area, and, finally, the scope for national regional policy should be maintained.

The decisive part of the negotiations between the EFTA countries and the EC Commission took place from June 1990 to October 1991, even though the whole negotiation process was not completed until the spring of 1992. Expectedly, the EC rejected definitively the Finnish reservation on foreign ownership, which went beyond the common EC scheme, while the other reservations were not problematic from the EC point of view. The EEA entered into force from the beginning of 1994, but it applied to Finland only the very first year, as the country became later on a member of the EU.<sup>25</sup>

## VI. The Question of EC/EU Membership

The end of the 1980s and the beginning of the 1990s announced profound changes in Finland's foreign orientation. In the spring of 1989 Finland, at last, joined the Council of Europe, an event that reflected the change in the international situation during the Soviet *perestroika*. In the autumn of 1990 the Finnish government made a unilateral revision of those elements that determined Finland's international position after 1947, i.e. the military clauses of the Paris Peace Treaty of 1947 and the concept of Germany as a possible aggressor as it appeared in the Agreement of Friendship, Cooperation and Mutual Assistance with the Soviet Union of April 1948 (FCA Pact). However, up to 1991 EC membership was excluded from official Finnish considerations. In the government report of 1988 this basic view was expressed as follows:

“Implementing Finland's policy of neutrality requires that we keep decisionmaking in our own hands. In our view this is not compatible with full membership in the EC. The EC is striving to create a European union which would include a common foreign policy”.<sup>26</sup>

From about 1989 however emerged in the Finnish public opinion prominent advocates for EC membership, even though President Koivisto and the government tried hard to silence such remarks. An opinion poll in June 1991 showed a 64 per cent support for EC membership. In June 1991 the Party Congress of the Coalition Party decided to back EC membership. In 1990-91 many economic organisations issued similar statements. Sweden's application for EC membership on 1 July 1991, obviously, had a great influence on Finnish public opinion.<sup>27</sup>

25. E. ANTOLA, Finland, op.cit., pp.152-154; cf. e.g. *Valtiopäivät – Riksdagen 1992, Asiakirjat – Handlingar*, Government Proposal No.95, pp.4-9.

26. *Finland and the Western European Integration Process. Report to Parliament by the Council of State Concerning Finland's Attitude Towards the Western European Economic Integration Process, 1 November 1988*, Helsinki (The Government Printing Centre), 1989, p.5.

The collapse of the Soviet Union, finally, brought about a profound change in Finland's international position. In early 1992 a new Basic Agreement between Finland and the Russian Federation replaced the FCA Pact, which meant that Finland's international action was freed from Moscow's control. Once the 1947 Finnish-Soviet trade agreement was replaced by a new one and the 1960 tariff agreement abolished, Finland freed herself from those obligations in the field of foreign trade that were incompatible with the common trade policy of the EC.<sup>28</sup> These contractual changes, at least, removed obstacles for Finland's policy with regard to West European integration. Later the same year 1992, the very concept of "neutrality" was re-defined to mean "military non-alignment" and "independent defence" as forms of characterisation of Finland's foreign policy.<sup>29</sup>

The failed coup in Moscow, August 1991, was the turning point on Finland's way to EC membership. Obviously, security policy considerations in the shadow of the Russian turmoil were decisive for the rapid turn in the Finnish opinion, while the EEA negotiations still were going on.<sup>30</sup> The Social Democratic Party stood up for membership, and in the autumn of 1991 both the Coalition Party and the Social Democratic Party urged the government to hasten preparations for membership. The fourth government report to Parliament on Finland's relationship with West European integration, January 1992, already advocated EC membership. In March 1992 the Finnish Parliament, finally, voted 133 to 60 in favour of an application for EC membership. The Finnish application, which did not include any reservations, was submitted to Brussels on 18 March 1992.

The Central Union of Agricultural Producers – among interest organisations – and the Christian Union – among political parties- were then and still remain today the most violent opponents to EC/EU membership. Taking a decision on EC membership was most difficult for the Center Party. A majority of the party supporters, mainly farmers and other rural people, was against membership, but the party was, from April 1991, the leading government-coalition partner and could not afford a government crisis. Therefore in early 1992 the party leadership arranged a series of provincial meetings through which the party folk reluctantly authorised the leadership to act in favour of EC membership.<sup>31</sup>

Negotiations with the Commission extended over a year from the spring of 1993, simultaneously with other applicant countries. In the referendum of 16 October 1994, membership was approved to by 57 against 43 percent, i.e. with a larger majority than in Sweden. In the succeeding Parliamentary vote, the membership option won 152 to 45. Over half of the opposition votes came from the Center Party, even though a scarce

27. e.g. E. ANTOLA, *From Bridge-Building to Broker*, op.cit., pp.19-22.

28. *Suomen säädöskokoelman sopimussarja – Finlands författningssamlings fördragsserie*, No.63/1992, *ibid.*, No.70/1992.

29. e.g. E. ANTOLA, *From Bridge-Building to Broker*, op.cit., pp.28-33.

30. See M. JAKOBSON, *Finland in the New Europe*, Westport, 1998, p.111; E. ANTOLA, *From Bridge-Building to Broker*, op.cit., pp.30-36.

31. See e.g. O. SUNNARI, *Suomen EY-liityntä poliittisena prosessina. Aineistoraportti*, Turku, 1993, pp.39-66.

majority of the group had voted “yes”.<sup>32</sup> When Finland entered the European Union, at the beginning of 1995, she was to belong to the core of the member States which were regarded as leading the integration process.<sup>33</sup>

### VIII. Economic Adjustment to Integration

Empirical studies confirm the trade creation and the trade diversion effects of the classical integration theory for both the FINN-EFTA agreement and the free trade agreement with the EC.<sup>34</sup> From the early 1960s to the early 1970s the share of the EFTA countries in Finland's exports and imports rose remarkably, while that of the EEC/EC countries fell. The increasing significance of EFTA trade was, however, mainly a result of the favourable conditions that met the Nordic market of industrial goods. Trade grew rapidly among the Nordic countries, while the effect on trade with the other EFTA countries was rather insignificant. The greater part of the growth of Finland's EFTA trade came from trade with Sweden. Trade with Norway also grew rapidly. The importance of the Nordic market remained a permanent feature, although in the period following the free trade agreement with the EC the share of the original EEC countries was gradually resumed.<sup>35</sup>

More significant, however, was the obvious impact of integration on economic growth, which was linked with profound structural changes in the Finnish economy and foreign trade. During a couple of decades since the 1950s Finland developed from a semi-agrarian country to an advanced industrial society. The economic growth was more vigorous in Finland than in the Western countries in average. By the 1990s, as a result of this convergence process, Finland caught up the per capita income levels of most West European countries.

Finnish exports diversified considerably and eventually the traditional division export/domestic-market industries lost ground. Imports diversified too but less noticeably. Foreign trade ceased to be predominantly based on the comparative advantage, linked to national factor endowment, but on the economies of scale with specialisation. Up to the 1960s Finland's exports to Western Europe consisted mainly of scarcely processed forest products. From 1960 to 1995 the share of forest products in exports to Western Europe fell from 85 percent to 40 percent. At the same time especially metal and engi-

32. See e.g. W. KAISER et al., *Die EU-Volksabstimmungen in Österreich, Finnland, Schweden und Norwegen: Verlauf, Ergebnisse, Motive und Folgen*, Wien, 1995, p.1; *Valtiopäivät – Riksdagen 1994*, Minutes, pp.5160-5161.

33. E. ANTOLA, *From the European Rim to the Core: The European Policy of Finland in the 1990s*, in: *Northern Dimension. The Yearbook of the Finnish Institute of International Affairs 1999*, Helsinki, 1999, spec. pp.6-7.

34. For a theoretical approach to integration, see J. VINER, *The Customs Union Issue*, New York, 1950, pp.44-45.

35. P. KLEPPE, *EFTA, NORDEK, EEC. Analys av de nordiska ländernas integrationsproblem*, Stockholm, 1969, pp.66-78 & 187-192; J.-O. ANDERSSON and Y. TOLONEN, *EFTA- och EEC-avtalens inverkan på Finlands utrikeshandel*, Åbo, 1980, pp. 5-22; and R. VOLK and H. ES-KELINEN, *EEC-vapaakauppa*, op.cit., pp.2-5 & 38-56.

neering industries as export branches rose to prominent positions (see figure 2). In accordance with the original Finnish integration aim the traditional export industries maintained, by and large, their relative competitive position in the Western markets. While the share of timber, pulp and wood manufactures (i.e. plywood) decreased considerably, that of paper and paperboard remained relatively stable.

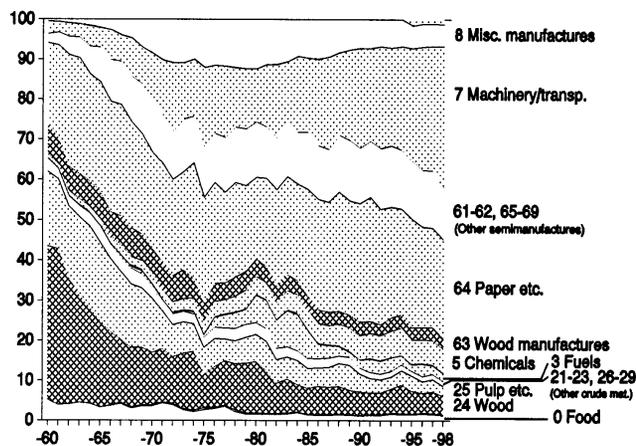


Figure 2.

Distribution of Finnish exports to Western Europe (EFTA + EEC/EC/EU) among sections and selected divisions of SITC, 1960-1998

The essential growth has taken place in new export branches. The first feature of the development of a new trade pattern was the emergence of product cycles on some labour-intensive consumer-goods industries. This success was still based on comparative advantage, i.e. cheap (female) labour. The most successful was the clothing industry, which, in the beginning, used the wage difference especially with regard to Sweden and other Nordic countries to allow Finnish exports to find wider international markets. Footwear is a similar example but in a smaller scale. The Finnish basic textile industries, instead, began to decline as soon as tariff protection ceased. In the 1970s, the share of clothing in Finland's total exports rose up to 5 percent, while at the same time that of the combined textile, clothing, leather and footwear industries fluctuated between 7 and 9 percent. The price competitiveness of the Finnish light consumer-goods industries lasted until the 1980s.

After World War II, the Finnish shipbuilding and engineering industries increased first under the auspices of the Soviet trade, but gradually they gained position also in Western markets. Finland has been a net exporter of ships from the early post-war years. Most characteristic of Finland has been the engineering of the so-called forest cluster, i.e. paper-mills and pulp-mills machinery, woodworking machinery and forest machines. Also hoisting and excavating machinery have been successful. From the late 1960s Finland has been a net exporter of television receivers. During the 1990s mobile telephones (Nokia) have become a well-known

trademark of Finland. From the 1960s onwards, many chemical industries (SITC section 5) grew to become significant export industries to the point that Finland has been a net exporter of dyes from the late 1960s. At the same time Finland's import dependence on chemical products has decreased.<sup>36</sup>

The abolition of obstacles to trade and economic convergence with regard to leading industrial countries have created a phenomenon called intra-industry trade, i.e. import and export trade with similar products. Intra-industry trade is thus one suitable measure for the proceeding of economic integration.<sup>37</sup> The Grubel-Lloyd (GL) indices with regard to the most important trading partners show growing figures (except for the USSR/Russia) up to the late 1980s/early 1990s, after which the transformation period for the trade pattern in this respect seems to have ended (see figure 3).<sup>38</sup>

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36. For Finland's trade patterns, see T. SUKSELAINEN, *Finnish Export Performance in 1961-1972. A Constant-Market-Shares Approach*, Helsinki, 1974, pp.65-70; R. VOLK and H. ESKELINEN, *EEC-vapaakauppa*, op.cit., pp.40-51; J.-O. ANDERSSON, *Intraindustriell handel och produktcykler i Finlands utrikeshandel 1965-80*, in: *Ekonomiska Samfundets tidskrift*, Vol.37, No.3, Helsingfors (The Economic Society of Finland), 1984, p.158; and K. HOFFMAN, *Teollisuus*, in: Br. WAHLROOS et al. (ed.), *Sotakorvauksista vapaakauppaan. Kauppa- ja Teollisuusministeriön satavuotisjuhlakirja*, Helsinki (The Ministry of Trade and Industry), 1988, pp.143-155.
37. According to empirical studies about Finland's intra-industry trade, the following main explanatory variables have been found: competing trade with natural resources, small role of primary production and incomes level (Aquino indices for 1981), P. PARKKINEN, *Ristikkäiskauppa Suomen ulkomaankaupassa 1981*, Helsinki, 1982, pp.18-33; demand diversification measured through income levels and the share of machinery in exports, on one hand, and economic integration measured through dummies original EFTA country, original EEC country, Nordic country, on the other (GL indices for Denmark, Finland, Norway and Sweden for 1965, 1973 and 1980), J.-O. ANDERSSON and Y. TOLONEN, *Intra-Industry Trade in the Nordic Countries*, in: EFTA Occasional Paper 12/1985, Geneva, 1985, pp. 6-17; small per capita income differential, high average per capita income, large average market size, small market size inequality, high R & D expenditure, sufficiently low concentration ratio, not too big average plant size, low transport costs and large direct investments (GL indices for 1985), M.-L. PARJANNE, *Econometric Analyses of Intra-Industry Trade. Evidence from Finnish Cross-Sectional Data*, Helsinki School of Economics and Business Administration, Helsinki, 1992, pp.33-47, 113-118, 129-140, 147-186 & 192-196.
38. The Grubel-Lloyd index measures the *degree* or *share* of intra-industry trade in foreign trade; the closer to 0 the less the trade is of an intra-industrial nature and the closer to 1 the more the trade is of an intra-industrial nature ( $0 \leq GL \leq 1$ ). It is calculated with the formula:  $GL = 1 - [\sum \text{Abs}(m - x) / \sum (m + x)]$ , where  $m$  and  $x$  are the import and export values of each of the commodity groups. Economists usually presume that the products concerned are genuine substitutes to each other. The present study, however, contents itself with that the products concerned represent similar factor endowments, which is assumed to be the case, as the rule, within 2-digit classes of SITC, which combine in a suitable way, by and large, similar processing rates within the same industry. Figure 3 gives the GL indices on 2-digit level of SITC for divisions 51-89, i.e. industrial goods. The relative position of different trading partners to each other, however, is essentially the same when the indices are calculated for all divisions of SITC or at a different level of aggregation.

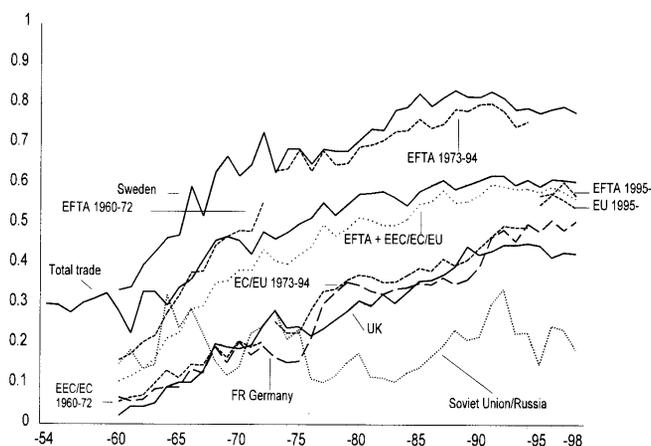


Figure 3. Grubel-Lloyd indices of the Finnish foreign trade with certain countries and groups of countries on 2-digit level of SITC for sections 5 to 8, 1954-98.

Sweden constitutes a special case among Finland's trading partners. The GL values for Sweden are clearly even higher than those for the total foreign trade or total Western trade (a non-expected result from the viewpoint of GL mathematics). This development seems to have been boosted essentially by EFTA integration. The figures for Norway and Denmark are also relatively high. For the other advanced Western countries the GL figures are clearly lower than within the Nordic community. The figures for the United Kingdom and Western Germany are close to each other at all phases, irrespective of Finland's different relationship to these countries in terms of integration policy until the late 1970s/early 1980s. To be sure, in the EFTA period, up to the mid-1970s, the GL figures for the United Kingdom grew faster than those for Germany, but the differences seem small or stochastic. Noticeable is that the figures for the other EEC/EC countries and the United States are close to the British and German figures. GL figures for the USSR/Russia, on the contrary, demonstrate the absence of economic integration in spite of extensive trade relations up to the late 1980s; the figures fluctuate without any development trend.<sup>39</sup>

A number of statistical indicators show that the structural change was most drastic in the 1960s and early 1970s, i.e. in Finland's EFTA period, slowing down thereafter.<sup>40</sup> This is obviously linked with the fact that economic growth was more vigorous in that period than later on, which was in direct connection with the evolution of world economic growth. Thus, FINN-EFTA seems to have been the decisive turning point between the era of protectionism and that of outward-looking foreign

39. See J.-O. ANDERSSON and Y. TOLONEN, *Utvecklingen av inombranschhandeln i Finlands utrikeshandel 1960-1980*, Åbo, 1982, pp.19-28; and *Intra-Industry Trade*, op.cit., pp.1-3, Appendix III.

trade policies, while the subsequent development is characterised by considerable continuity. World trade liberalisation following the Kennedy (1964-67) and Tokyo (1973-79) rounds of GATT surely mitigated the discernible effects of European integration decisions.

The most credible explanation for the development of trade patterns seems to be that, on one hand, the integration decisions created the conditions in which enterprises gradually developed their international operations and, on the other, the gradual internationalisation of business practices created pressures for the integration policies. In this way the relationship between practised policies and actual economic development seems to have been interactive. Quite obviously, even without the integration decisions the structural development would have proceeded in the same direction, but at a considerably slower pace.

## CONCLUSIONS

Finland's participation in the process of West European integration began with the endeavour to safeguard her relative competitive position in the most important export markets, but gradually Finland was drawn into an all-embracing economic and eventually also political integration with regard to Western Europe. Participation in West European integration was, without doubt, a precondition for the transformation of Finland, in the same period, from a backward, semi-agrarian country to an economically advanced industrial society. This development can be best interpreted in the terms of the path-dependence theory, i.e. integration has reinforced institutions that promote economic progress.<sup>41</sup>

The first phase of Finland's participation in West European integration consisted in free trade in industrial goods within the framework of the FINN-EFTA agreement (1961) and the free trade agreement with the EC (1973). Due to Finland's delicate international position in the circumstances of the Cold War, the emergence of these agreements involved considerable problems with regard to Finland's relationship with the Soviet Union. A second phase, which consisted in an all-embracing integration, started in the mid-1980s. The new orientation towards reform in the USSR resulted in a considerable decrease of Soviet political obstacles to Finland's accommodation within the institutionalised framework of West European integration and, eventually, as the result of the collapse of the Soviet Union, they were abolished.

40. Relevant statistical indicators are: GL indices for intra-industry trade (figure 3); imports dependence by industries, P. AHDE, *Tuonnin merkitys Suomen kansantaloudelle ja viennille*, Helsinki, 1990, pp.77-81;  $\chi^2$  values for transformation of internal industrial structures within different periods, T. TOIVONEN, *Rakennemuutos 1930-1985. Aineistoa toimiala-, luokka- ja kerrostumarakenteen tutkimukseen*, Turku, 1988, repr.1990, pp.72-74.

41. See spec. D.C. NORTH, *Economic Performance Through Time*, in: *The American Economic Review*, Vol.84, No.3, 1994, pp.363-366.

Economic restructuring was most drastic at the beginning and continued, although more slowly, from about the mid-1970s. During this process Finland was also gradually transformed from a country of high protectionism to one completely adapted to the competitive circumstances of the new global economy. However, this process was slow, lasting for about four decades, which meant smooth transition in view of social adjustment.

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## Choosing the Periphery: The Political Economy of Norway's European Integration Policy, 1948-73

*Hans-Otto Frøland*

It would apparently have been easy to bring Norway into the European Community (EC) fold in 1973. The expanded EC was the recipient of over fifty per cent of Norway's commodity exports, which indicates the profound Norwegian trade dependence on Community markets. Per capita income was on the same level as that of the Community's core countries, indicating the prospective of painless socio-economic integration. Although Norway's security rested fundamentally upon American guarantees, the Community had also occupied an expanding position in Norway's political orientation throughout the 1960s. Indeed, political changes in West Germany had made it more difficult to regard the Community as contrary to the Nordic social democratic *third way*. Any perception of being different would at any rate become impossible with British and Danish entry into the Community. Irrespective of the Community's definition of Europeanness in 1973 – geographically, culturally or politically – Norway would be included. Politically as well as functionally the country depended to such an extent on the Community that observers had expected Norwegian membership in 1973.

Nonetheless, a sufficient degree of national will for membership was lacking. A treaty of accession was signed in January 1972. The Labour government mobilised all political resources available in support of the treaty and the Norwegian parliament seemed also inclined to accept the terms of admission. Nonetheless, the treaty was rejected in the referendum of September 1972. Fifty-three per cent of the votes opposed the treaty, with only forty-seven per cent in favour. Thus, by refraining from joining the Community and retaining formal sovereignty, Norway chose to remain on the fringe of European integration. In terms of European political influence the nation chose the periphery.

How should this choice be understood? When citizens who voted against the proposal were polled to ascertain why they did so, the two most frequent answers referred to the loss of sovereignty and the effects on the primary sectors.<sup>1</sup> The poll pinpointed the essence of the population's concerns. The Community challenged a primary sector that totally depended on national sovereignty. Norway had gained its independence in 1905 and the choice certainly also reflected a young nation-State's need for self-assertion. Federalism was never supported by the public, and it is symptomatic that the only Norwegian statement in favour of a united Europe Walter Lipgens could find for publication was by Vidkun Quisling, the politician who betrayed his country to the Nazis and become their puppet ruler in 1940.<sup>2</sup>

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1. CENTRAL BUREAU OF STATISTICS OF NORWAY, *Folkeavstemningen om EF* [The Advisory Referendum on Norway's Accession to the EC], Vol. II, NOS A 544, Oslo 1973, p.57.
  2. W. LIPGENS and W. LOTH (eds.), *Documents on the History of European Integration, Vol.1, Continental Plans for European Union*, New York, 1985, Doc.10, pp.78-80, cf. also p.44. Quisling's ideas were, however, more pro-Germanic than pro-European unity.

Defence of sovereignty and fear of losing national identity were still main issues in the debates on Community membership, and the legislature did not introduce a constitutional warrant for a limited cession of sovereignty until 1962. However, the public debates concerning possible membership were still dominated by utilitarian considerations more than by idealistic visions of the nation-State. Arguments about national sovereignty were secondary to socio-political and socio-economic interests, in particular the defence of the primary economy.

This paper aims to explain the hard-nosed utilitarian considerations that made the basis of the national choice. It argues that Norway remained outside the EC because membership threatened the domestic political economy that had been sustained ever since 1948. By *political economy* is meant the set of agreements across all sectors of the national economy that had been reached co-operatively by representatives of both the economic interest groups and the State, which involved intense State intervention and which was believed to constitute the keystone of the country's socio-political stability.

The first section puts this thesis in the historiographical context of Norway's European integration policy. The second section outlines in more detail the foundations of Norway's political economy as well as its character until the Treaties of Rome were established. The constraints the political economy imposed on the form of attachment to the Community are illustrated in the third section, which provides evidence of how the Norwegian polity perceived the challenge of the Community. The fourth section outlines the bargaining policy developed when applying for access negotiations with the Community. The paper concludes that European Free Trade Association (EFTA) membership rather than EC membership became the desirable policy option, as it would allow keeping the country's political economy unaltered. When the perception of the Community as a challenge diminished in urgency, being *peripheral* vis-à-vis the Six was not regarded to be detrimental. In the closing section, I therefore explain why the Labour government defended the accession treaty before the 1972 referendum on Community membership.

## **I. Norway and European Integration: the Patterns of Historiography**

Within the body of published works covering the history of Norway's relation to the Western European integration process between 1948 and 1973 three non-excluding perspectives may be identified. These can be labelled, in short, *geopolitical challenges*, *domestic constraints* and *economic modernisation*.

An academic interest in Norway's relationship to European integration did not emerge until after the first application for negotiations on EEC membership in 1962. Those interested in the topic were scholars and advisors close to the Labour government.<sup>3</sup> Their point of departure was the study of the Cold War and its deriving tensions, and within this framework they analysed Norway's European positioning as part of the country's foreign and security policies.<sup>4</sup> As a small State,

Norway was a policy-taker seeking Anglo-American protection. Ratification of both the Organisation for European Economic Co-operation (OEEC) convention in 1948 and the North Atlantic Treaty in 1949 formalised the existing Atlantic orientation. The inclination to follow British applications for EC membership during the 1960s was thus interpreted as a natural outcome of this orientation. No national pressure to put the EEC-membership issue on to the political agenda was ever taken into account since it was always considered that such an issue was only brought to the forefront by political events beyond national control. Norway's pro-Community membership policy would have accrued from the constraints that the *geopolitical challenges* the country then faced imposed on its foreign relations and domestic politics.<sup>5</sup> The fear of remaining outside the Community would have been a more powerful motive than the desire to be included. When in the 1970s historians became interested in Norwegian post-World War II foreign policy, the perspective was infused with empirical substance.<sup>6</sup> It is still alive today.<sup>7</sup>

There is much evidence to support this perspective. Norwegian sympathy for British European policy was generally strong in the 1950s. Norwegian authorities certainly expected British leadership in Europe and they most frequently placed themselves near the British position within the OEEC.<sup>8</sup> In 1952, after the British government had announced that it would make the pound convertible, possibly causing a winding up of the European Payments Union (EPU), government officials discussed whether to formalise Norwegian association with the Sterling Area. Referred to as Uniscan talks, after the proposed commercial agreement in 1949, Norway and the other Scandinavian countries sought to co-ordinate their policies

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3. Their assessments often appeared in the journal *Internasjonal Politikk*, cf. contributions in the volume entitled "Norge i Europa" [Norway in Europe], *Internasjonal Politikk*, No.1, 1962.
  4. E. LÖCHEN, *Norway in European and Atlantic Cooperation*, Oslo, 1964, and K. FRYDENLUND, *Norsk utenrikspolitikk i etterkrigstidens internasjonale samarbeid* [Norwegian foreign policy in post-war international co-operation], Oslo, 1966.
  5. Cf. "Security considerations have ordered (...) priorities to a large extent, so any changes in official Norwegian attitudes toward regional cooperation and integration have been reactions to variations in the overall power structure in Europe". M. SÆTER, *Norwegian integration policy in a changing world: the primacy of security*, in: B.F. NELSEN, *Norway and the European Community. The Political Economy of Integration*, Westport, 1993, p.21.
  6. Cf. H. PHARO, *Bridgebuilding and Reconstruction. Norway faces the Marshall Plan*, in: *Scandinavian Journal of History*, Vol.1, 1976, pp.125-153; K.E. ERIKSEN, *Norge i det vestlige samarbeidet* [Norway in the western co-operation], in: T. BERGH et al. (eds.), *Vekst og velstand. Norsk politisk historie 1945-1965* [Growth and prosperity. Norwegian political history 1945-1965], Oslo 1977, pp.167-281; H. PHARO, *The Third force, Atlanticism and Norwegian attitudes towards European Integration*, in: European University Institute Working Paper Series (EUI WP), No.255, Florence, 1986; K.E. ERIKSEN and H. PHARO, *De fire sirklene i norsk utenrikspolitikk* [The four circles in Norwegian foreign policy], in: C. DUE-NILSEN et al. (eds.), *Danmark, Norden og NATO 1948-1962* [Denmark, the Nordic countries and NATO 1948-1962], Copenhagen, 1991, pp.193-220.
  7. C. ARCHER and I. SOGNER, *Norway, European Integration and Atlantic Security*, London, 1998.
  8. There is no comprehensive historical account of Norway's OEEC policy as yet. The author is carrying out a research precisely on the topic, "Norway in the OEEC, 1948-61. Challenges and adjustments".

with the British from 1950 to 1959. In 1957 the government was also inclined to follow the British into a wider European free trade area. After this failed, EFTA was a good solution because it united the Atlantic and the Nordic foreign policy orientations. A purely Nordic solution, which had been discussed since 1947, proved impossible without British participation. Thus, in accordance with the perspective that gives predominance to the geopolitical challenges, EFTA can be regarded as redemption of basic foreign policy orientation. However, the Norwegian authorities much preferred a process of European integration within the framework of NATO. This, among other issues, had been one of the reasons why in 1955 the government called for the expansion of NATO co-operation into civilian areas.<sup>9</sup>

The study of Norway's European integration policy and attitudes adopted another perspective after the referendum in September 1972; one, which took into consideration domestic constraints. The underlying question in this perspective was why the people did not share the authorities' inclination to join the Community. Scholars thus started to study the political mobilisation against EC membership and the socio-political conditions for its success. The negative outcome of the 1994 referendum certainly confirmed the relevance of this perspective. What are the most significant results ensuing when adopting this new perspective?

The membership issue activated an otherwise stable electorate. It produced rifts that cleaved through the political landscape polarised along the right-left axis.<sup>10</sup> The basic trend was that those in favour resided in urban areas while rural residents opposed. The lesser the urbanisation and the longer the distance to urban centres, the greater the opposition. The closer one came to Oslo, the greater the inclination to accept Norwegian EEC membership.<sup>11</sup> There was a no-majority in 387 out of 444 municipalities. The opposition prevailed most in small fishing communities in Northern Norway. The rifts could be interpreted as a socio-economic phenomenon, as the primary sector was localised in rural areas; as a socio-cultural phenomenon, due to the contrasts between urban and rural communities; and as a socio-political phenomenon, as there was a conflict between the elite and the rank and file. Together they were looked upon as a profound cleavage between the centre and the periphery that had been reinforced throughout the 19th century.<sup>12</sup> A notable exception

9. On policy towards NATO cf. O. RISTE, *Was 1949 a turning point?*, in: O. RISTE (ed.), *Western Security: The Formative Years*, Oslo, 1985, pp.128-149; R. TAMNES, *The United States and the Cold War in the High North*, Oslo, 1991; G. LUNDESTAD, *The Evolution of Norwegian Security Policy: Alliance with the West and Reassurance in the East*, in: *Scandinavian Journal of History*, Vol.17, 1992, pp.227-256; and M. BERDAL, *The United States, Norway and the Cold War, 1954-1960*, Basingstoke, 1996.

10. H. VALEN and S. ROKKAN, *Norway: Conflict structure and mass politics in a European periphery*, in: R. ROSE (ed.), *Electoral behaviour: a comparative handbook*, New York, 1974, pp.315-370.

11. O. HELLEVIK and N.P. GLEDITSCH, *The Common Market decision in Norway: A clash between direct and indirect democracy*, in: *Scandinavian Political Studies*, Vol.8, 1973, pp.227-235.

12. Cf. H. VALEN, *Norway: No to EEC*, in: *Scandinavian Political Studies*, Vol.8, 1973, pp.214-226; and *National Conflict Structure and Foreign Politics: The Impact of the EEC Issue on Perceived Cleavages in Norwegian Politics*, in: *European Journal of Political Research*, Vol.4, 1976, pp.47-82.

to this pattern was the attitude in constituencies dependent on export industries, where the opposition to membership was considerably smaller. Traditional export industries were frequently located in rural areas along the coast because they depended upon hydroelectric power from waterfalls.

Due to the cleavage, the membership issue split most political parties.<sup>13</sup> This explains why politicians were cautious about putting EEC membership on their agendas in the 1960s. Party platforms and members of Parliament were generally vague on Norway's relationship to the Community until forced to commit themselves to a standpoint. The cleavage first split the Labour Party, thus conditioning the Labour government's handling of this issue. When the Labour government finally decided to apply for membership negotiations in 1962, for political reasons it needed seven months to reach a decision.<sup>14</sup> The non-Socialist coalition that remained in power between 1965 and 1971 also split over the issue and collapsed immediately after commencing serious negotiations with the Community.<sup>15</sup> In 1971 the Labour government inherited the issue and negotiated on membership, simultaneously demanding permanent exceptions. When Labour in the end defended an accession agreement only incorporating long transition periods – rather than permanent exemptions – it paid dearly. If in the 1969 parliamentary elections the Labour Party won almost forty-seven per cent of the votes, in the 1973 elections it received slightly more than thirty-five per cent. A poll indicated that around forty-four per cent of Labour voters in 1969 cast their votes against the party recommendation in the September 1972 referendum.<sup>16</sup> However, other parties also experienced the consequences of taking a stance. Not since the election during the 1930 depression had the changes in the political landscape been greater.<sup>17</sup>

The fact that there was tension running through the parties made politicians sympathetic to a referendum.<sup>18</sup> The idea that the membership issue would be put to an advisory referendum was thus allowed to take root as early as the summer of 1961. As politicians handled the membership issue reluctantly, the door was

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13. Cf. H. ALLEN, *Norway and Europe in the 1970s*, Oslo, 1979.

14. On the application in 1962, cf. K.E. ERIKSEN and H. PHARO, *The Common Market Issue in Norway, 1961-1963*, in: R.T. GRIFFITHS and S. WARD (eds.), *Courting the Common Market. The First Attempt to Enlarge the European Community, 1961-1963*, London, 1996, pp.229-245; H.O. FRØLAND, *Advancing Ambiguity: On Norway's application for EEC-membership in 1962*, in: S. DAHL (ed.), *National interest and the EEC/EC/EU*, Trondheim, 1999, pp.53-76; and M. af MALMBORG, *Divergent Scandinavian responses to the proposed first enlargement of the EEC*, in: A. DEIGHTON and A.S. MILWARD (eds.), *Widening, Deepening and Acceleration: The European Economic Community 1957-1963*, Baden-Baden, 1999, pp.299-315.

15. On the application of the non-Socialist coalition in 1967, cf. FRØLAND, *The Second Norwegian EEC-Application, 1967: Was There a Policy at all?*, in: W. LOTH (ed.), *Crises and Compromises: The European Project 1963-1969*, Baden-Baden, 2001, pp.437-458.

16. CENTRAL BUREAU OF STATISTICS, *Folkeavstemningen*, op.cit., p.37.

17. H. VALEN and W. MARTINUSSEN, *Electoral Trends and Foreign Politics in Norway. The 1973 Starting Election and the EEC Issue*, in: K. CERNY (ed.), *Scandinavia at Polls*, Washington, 1977, pp. 39-71.

18. T. BJØRKLUND, *The demand for a referendum: When does it arise and when does it succeed?*, in: *Scandinavian Political Studies*, Vol.5, 1982, pp.237-259.

opened to non-governmental interest and campaign organisations. Thus resistance to the 1962 and 1967 applications emerged outside parliament. For the third application in 1970, a mass mobilisation organisation was created that at the time of the referendum comprised every tenth anti-Community voter and which succeeded in mobilising the resistance potential in the centre-periphery cleavage. The most detailed study of this mobilisation thus states that “the EEC conflict was the time of the unholy alliances”.<sup>19</sup> The most comprehensive analysis of the EC membership issue as a whole concludes that the Labour government's strategy to overcome the cleavage was doomed to fail:

“When we see the underpinning for the resistance against the EEC, it appears hopelessly naive to believe that this resistance would vanish if only enough information about the EEC was disseminated”.<sup>20</sup>

As some Cold War historians started in the mid-1980s to look into the Norwegian commercial foreign policy of the early post-war years studies of Norway's relations with the rest of Western Europe were enriched with a new analytical tool: the analysis of the constraints imposed by the need to foster economic modernisation.<sup>21</sup> This is what was previously referred to as the *economic modernisation* perspective. This perspective must be understood as the adaptation of Norway's specialists in the field to the new trends in the study of international post-war history, called *European revisionism* and *corporatism*.<sup>22</sup> Despite of the fact that the semi-official studies of Norway's foreign policy published in the second half of the 1990s took account of this new perspective, the latter is still immaturely developed.<sup>23</sup> What does this fresh perspective have to offer?

Norway's commercial dependence on other countries has determined foreign policy to a greater extent than suggested by the *geopolitical-challenges* school. Even the first Labour government in 1945 had export-led growth as its overarching strategy, and this brought interest in export and capital markets abroad to the forefront. The strategy was exploited within the context of the Marshall Plan. It nourished the failed talks on a Nordic preference area through the 1950s and led to Norway joining EFTA in 1960. Representing an economy that was highly dependent on foreign trade, all Norwegian governments continued to seek international co-operation to retain stable currency exchange

19. T. BJØRKLUND, *Mot strømmen. Kampen mot EF 1961-1972* [Against the Current. The Battle against the EEC], Oslo, 1982, p.14.

20. N.P. GLEDITSCH and O. HELLEVIK, *Kampen om EF* [The Battle on the EC], Oslo, 1977, p.265.

21. Cf. H. PHARO, *Domestic and International Implications of Norwegian Reconstruction*, in: EUI WP, No.81, Florence, 1984; K.R. PEDERSEN, *The United States and Norwegian reconstruction*, New York, 1988; and I. SOGNER, *The European idea: The Scandinavian answer. Norwegian attitudes towards a closer Scandinavian economic cooperation 1947-1959*, in: *Scandinavian Journal of History*, Vol.18, 1993, pp.307-327.

22. Conspicuous representatives being, respectively, A.S. MILWARD, *The Reconstruction of Western Europe 1945-51*, Berkeley, 1984, and M.J. HOGAN, *The Marshall Plan. America, Britain, and the Reconstruction of Western Europe, 1947-1952*, Cambridge, 1987.

23. K.E.ERIKSEN and H. PHARO, *Kald krig og internasjonalisering 1949-1965* [Cold War and Internationalization 1949-1965], Oslo, 1997, and R. TAMNES, *Oljealder 1965-1995* [The Age of Oil 1965-1995], Oslo, 1997.

rates. Adopting the *economic-modernisation* perspective one comes to realise that the Norwegian authorities – in contrast to the *geopolitical-challenges* view that the fear of being left outside the Community was stronger than the wish to be inside – felt attraction for a stable international market regime, even if not necessarily the Community's tariff union. The *economic modernisation* perspective will show more sides of the picture than heretofore, without necessarily eliminating earlier ones.

This paper takes all three perspectives – labelled *geopolitical challenges*, *domestic constraints* and *economic modernisation* – into account. However, it seeks explanations not in geopolitical but in domestic challenges. The argument is conditioned by insights from the *domestic constraints* perspective while aiming to develop the argument of *economic modernisation* even further. The *geopolitical challenges* perspective is certainly right when it claims that British decisions placed EC membership issue on the Norwegian political agenda. Indeed, foreign policy had an Anglo-American orientation and there is evidence in the white papers on EFTA that all Norwegian governments during the 1960s envisaged British leadership in enforcing *bridge building*, whatever that meant at each point in time, between EFTA and the Community.<sup>24</sup> However, as implied by those within the *geopolitical challenges* research perspective, it is erroneous to believe – as Sæter claims – that security considerations left “ordered priorities”.<sup>25</sup>

I reject the idea that security policy and even foreign policy structured the approach to the EEC membership issue and, even less, determined policy options. Had this been the case, foreign-policy and security-policy issues would have been far more conspicuous in perceptions and debates than what they actually were.<sup>26</sup> As a matter of fact, all white papers conveying the governments' arguments for resuming negotiations left out considerations of security policy.<sup>27</sup> The Community was not considered in security terms because Norway regarded NATO as a sufficient guarantor. During the hard negotiations with the EC in October 1971, the Norwegian ambassador in Brussels, Jahn Halvorsen, assured his British counterpart, Michael Palliser, that the Norwegian government

24. Stortingsmelding [White Paper] (henceforth St.m.) No.61, 1962-63, “Om utbyggingen av samarbeidet i Det Europeisk Frihandelsforbund” [On strengthening the co-operation in EFTA]; No.6, 1963-64, “Om den fortsatte utbygging av samarbeidet i Det Europeiske Frihandelsforbund” [On the continued strengthening of co-operation in EFTA]; and No.33, 1966-67, “Om samarbeidet i EFTA” [On co-operation in EFTA].

25. Cf. note 5.

26. On Parliamentary debates, cf. contributions in N. ÖRVIK (ed.), *Fears and Expectations. Norwegian Attitudes Towards European Integration*, Oslo, 1972.

27. St.m. No.15, 1961-62, “Om det Europeisk Økonomiske Fellesskap og de europeiske markedsproblemer” [On the European Economic Community and the European market problems]; St.m. No.67, 1961-62, “Om Norges stilling til Det Europeiske Økonomiske Fellesskap og de europeiske samarbeidstrebelser” [On Norway's relations to the European Economic Community and European cooperative endeavours]; St.m. No.86, 1966-67, “Om Norges forhold til de europeisk fellesskap” [On Norway's relations to the European Communities]; St.m. No.92, 1969-70, “Om Norges forhold til de nordiske og europeiske markedsdannelser” [On Norway's relations to the Nordic and European market formations].

“did not wish to link security policy to Community membership. Norwegian security policy was and would remain dependent on US guarantees. It was inconceivable to think that any European country could replace the American guarantee. Any further solidarity coming from an EEC membership would be a supplement, but not a decisive factor”.<sup>28</sup>

The main argument for following Great Britain's policy towards Community membership was on neither occasion political but rather the manufacturing industry's need for capital and markets. There was always the question whether the need to follow the British could not be satisfied through an association agreement under Article 238 of the Treaty of Rome. Because the interests were economic by nature, applying for full-membership negotiations under Article 237 was on all occasions instrumental. In 1961 this tactic had been recommended by the Free Trade Board, a corporate board under government auspices: “As [EEC] membership is the alternative which provides the clearest basis for negotiations and for stating precisely and discussing the Norwegian provisos, the Board feels that negotiations should be based on this alternative”.<sup>29</sup> Norwegian restrictions were not tied to foreign policy but rather to the domestic primary industry. Pharo's interpretation of the 1962 application, according to which “when the Government finally applied for membership rather than association, the North Atlantic connection was decisive”, I believe, is inadequate.<sup>30</sup> In concurrence with most scholars believing in the *geopolitical-challenges* perspective, Pharo bases his analysis on the idea that Norway applied for membership. Contrarily, I contend that Norway never applied for membership, only for negotiations to gain access to the Community on special conditions. The three Norwegian applications, in 1962, 1967 and 1970, neither excluded nor assumed membership. Applying under Article 237 must thus be understood as an instrumental tactic aiming to strengthen the possibility for permanent exemption schemes, which were unconditional on all three occasions. Although not irrelevant, I argue that the *geopolitical-challenges* concept provides at best weak explanations.

Generally, any explanation of Norway's choice must be compatible with the specific assessments of advantages and disadvantages the authorities elaborated when considering the applications and approaching the Community. Balancing the

28. Utenriksdepartementets arkiv, Oslo [The Archives of the Norwegian Ministry of Foreign Affairs] (henceforth, UD), 44.36/6.84, Norwegian Embassy in Brussels to the ministry of Foreign Affairs, 22 October 1971.

29. “Uttalelse til Handelsministeren om de europeiske markedsproblemer avgitt av utvalget for saker vedrørende Frihandelsforbundet og nordisk økonomisk samarbeid den 15. september 1961” [Statement to the minister of Trade on the European market problems, given by the Board for matters pertaining to the Free Trade Association and Nordic economic co-operation on 15 September 1961], St.m. No.15, 1961-62, op.cit., Appendix 1, p.38. The Board referred to above was known as the *Free Trade Board* and was replaced in March 1966 by the so-called *Market Board* established by the non-Socialist coalition government (cf. note 78).

30. H. PHARO, *Utenriksøkonomi og europeisk integrasjon* [Foreign Economy and European Integration], in: *Nato 50 år. Norsk sikkerhetspolitikk med NATO gjennom 50 år* [NATO 50 years. Norwegian Security Policy through Fifty Years with NATO], published by Den norske Atlanterhavskomiteé, Oslo, 1999, p.177.

gain of stable access to industrial markets against the costs of relinquishing national control of primary industries was fundamentally the same for all three applications. The Norwegian authorities set conditions for an accession agreement that were incompatible with the Community's own regulations. The minimum bargaining objective was an extended period of transition before the movement of capital could be liberalised. The maximum bargaining objective was to be granted permanent special schemes for agriculture and fishery. The dilemma the Norwegian positions represented was at its roots a political one, not an economic one, due to the very fact that Community membership challenged the wide set of compromises that constituted the national political economy. In the short term, Norwegian governments anticipated resistance from groups feeling threatened by EC membership. In the long term, restructuring the political economy would topple the socio-political balance and consequently launch unpredictable political trends. This obtrusive dilemma was one of the reasons why the Norwegian applications were late in 1962 and 1967 compared with other applicants to the EEC. However, on neither occasion did the dilemma come to a head. In 1962 two hearings were held with the Community at the ministerial level – none in 1967 – but no real negotiations were initiated. After the 1970 application negotiations were carried on for eighteen months. Twenty-seven official negotiation meetings were held, ten of which at the ministerial level and seventeen at deputy level, in addition to innumerable discussions at the expert level. Not unexpectedly, agriculture and fisheries were the major stumbling blocks during the negotiations, and only in January 1972 did the parties reach agreement on the fisheries protocol. In the end, the Labour government yielded on so many conditions during the negotiations that the electorate turned down the treaty a few months later.

The formulation of national preferences and eventually the country's policy options, I argue, stemmed from the set of entangled compromises the political economy implied in Norway. This does not entail a rejection of the ideological or cultural motivations underlying Norway's choice. Actually, the political economy was legitimised by the building of the welfare state, probably the post-war institution that most strongly maintained national identity. The defence of the primary industries also implied a defence of the national identity constructs that had been in the making throughout the 1800s. Hence, the defence of the political economy was fully compatible with nationalism as ideology.

## **II. The Political Economy and its Foundations**

In the 1960s no domestic threats existed against Norway's definition of its political economy. The non-Socialist coalition that assumed power in 1965 continued Labour's policy with only minor modifications. Labour, in office since 1945, had deliberately included corporative organisations in the government. Thus, institutionalised corporatism helped to sustain the national consensus. Nor was there a

foreign threat as long as Norway's international action were restricted to inter-governmental co-operation in favour of trade liberalisation for industrial commodities. Consensus was only threatened while Norwegian EEC membership was pending, as the authorities would then have to consider both introducing future modifications in the national agricultural and fisheries regulations in line with EEC's own regulations and losing control of investments due to the prospects of liberalisation in the movement of capital.

Norway's political economy had a dual character. On the one hand, Norway aimed for export markets for industry and the merchant navy as well as the importation of capital from abroad. From this it followed that Norway was willing to collaborate in international markets. On the other hand, it sought to shield the primary sector from foreign competition, which implied that Norway would not participate in any preference area that included the primary sector. Norway's EEC membership was certainly a challenge to the sort of balanced policy the country's complex political economy demanded.

The dual nature of the country's political economy derived from the Norwegian authorities' willingness to combine economic growth with social stability and political legitimacy. The aim was to gradually modernise the sheltered sector without causing social discontent and political upheaval. This meant transfers from the open to the sheltered sector through an ambitious credit and investment policy, and herein we find the explanation for the fear of liberalising the movement of capital. The political economy had, needless to say, been developed for political purposes, to retain a socio-political balance within the nation. The Norwegian model thus was a variant of what Alan Milward has called the rescue of the nation State after 1945 and Barry Eichengreen the post-war settlement, which remained stable in Norway between 1948 and 1973.<sup>31</sup>

The political basis for this stability originally stemmed from two compromises the labour movement had entered into in the 1930s.<sup>32</sup> Feeling pressure from the depression, fascism and declining support, the Labour party replaced revolutionary socialism with reformist planning and Keynesian demand management. To gain political support the party developed a national-crisis policy that comprised both the manufacturing and primary industries. In 1935 the Labour party came to power after agreeing to a budget compromise with the agricultural interests in parliament. This compromise implied protection of and special regulations for the primary sector. The same year trade unions signed a national agreement with the employers' organisation, heralding the arrival of consensual labour market relations in the industrial sector. This compromise implied acceptance of capitalism and the so-called *politics of productivity*. Labour's ambitious reconstruction policy after World War II was founded on these two compromises, and the stability of Norway's political

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31. A.S. MILWARD, *The European Rescue of the Nation-State*, London, 1992, and B. EICHENGREEN, *Institutions and economic growth: Europe after World War II*, in: N. CRAFTS and G. TONIOLO, *Economic growth in Europe since 1945*, Cambridge, 1996, pp.38-72.

32. G. ESPING-ANDERSEN, *Politics against Markets. The Social Democratic Road to Power*, Princeton, 1985.

economy during the following twenty-five years was due to the governmental desire to maintain them.

Growth policy from 1945 was designed on a long-term basis and for structural reasons it was based on exports. Governments gave priority to developing the merchant navy and the export industries based on inexpensive hydroelectric power. Throughout the 1950s and 1960s foreign trade constituted approximately forty per cent of Norway's Gross National Product (GNP). Export revenue was thus decisive for the national revenue. In the long run, exports would eventually provide income to finance the many ambitious modernisation programmes, including the welfare state. Most of the export economy required a heavy degree of imported capital, such as machinery and raw materials. For example, means of production constituted as much as eighty-eight per cent of all imports in 1955. The capital requirements made Norway a net importer of capital. In 1956 gross debts to foreign lenders constituted twenty-five per cent of the GNP. During the next decade this tripled in absolute terms, corresponding to thirty-six per cent of the GNP.

The financial problem of Norway's modernisation strategy was always lack of capital and the danger that international preference areas got in the way of export revenues. The corollary was that the Norwegian governments were liable to participate in international preference areas that were appropriate for their specific growth policy. Indeed, from the perspective of current and capital accounts, the Norwegian government always argued at the OEEC Council of Ministers that quota liberalisation occurred too rapidly, the terms of payments in the EPU were too hard, while also deploring the transition to convertibility. However, it always defended the OEEC co-operation schemes in any domestic political debate. Within the government itself the impact that investment needs had on the country's foreign commercial policy was stated more precisely. When discussing the problems that would arise from convertibility, Arne Skaug, then ambassador to the OEEC and later minister of Trade, argued that

“in the future the Norwegian economy will depend on, *de facto* if not *de jure*, Norway participating in a greater economic unit. Others rather than ourselves must do the savings and provide the capital formation we need to develop our industries”.<sup>33</sup>

In the following section I will show that support for an OEEC-wide industrial free trade area in 1957-58, as well as EFTA membership in 1960, was a logical consequence of the export-oriented growth policy, which also led to interest in the EEC.

In accordance with the compromise made in 1935, the trade union movement and industrial organisations supported export-led growth as a modernisation strategy. Industry was to be made competitive, and through incomes policy the governments sought to moderate wages to respond to variations in international-market conditions. Wage moderation would be exchanged for investments. Gross investments would normally lie at above thirty per cent of the GNP and be subjected to planning. The interest rate was kept artificially low to stimulate the demand for pri-

33. Riksarkivet, Oslo [National Archives] (henceforth RA), Privatarkiv Knut Getz Wold [Private archive of Knut Getz Wold], box 169, Note on convertibility by Arne Skaug, 14 October 1953.

vate investment. Through the state budget and forced regulation of the bond market the authorities led a relatively large proportion of savings over into a network of public funds and State investment banks. This national credit rationing could not be maintained if the movement of capital was liberalised. With a low interest rate, private savings would disappear abroad and there would be even less capital for investments. This explains why Norwegian governments feared the Community directive on the liberalisation of capital movements. Moreover, with less control over overall investments, the trade union movement would in all probability lose interest in wage moderation and the *post-war bargain* would crumble.

The importunate political problem of the modernisation strategy was nevertheless that the majority of the electorate could be found in the sheltered sector of the economy. In the 1930s, both the agriculture and fisheries were forced into cartels and shielded against competition from abroad. During the inter-war period a large industry based on handicrafts had emerged selling to local markets and this had accounted for approximately ninety per cent of employment growth in the 1930s. This industry, by planners referred to as the *domestic market industry*, continued to enjoy extremely good terms until quota liberalisation was implemented in the 1950s. In 1950, twenty-eight per cent of employment was in the primary sector while industry only employed twenty four percent. The majority of industrial employees, moreover, produced for a protected domestic market. Estimates in the late 1950s said that about seventy-five per cent of the employment in industry was in the domestic industry. A modernisation strategy seeking to survive politically would need to consider this fact. To avoid social dissatisfaction and political protest movements, the sheltered sector, which was labour intensive and had a low productivity rate, would have to be modernised more carefully. Governments accordingly chose to maintain the compromise with agrarian and rural interests. An expression of this was the 1950 parliamentary decision that the income of farmers would follow the average wage of industrial workers. A negotiation system was also introduced between the government and agricultural organisations with respect to income developments in agriculture. A similar system was later introduced in the fisheries sector. The production structure and income level in the primary sector was thus completely dependent on price regulations, State subsidies and protection. Similar considerations were attempted for lagging industry through an emphasis on the income policy in wage settlements that were conceived in terms of social solidarity. Hence an inflationary bias was established in the protected sector of the economy which the governments, by means of subsidy policies, converted into political business cycles. Inflation was tamed prior to elections.<sup>34</sup>

The sheltered industry consisted of many companies, each with relatively few employees and little capital equipment. Planners explained that this structure came about because of the limited domestic market. Consequently, part of the long-term

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34. O. AUKRUST, *Inflation in the open economy: the Norwegian model*, in: L.B. KRAUSE and W.S. SALANT, *Worldwide Inflation: Theory and Recent Experience*, Washington, 1977, pp.107-153; and FRØLAND, *Corporatism within organized capitalism. Norwegian incomes policy 1935-1965*, in: *Jahrbuch für Wirtschaftsgeschichte*, 1993/2, pp.191-218.

modernisation plan was to subject sheltered industry to foreign competition and turn it into an export industry. However, the contract with the trade union movement and industrial organisations suggested the need for modernisation before exposing the sheltered industry to competition. As developing the export sector consumed the majority of the investment resources available, modernisation lagged behind. Hence, it was protected throughout the 1950s. Norway was trailing in its liberalisation of import quotas and in the textile industry the government raised tariff rates when it was forced to liberalise import quotas. For many of the commodities produced by the domestic industry, the tariff rate was between twenty and thirty percent *ad valorem*. Prior to the GATT bargaining rounds, negotiators were always instructed that export interests were to be balanced against the domestic industry's need for protection. During the Torquay round, in 1951, Norwegian negotiators would not push the high-tariff countries too hard because "one would risk decisions which threatened the domestic market industry".<sup>35</sup> A defensive bargaining policy for the 1956 Geneva round was developed because quota liberalisation had become effective.<sup>36</sup> While Norway was listed as a member of the Low Tariff Club in the OEEC, it was well aware that the tariff rates for domestic industry in a number of cases made such membership fairly undeserved. Fears of the strong Swedish industry also encouraged the Norwegian government to reject a Nordic preference area in the 1950s. As the next section will show, a change in attitudes concerning domestic industry developed in 1957-58 and was confirmed by the EFTA experience. This led, consequently, to regard the Community in the 1960s as a lesser threat to the Norwegian sheltered industry than heretofore.

The long-term plan developed in the 1940s also included the primary sector. Both agriculture and fisheries had low productivity and the goal was to liberate labour from the primary sector through modernisation for the expanding industrial sector. According to official statistics, the outcome of this policy was a decline in the number of operator-owned farms from 195,000 in 1949 to 141,000 in 1969. During the same period of time the number of fishermen declined from 98,000 to 45,000. At first glance these were dramatic changes. However, the farm units that disappeared were so small that under no circumstances would they have provided a basis for subsistence. The same trend applied to the fishing fleet. The desire for a careful modernisation in the primary sector allowed both agriculture and fisheries to retain a structure and an income level that made them utterly dependent on protectionism, market regulations and State subsidies. Thus, the prospect of Norway's Community membership was perceived from the primary sector as a real threat.

Due to the operating structure of the sector, the drop in employment was not translated into a proportionate drop in electoral strength. In 1949 full-time farmers operated only about forty per cent of the farms. In 1969 the proportion dropped to thirty-three

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35. RA, Privatarxiv Norges Industriforbund [Private archive of the Norwegian Industrial Association] (henceforth, PNI), box 1746, Report from the Norwegian delegation at the international tariff negotiations in Torquay, undated.

36. UD 44.2/13, Report from the committee set up to prepare Norwegian policy at the tariff negotiations in Geneva, undated.

percent. In 1949 only about twenty-four per cent of the registered fishermen had fishing as their sole source of income. Although the proportion of such fishermen increased to fifty percent in 1971, seen together the majority of the Norwegian farmers and fishermen earned part of their incomes from other activities. Estimates in the 1960s indicated that the incomes of about twenty-five per cent of the population were mainly derived from the primary sector. Due to this, there were few major conflicts in the rural areas, and, in agreement with the basic insight from the *domestic-constraints* perspective, the dominant cleavage provoked by the issue of membership in the EC was between urban centres and rural peripheries. Hence, it was wise of politicians to sell both agricultural and fisheries policies to the public as *regional policy* aimed at retaining a dispersed population in the rural areas. The underpinning for the strong position of the primary sector is well described by the frustration expressed by ministers of Trade, Arne Skaug, and Industry, Kjell Holler, when in a joint meeting with the head of the industrial association in 1959 and after openly declaring their common desire to change the country's agricultural policy, "stated, not really breaking new ground, that this was a very delicate matter which no political party wished to touch".<sup>37</sup> The government simply dared not risk rapid restructuring because it could topple the agrarian compromise originally struck in 1935.

The authorities resisted any international effort to liberalise the primary sector in the 1950s. Difficulties in the balance of payments formed the recurrent argument used when liberalisation efforts commenced in the OEEC. The rationale used for resistance to the proposed European Agricultural Community between 1951 and 1954 was also the negative effects on the balance of payments.<sup>38</sup> Not until 1958 did protectionism become the official reason for sheltering agriculture.<sup>39</sup> During the 1950s the argument that climatic and structural conditions called for permanent protection gained prominence. This was used when the governments rejected Danish efforts to include agriculture in a Nordic preference area, as well as when Norway supported Great Britain's proposition to keep agriculture out of a possible free trade area among the OEEC member-States (henceforth referred to as FTA). The next section shows that this argument was also used to justify unconditional demands that Norway's primary sector was to be exempted from Community regulations in case of accession to the EEC.

Similar protection was actively claimed in fishery. After the Geneva negotiations, in 1960, failed to yield a satisfactory outcome, Norway unilaterally extended its fishing zone from about four to twelve nautical miles in 1961. The move was regarded necessary to maintain a dispersed population in Northern Norway, where still in 1970 the employment of about forty per cent of the population depended upon coastal fisheries. The unilateral extension implied that foreign nationals, who

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37. RA, PNI, box 1656, Minutes, meeting of Monrad Aas, President, with Arne Skaug and Kjell Holler, 15 September 1959.

38. H. ESPELI, *Norway and the Green Pool*, in: *Scandinavian Journal of History*, Vol.19, 1994, pp.327-347.

39. H. ESPELI, *Jordbruksproteksjonisme og handelspolitikk* [Agricultural protection and trade policies], Ås 1992, pp.131-166.

had traditionally fished inside the twelve-mile coastal zone would be excluded after a transition period. Only because the 1964 London convention on European fisheries, which accommodated Norwegian interests by codifying in international law a fishing zone of twelve nautical miles, allowed these foreign fishermen to maintain their traditional fishing in the zone between six and twelve miles, did Norway not ratify the London convention. Fears that the Norwegian position would hurt fish export, including the favourable EFTA-clause on frozen fish to Great Britain, counted less than maintaining the preferential fishing regulations. The Norwegian negotiator was instructed not even to accept specific parts of Norwegian waters being covered by the London convention.<sup>40</sup> Norway's expansive and rigid fishing-limit policy bears witness to the strong position of the fisheries sector in the core of Norway's political economy.

### III. The Community Seen as a Challenge

Never had the Norwegian authorities been so afraid of the tariff union as in 1957-58. In the autumn of 1957, Trade minister Skaug reported on the threat to Norwegian export interests if France and Italy were to succeed in forcing the establishment of a "high-tariff union", which would develop into "a policy of self-sufficiency of quite considerable scope".<sup>41</sup> This fear eventually applied to the tariff rates that were not determined by the Treaty of Rome, but which in accordance with List G were to be negotiated at a later stage. The government estimated that sixty-two per cent of Norwegian export revenues in 1956 came from export commodities under this category.

The grounds for the fear of the tariff union may be illustrated by the Norwegian aluminium plan. Due to the lack of capital, the government had slowed down the pace of industrialisation in the long-term programme for the 1954-57 period. But it subsequently geared up the pace of development for 1958-61. In 1958, Norway had produced 29,000 tonnes of aluminium. Production had risen to 93,000 tonnes in 1956. Plans now called for extending the capacity to 250,000-300,000 tonnes by the end of the 1960s, which would make Norway the decidedly largest producer in Europe.<sup>42</sup> Needless to say, the Government was uncertain as to whether the EEC would create difficulties for these plans, and the opportunity for reaching long-term agreements was thus a primary concern during two meetings in 1958 between Gus-

40. Stortingsarkivet, Oslo [The Parliamentary Archives] (henceforth, SA), Stortingets utvidede utenriks-og konstitusjonskomitee [The Parliament's Extended Foreign Policy and Constitutional Committee] (henceforth, SUUKK), Minutes of 4 March 1964, p. 12. The SUUKK was an informal committee in which the government informed the parliament on delicate matters, thus helping to establish the necessary parliamentary consensus on foreign policy.

41. SA, SUUKK, Minutes of 14 July 1957, p.13.

42. E. BROFOSS, *De økonomiske integrasjonsplanene i Europa* [The Economic Integration Plans in Europe], Oslo, 1958, p.18.

tav Sjaastad, the Norwegian minister of Industry, and Ludwig Erhard, the West German minister of Economics.<sup>43</sup> The Federal Republic was not only the largest purchaser of Norwegian aluminium, but also the fastest growing export market. The share of overall Norwegian exports that corresponded to exports to the Federal Republic had grown from twelve per cent in 1950 to almost sixteen percent in 1959. By the same token, imports had increased from five percent to twenty-one percent over the same period. Measured by total trade value the Federal Republic was more important for Norway than Great Britain between 1958 and 1962. The procedure for establishing a common external tariff was to hurt Norwegian exports, as the Federal Republic would be raising its tariff rates.

The establishment of the EEC led to Norway's participation in the unsuccessful FTA negotiations, even though the free trade area if affecting the primary sector would represent by far the greatest threat against the country's political economy. There was a substantial fear of the impact of the tariff union on traditional Norwegian exports, and the authorities were willing to accept the costs to the domestic industry. However, agricultural policy remained the same even if some members of the government wished to use external pressure as an excuse to change it. The dilemma that arose due to the demand to include agriculture in the free trade scheme ensured that most politicians probably were relieved when France stopped, in November 1958, the work of the so-called Maudling Committee, that is the OEEC inter-governmental committee in charge of studying the establishment of a free trade area in Western Europe. Starting in the spring of 1957, the Norwegian government had reported on the disagreement between Great Britain and France, and as the EEC tariff union would come into force in January 1959, the authorities discussed alternative interim solutions. The ideal alternative was formulated by Trade minister Skaug at the Parliament's Extended Foreign Policy and Constitutional Committee:

“the best alternative for us would be that the Six never reached an agreement. We would then be able to continue our efforts on the basis we had through GATT and the OEEC, and in other ways”.<sup>44</sup>

Bearing in mind the needs of its export industry, Norway wanted free trade regulations for industrial goods, defending liberal provisions for the origin of goods during the entire FTA negotiation process. The authorities were afraid that France and Italy would demand the exclusion of processed-wood products, ferro-alloys and aluminium from the free trade area or that producers in both countries be subjected to special schemes. France was suspected of trying to facilitate conditions so that the French areas of Africa would supply the EEC with raw aluminium.<sup>45</sup> Paper pro-

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43. UD, 44.2.38, vol.20, Memo on the effects of the Rome Treaty on the trade of aluminium, undated; *ibid.*, 44.33.1, Note on conversations with Erhard, 22 May 1958; and *ibid.*, 44.2.38, Note on conversations between Sjaastad and Erhard, 25 September 1958.

44. SA, SUUKK, Minutes of 14 February 1958, p.19.

45. SA, SUUKK, Minutes of 5 November 1958, p.6.

ducers in other parts of Western Europe also expressed their scepticism to a likely Scandinavian monopoly in wood processing.<sup>46</sup> The fear that the EEC would demand special schemes for traditional Norwegian export goods had a restraining effect on the Norwegians. Due to the strong political position of France among the Six Norway could not even consider submitting counter-demands for special schemes to protect its own industry.

The strategy opted for was to open the protected industry and restructure it into an export industry in order to “compensate for the decline that – as the Norwegian minister of Trade had accepted already at the beginning of 1957 – we must assume will occur in the domestic industry”.<sup>47</sup> The idea of a real threat led the government to conclude that the relatively slow pace of industrial growth was caused by protection and that the time for liberalisation of the protected industry had now arrived. In the long-term programme for 1958-60, the government upgraded the modernisation plan for the domestic industry.<sup>48</sup> Conceptualised as regional policy, a set of funds for developing and restructuring industry in the rural areas were established. The main worry of the government with respect to this restructuring strategy was not a political one, as the fear of a tariff union made both the Industrial Association and the trade union movement endorse this policy. The problem was the lack of capital. The government worried that the transition to convertibility in 1959 would make it even harder to obtain capital.<sup>49</sup> In 1957 the minister of Trade had leaned towards defending free capital mobility inside a future free trade area, but he obviously had doubts. As stated before, this would lead to a net capital loss and thus threaten the existing credit regulation policy. Hence capital would need to be obtained in other ways.

The gravest worry concerned the status agriculture and fisheries would receive in the free trade area. Norway was the only country to support Great Britain's original demand to keep agriculture outside the free trade area. The minister of Trade stated that if Norway was forced to yield on the issue of agriculture, the issue would be “whether in the end we would join or not”.<sup>50</sup> Furthermore, in 1957, Norway appeared as a defender of the British imperial preferences. However, this stance was not without problems. The British initially wished to exclude the commodity-trade groups 1-24, to use the Brussels nomenclature. Norway wished to define a number of these commodities as processed goods and thus have them included in the free-trade scheme, including frozen fish, canned goods, fatty acids, etc.

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46. RA, PNI, box 1659, Memorandum by the paper-producers associations of Germany, Belgium, Great Britain, France, Italy and the Netherlands, 9 May 1958.

47. SA, SUUKK, Minutes of 7 February 1957, p.8.

48. St.m. No.6, 1959-60, “Om utbygging av industri i distriktene” [On Developing Industry in the Districts].

49. On policy towards the British convertibility plans, cf. RA, Finansdepartementet [Finance Department], C-2-3, Uniscan, box 61, Memorandum by the Norwegian Delegation to the 7th Session of the Anglo-Scandinavian Economic Committee in Oslo 23-24 January 1953, 15 January 1953; on policy towards the introduction of general convertibility on current account, cf. RA, Handelsdepartementet [Trade Department], Valutaavdelingen [Currency Division], box 302, Memo on the problems of convertibility, 30 September 1955.

50. SA, SUUKK, Minutes of 6 September 1957, p.5.

The interest for fish exports conflicted with the interest in avoiding agricultural imports. The Norwegian negotiators therefore actively contributed to and were quite satisfied when early in 1958 OEEC negotiators segregated the discussions on agriculture and fisheries.<sup>51</sup> Prior to the break in the FTA negotiations, in November 1958, the minister of Trade was pleased to state that the fisheries scheme appeared to be no more liberal than Norway would like it to be:

“If we had gone on to demand absolute free trade it would not have been possible to avoid placing a number of our national Norwegian regulations (...) in the spotlight immediately”.<sup>52</sup>

The authorities gave higher priority to the national regulations of the primary sector than to fish exports. However, eventually recognising that agriculture could not be excluded from any agreement, the government primarily sought to gain understanding for bilateral special schemes that would have the greatest possible protective effect. In April 1958 the government had agreed to a Swedish initiative for a separate Scandinavian plan that accepted the EEC definition of agricultural produce (Annex II of the Treaty establishing the EEC), with the exception of some fish goods. The plan established via bilateral contingencies a minimum-price system corresponding to the aim of the EEC Treaty.<sup>53</sup> In the autumn of 1958 the Norwegian government was also inclined to accept a time schedule for introducing multi-lateral regulation.

This proves that some groups in the government were willing to restructure agriculture. Some believed that agricultural protection could not be defended if impeding participation in the European free trade area, and that the agricultural policy had become too inflationary anyway. However, resistance against a change remained strong within the government itself, as well as in parliament and, no doubt, among agricultural organisations. Agricultural organisations wanted to set the minimum-price scheme of the Scandinavian plan at a level that would not force radical changes. Had a FTA treaty comprising agriculture been negotiated, a strong domestic opposition would have occurred. Referring to an inter-Scandinavian report from 1957 that argued in favour of a Nordic common market which covered eighty per cent of intra-Scandinavian trade while simultaneously omitting agriculture, opponents would have obviously battled in favour of a pure Nordic solution.<sup>54</sup>

However, as the EEC was a reality, the establishment of EFTA eventually became the best solution.<sup>55</sup> Norway belonged to the majority group among *the Seven*

51. SA, SUUKK, Minutes of 27 February 1958, p.6.

52. SA, SUUKK, Minutes of 5 November 1958, p.8.

53. UD, 44.33/13 vol. 2, Report from a Scandinavian meeting in Copenhagen, 18 April 1958; and SA, SUUKK, Minutes of 5 November 1958, p.7.

54. The most stimulating interpretation of the discussions on a Nordic preference area in the 1950s is V. SØRENSEN, *Nordic Cooperation. A Social Democratic Alternative to Europe*, in: T.B. OLESEN (ed.), *Interdependence versus integration. Denmark, Scandinavia and Western Europe, 1945-1960*, Odense 1995, pp.40-61.

55. On the EFTA negotiations, cf. J. LAURSEN and M. af MALMBORG, *The Creation of EFTA*, in: T.B. OLESEN, op.cit., pp.197-212.

rejecting further talks after France blocked the FTA negotiations in November 1958. In the spring of 1959, during the negotiations leading to the creation of EFTA, British attempts at excluding the paper industry were defeated. This eliminated the only threat against Norway's export interests. Norway also attempted to bargain for more favourable regulations to encourage capital import, but this was not successful. Admittedly, it was reputed that Switzerland and Great Britain would allow easier access to their respective capital markets, but these admissions were not really binding. As France was then unable to demand regulations that would hamper Norwegian exports, Norway chose to defend the domestic industry to a greater extent.

Concerning the domestic market, the textile industry was in particular in need of protection. The government succeeded in negotiating *décalage* for some goods. In cases where tariff rates were not bound by GATT agreements, the rates for some goods were raised before the base date for the introduction of tariff reductions. Norway exploited Great Britain's need to establish a negotiation cartel and obtained better terms for fish exports on the British market.<sup>56</sup> The Stockholm convention at the same time excluded agriculture. Nor did it force a change of domestic investment policy, which, needless to say, was a condition for the restructuring of the domestic industry. In view of the political economy, EFTA was thus the ideal solution for Norway. Only the Communist party representative in parliament voted against the Stockholm convention. Resistance in industry was contained by the Industrial Association, but also through special restructuring measures and tax reductions introduced by the government.

The perception of EFTA as being a better policy option for Norway than EEC was strengthened because it rapidly appeared that a majority of the industry successfully restructured to compete under EFTA regulations. Early in the 1960s, the authorities recognised that throughout the 1950s they had worried inordinately about the domestic industry. It was admittedly difficult on the psychological plane to accelerate the tariff reduction plan in EFTA, such as favoured by the British in the spring of 1963. At a meeting with Sir Edward Heath, the then Norwegian ambassador in London and former minister of Trade, Arne Skaug, stated that an acceleration decision in EFTA "would create a most unhappy decision".<sup>57</sup> The Norwegian attempt to invoke *décalage* at EFTA's Council meeting in Lisbon was weak, however, and unsuccessful. The argument to shield traditional domestic industry gradually faded away and played no significant role through the 1960s. Therefore Norwegian governments continued to support EFTA's goal of tariff harmonisation and *bridge building* with the Community. The fact that problems did not crop up influenced discussions on Norwegian membership in the Community throughout the 1960s. The Labour government could exploit the argument fully in the white paper presented to support the accession treaty in 1972. According to the paper, Norway aimed at "access to stable and as unrestricted markets in other countries as possible"; at the same time it was assured that "domestic industry" was to

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56. R.T. GRIFFITHS, *The Importance of Fish for the Creation of EFTA*, in: *EFTA Bulletin*, No.1, 1992, pp.34-40.

57. Public Record Office, London (PRO), Board of Trade files, 241/775, Record of a conversation between the Norwegian Ambassador and Lord Privy Seal, 25 March 1963.

be “in a better position to face stiffer competition at home and abroad than when EFTA was established”.<sup>58</sup>

The market gap between the EEC and EFTA represented few problems for Norway in the 1960s. As expected, Norway's trade with its EFTA partners was strengthened, while trade with the Community weakened.<sup>59</sup> Nevertheless, the greatest increase was in intra-Nordic trade, in particular with Sweden. Trade with Great Britain declined more than trade with the Federal Republic of Germany. The change was in no way dramatic, and was never perceived as being so. This was due to the fact that the market gap implied a useful market division. Consequently, when Norway chaired EFTA, the government used the position to strengthen EFTA instead of approaching the Community. The introduction by the Harold Wilson government of a fifteen percent import surcharge and export rebates in 1964, in breach of Article 31 of the Stockholm convention, was considered a greater threat than the separated existence of the two preference areas.<sup>60</sup>

During the 1960s, traditional domestic industry concentrated on a lower number of product areas and exported increasingly to the EFTA markets. In 1959 the sector had a comparatively small export value of NOK 760 million. Ten years later in 1969 this had risen to NOK 5.1 billion, amounting to thirty-two per cent of total Norwegian commodity exports. Already during the first EEC application in 1962 it was argued that membership in the EEC would speed up restructuring and generate further expansion in the domestic industry, and, as mentioned, the fear of competition from the EEC subsequently disappeared. The cluster of industries that had restructured under EFTA regulations encountered higher tariffs in the EEC market. For instance, the rates for textiles and clothing were ten to seventeen percent higher, while machinery and electro-technical equipment rates were seven to ten percent higher. Nevertheless, the idea behind the argument in favour of following the British applications for EEC membership was never primarily to eliminate these tariff barriers and extend access to EEC markets. The primary concern was always that if Britain, Denmark and, however less likely, Sweden joined the Community and Norway did not, former domestic-market industries would lose the favourable terms they had enjoyed under the Stockholm convention.

The belief that EFTA was the best policy option was also confirmed because the EEC never became the threat against traditional Norwegian exports that the authorities had feared in 1958. The fear was however present prior to the application in 1962.<sup>61</sup> The government had then estimated that the increase in the tariff burden for

58. St.m. No.50, 1971-72, “Om Norges tilslutning til De Europeiske Fællesskap” [On Norway's association to the European Community], pp.60 & 64.

59. M. PONTE FERREIRA, *Structural Changes in Norway's Exports. The Impact of Integration*, in: *Norwegian Foreign Policy Institute Report*, No.139, Oslo, 1989.

60. UD, 44.33/2c, vol.12, Note on the British import surcharge, 11 January 1965; and PRO, Foreign Office files, 371/188283, Note of a Meeting between the President of the Board of Trade and the Norwegian minister of Trade, Kåre Willoch, 10 February 1966; and Record of Meeting between the Foreign Secretary and Mr. Willoch, 9 June 1966.

61. SA, SUUKK, Minutes of 14 November 1961, pp.10 ff.

Norwegian exports due to the EEC's common external tariff (CET) was about eighty-five percent, i.e. NOK 300 million in 1961. According to minister of Industry Kjell Holler the total tariff burden would then be approximately ten per cent of total turnover, while the average profit was fifteen percent. The CET would thus reduce Norwegian industry profits by a sixty-six percent and remove the ability of industry to finance the planned expansion itself. The government was afraid that the EEC tariff union would threaten the export industry's ability to expand. However, this fear vanished subsequently due to schemes ensuring that a major part of Norwegian exports to the EEC was not exposed to tariff increases by the transition to the common external tariff. Actually, in 1970, forty-two per cent of Norway's total exports to the EEC, including aluminium and ferro-alloys, were subjected to special tariff schemes.<sup>62</sup> Originally List G had been perceived as a major threat to the traditional export industry. However, it turned out that items on List G were treated much better than expected. Therefore, a favourable List G was perceived as more important to sustain traditional exports than EFTA membership. The major concern with respect to the EEC was that schemes under List G would be discarded.

During the first negotiations of the Kennedy round in GATT, the government sensed that the Six, now negotiating jointly through the Commission, would give priority to protection and weaken the favourable schemes for the traditional Norwegian export industry. Foreign minister Halvard Lange anticipated that forty per cent of exports to the EEC were threatened.<sup>63</sup> For Norway, the Kennedy round received a far higher priority than EFTA's *Vienna initiative* in May 1965, which intended to arrange a joint meeting at ministerial level between the two preferential trading groups in order to solve commercial problems. The Norwegian government successfully joined forces with other Nordic governments and negotiated jointly a unified contracting party to GATT in order to counteract the anticipated protectionist policy of the Six. Norway placed less confidence in the British after the introduction of the import surcharge. Actually, when it comes to manufacturing industry, the main problem for Norway during the accession negotiations with the Community in 1970-72 was British demands for tariff quotas that would hurt traditional Norwegian export.

Throughout the 1960s the Norwegian authorities nevertheless supported the idea of *bridge building* between EFTA and the EEC, and felt that a solution would lie closer to the Treaty of Rome than to the Stockholm convention.<sup>64</sup> However, they continuously insisted on multilateral negotiations, which would not include the primary sector. When the government supported commercial arrangements between the four applicants and the Community after French president Charles de Gaulle's veto in 1967, the intention was not to facilitate the possibility of any future EEC membership but, according to John Lyng, minister of Foreign affairs, to "prevent further splits between market groups in Europe".<sup>65</sup> EFTA provided a good balance

62. St.m. No.50, 1971-72, op.cit., p.31.

63. SA, SUUKK, Minutes of 22 October 1964, p.23.

64. UD, 44.36/6.84 vol.25, Note on Norway and the Community, 4 February 1966.

65. SA, SUUKK, Minutes of 5 February 1968, p.7.

of costs and benefits and Norwegian authorities wished to retain the *status quo* by strengthening EFTA.

Bringing agriculture into the negotiations would have changed the balance sheet negatively. When taking up the negotiations among the Seven which subsequently led to EFTA, the minister for Agriculture, Harald Løbak, informed about the major obstacle to any Nordic solution, i.e. “the structure of our agriculture”.<sup>66</sup> Having ratified the Stockholm convention the authorities never wanted to include agriculture in EFTA. The export value of Norwegian agricultural produce was small. Out of a total value creation in agriculture of NOK 1 932 million in 1961, the export value amounted to NOK 69 million.<sup>67</sup> This generally comprised exports required to regulate domestic prices. Even though increasing exports might be possible, many believed that Norwegian agriculture did not have such possibilities. The government therefore resisted Danish attempts to liberalise agricultural regulations in EFTA. When the Danes managed to put forward sensible arguments, the Norwegians would show “unbinding obligingness”, to use the wordings of Trade Minister Kåre Willoch when reporting back to the Extended Foreign Policy and Constitutional Committee after an EFTA ministerial meeting.<sup>68</sup>

Also the failed NORDEK scheme was supposed to change the balance. For the manufacturing industry it would add few benefits beyond the EFTA regulations, while it certainly would increase the costs for the primary industries. This was clearly expressed by Finn Moe, a most influential Labour Party politician, when stating, in the Extended Foreign Policy and Constitutional Committee, why he was against the Danish initiative: there would be “no balance between the concessions to be made by Norwegian agriculture and the advantages to be attained by industry”.<sup>69</sup> Norway did not welcome the Danish initiative and saw it as a move to increase Danish agricultural exports. Before the Nordic Premiers met in Copenhagen in March 1968 the Trade minister was advised that Norwegian interests would be best served if future Nordic solutions were kept within the EFTA framework.<sup>70</sup> Negotiations on NORDEK nevertheless commenced and the Danes asked for a common agricultural policy. In January 1969, after the Danish government had argued that the Nordic countries should allow increased supplementary imports from Denmark, Willoch, minister of Trade and probably the most liberal minister of the non-Socialist coalition, concluded in frustration:

“The only thing that can really be given economically and socially in the Nordic countries would be Danish and Swedish subsidies to Norwegian agriculture”.<sup>71</sup>

66. SA, SUUKK, Minutes of 2 February 1959, p.25.

67. CENTRAL BUREAU OF STATISTICS OF NORWAY, *Norwegian Historical Statistics*, Oslo, 1968, pp.95 & 268.

68. SA, SUUKK, Minutes of 4 November 1965, p.16.

69. SA, SUUKK, Minutes of 5 February 1968, pp.10 ff.

70. UD, 44.3.4.A, vol.1, Note for the minister of Trade before the meeting of Nordic premiers in Copenhagen on 11 March, 6 March 1968.

71. SA, SUUK, Minutes of 28 January 1969, p.42.

Being aware of a permanent Norwegian hesitation towards NORDEK, one should ask how could a treaty be signed in February 1970 with the agreement of the Norwegian government. Miljan certainly is right about a *Nordic filter*.<sup>72</sup> However, as is evident from this paper, the Nordic identity was strongly constrained by Norwegian national interests.<sup>73</sup> Had the NORDEK treaty been more precise and less ambiguous, the authorities would not have accepted it, and if they had so, one would possibly see the cleavage identified by the *domestic-constraints* perspective emerging. It was accepted because it generally carried little substance and weak institutions. The treaty's section on agricultural policy (section 7) reveals few binding commitments within a jungle of ambiguities. The only identifiable change was that supplementary imports from 1972 onwards would come from Nordic producers. Admittedly, the treaty would shove national fishery regulations, however not dramatically. This would nevertheless be somewhat balanced by the benefits on fish exports. Under any circumstance, The Hague meeting of the EC Council of Ministers had undermined the NORDEK treaty before it was signed.

#### IV. Applications and Bargaining Policy: Exploiting the Peripheral Image

Membership in the European Community, as stated, was never a national goal, and the British applications always created awkward political agendas. Norway nevertheless went along in order to negotiate special access conditions. As the political economy remained stable, Norway's bargaining policy on all three Community-membership negotiation rounds was basically the same. This aimed at exploiting the image of a country constrained by *peripheral* conditions.

The liberalisation in the movement of capital could be acceptable, and on all three occasions Norway only wanted extended transition periods.<sup>74</sup> The strategy subsequently used to retain State control of savings and investments was to put pensions in one public fund, thus retaining control over credit allocation. In 1967, as Norway handed in the second EEC-membership application, all national-insurance schemes were merged into one national security system. As the general interest rate was supposed to increase if capital regulations were subordinated to EEC regulations, State banks, receiving their funds from the national security system, would be able to maintain a low interest rate.<sup>75</sup> Hence, those questions concerning agriculture and fisheries remained as of primary concern.

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72. T. MILJAN, *The Reluctant Europeans. The Attitudes of the Nordic Countries Towards European Integration*, London, 1977, p.97.

73. On general dissimilarities among the Nordic countries towards Nordic and European integration, cf. T.B. OLESEN, *Choosing or refuting Europe? The Nordic Countries and European Integration, 1945-2000*, in: *Scandinavian Journal of History*, Vol.25, 2000, pp.147-168.

74. The Norwegian EEC accession treaty in 1972 comprised a transition period of five years for the movement of capital and three years to make permit legislation non-discriminatory.

75. SA, SUUKK, Minutes of 14 December 1970, p.13.

Even when the Six reached, in January 1962, a compromise on a common agricultural regulation system, it was difficult for the Norwegian government to calculate the consequences of Norwegian participation in Community policies prior to the initial application. In 1967, calculations showed that participation in the Common Agricultural Policy (CAP) would result in an immediate income loss of one third.<sup>76</sup> At the end of 1970 Norwegian officials continued to maintain that income would go down, fifty-eight percent this time.<sup>77</sup>

Any Norwegian politician would find the lagging development in income for the agrarian population unacceptable. Ever since the Free Trade Board submitted its recommendation for Norwegian negotiations, in 1961, the axiom in all subsequent debates was that incomes in agriculture should follow the general development of incomes in Norway. As Section 92 of the Treaty establishing the EEC prohibited national production subsidies that would distort competition, one would need to edge one's way across this regulation. On all three occasions the underpinning for the authorities was thus that Norway had to be included under Sections 39 and 42, which allowed the Council of Ministers to protect agriculture should structural or natural aspects encounter problems due to the implementation of a common agricultural policy. Hence, all Norwegian applications reminded Community officials of Norway's precarious position:

“Norway's accession to the European Economic Community – to quote the Norwegian letters of application – causes special problems due to the geographical location and economical structure of the country”.<sup>78</sup>

The strategy on all negotiation rounds was to accept the CAP and thus include Norwegian agriculture in the price schemes of the Community. This would in principle yield the same market stability as the national regulations. However, as the price level would be lower while the production subsidies would disappear, permanent permission to retain national subsidy schemes would be demanded to avoid radical restructuring. When in July 1962 Lange, minister of Foreign affairs, presented the first Norwegian application for EEC membership to the Council of Ministers, he focused on showing how vulnerable and behind the times Norway was due to problems given by nature and the climate.<sup>79</sup> This presentation formed a part in a carefully designed negotiation strategy. The ministry of

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76. St.m. No.86, 1966-67, op.cit., p.52.

77. SA, SUUKK, Minutes of 9 December 1970, p.6. Discussion of a memorandum on Norwegian agriculture of 30 November 1970.

78. The letters of application in 1962 and 1967 are printed in “Rapport om De Europeiske Fellesskap. Fra et utvalg nedsatt av regjeringen 29.mars 1966. Rapport VI. Avgitt 21. april 1971” [Report on the European Communities by the Board appointed by the Government on 29 March 1966. Report VI. Submitted on 21 April 1971], Appendix 1 & 2, p.199. The report is enclosed in St.m. 90, 1970-71, “Om Norges forhold til De Europeiske Fellesskap” [On Norway's relation to the European Communities]. The Board referred to above was the so-called *Market Board*, which was established by the non-Socialist coalition government in replacement of the *Free Trade Board* established by the Labour government (cf. note 29).

79. UD, 44.36/6.84 vol.14, The Norwegian government's declaration to the European Economic Community, 4 July 1962. *To provide the rationale for permanent special schemes for agriculture, Mr Lange also appealed to contingency planning due to having the Soviet Union for a neighbour. This had already been used successfully when negotiating bilaterally with the Americans at the time of the Marshall Plan.*

Foreign affairs was quite confident that “if we only manage to present our case properly”, maintaining the national subsidies for agriculture and fisheries would gain acceptance.<sup>80</sup> This was based on gaining acceptance for the idea that Norway's primary sector was a *regional issue*, thus creating a regional-policy agenda inside the Community. The same strategy was used both in 1967 and 1970. Precisely to avoid emasculating this strategy in case of new membership negotiations with the Community, Norway was recalcitrant when it came to yielding concessions in the NORDEK negotiations.<sup>81</sup> According to Malmberg the British encouraged the concept of regional policy during the first application wave.<sup>82</sup> The Germans supported it during the second.<sup>83</sup> The weakest point of this strategy was however that one would hardly get the whole Norwegian territory accepted as a regional-policy area. The British as well as the Germans recommended to limit the regional argument only for Northern Norway.

This negotiation strategy also comprised fisheries. As was the case during the negotiations on the London convention in 1963-64, Norway pleaded *peripheral* constraints. Norway wanted to avoid foreign vessels within the national fishing zone while maintaining national regulations on the wholesale of the fish catch in order not to ruin the basis for subsistence in coastal Norway. The government asserted that the regulations “have their basis in the conditions of nature”, as Lange told the EEC Council of Ministers in July 1962. As long as the Community had not adopted a common fisheries policy (CFP), it was meaningless to demand permanent exemption, as was the case on agriculture. However, from 1966 the Commission's proposals for common regulations in this field were reminiscent of those for agriculture. Thus, there was increasing concern in the Norwegian policy about this economic sector. The argument that Norway should enter the Community prior to the adoption of the CFP always weighed in debates. The argument backfired as the Council of the Community adopted common principles that were inconsistent with Norwegian policy before Norway commenced negotiations. The agreed principles allowed member-States to retain national jurisdiction within the respective fishing zones but removed preferential regulations on fishing as well as on wholesale turnover. From the Norwegian point of view the former aspect was acceptable but the latter one was not. Still, as the Council informed that Norwegian interests would be taken into account when further developing the CFP, the Norwegian memorandum on fisheries argued in favour of revising the CFP so as to accommodate “the structural and natural differences that exist between the Mediterranean and the Barents Sea”.<sup>84</sup>

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80. UD, 44.36/6.84 vol.13, The Norwegian bargaining strategy with the EEC, 25 June 1962. For further details, see *ibid.*, 44.36/14 vol.15, The negotiation strategy with the EEC regarding agriculture, 4 January 1963.

81. SA, SUUK, Minutes of 10 December 1969, p.78.

82. M. af MALMBORG, *Divergent Scandinavian responses*, op.cit., p.307.

83. H.-O. FRØLAND, *The Second Norwegian EEC-Application*, pp.456 ff.

84. “Den norske regjering's memorandum om adgangen til fiske innenfor fiskerigrensene overlevert i Brussel 4. mai 1971” [The Norwegian government's memorandum on access to fishery within the fishery zone submitted in Brussels on 4 May 1971], St.m. No.90, 1970-71, op.cit., Appendix 2.

## Concluding Remarks

The Norwegian authorities' assessments of pros and cons of EEC membership developed from the dual character of the political economy. As the political economy sought to maintain national sovereignty for the primary sector, EFTA came to represent the most adequate international solution for Norway. Staying outside the Community was decreasingly perceived as a problem because EFTA was regarded as a good solution for the country's traditional domestic-market industry and List G turned out to represent a lesser threat to traditional export industry than originally assumed. Following British applications for EEC membership was motivated by the fear of losing EFTA preferences in Britain and Denmark. As the applications on all three occasions contained unconditional demands to maintain national regulations in the primary economy, a policy of bargaining was established in order to maintain national regulations under the concept of *regional policy*. Had this policy been successful in 1971-72, it would have allowed Norway to keep up the *peripheral image* it had exploited since the Marshall Plan.

The non-Socialist coalition disintegrated when negotiations started, and the Labour government subsequently conceded on agriculture as well as fishery. Milk production was the only agricultural sector that was allowed to sustain national subsidies. Preference for Norwegian fishing within the twelve-mile zone was only secured until 1982. As compared with the Labour government's policy objectives before negotiations, the accession treaty was a failure. Containing no permanent guarantee to the maintenance of national fishery regulations, the minister of Fishery immediately resigned. The treaty allowed the mobilisation of the centre-periphery cleavage to vote it down.

Having been defeated in the negotiations, why did Labour so vigorously defend a treaty that would shove the domestic political economy? As argued in this paper, foreign policy did not matter in Norway's policy towards membership in the Community. Nevertheless, as stated in the opening, the Community occupied an expanding position in Norway's political orientation through the 1960s. While in the 1950s Labour leaders saw Nordic co-operation as a *Social Democratic alternative to Europe*, progressively they came to regard the Community as a promising arena for *European Social Democracy*.<sup>85</sup> There is yet no convincing historical analysis of this change in attitude. The most important factor seems to have been Willy Brandt taking office as *Außenminister* and later *Bundeskanzler* in the Federal Republic of Germany. This helped to remove the profound scepticism Norwegian politicians

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85. H.-O. FRØLAND, *DNA og Vest-Europa 1945-1995: Kontakter, samarbeid og utsyn* [The Norwegian Labour Party and Western Europe 1945-1995: Contacts, co-operation, and views], in: K. HEIDAR and L. SVÅSAND (eds.), *Partier uten grenser?* [Parties without borders?], Oslo, 1997, pp.169-201. The concept of a "Social Democratic alternative to Europe", as applied to Nordic co-operation, comes from V. SØRENSEN, *Nordic Cooperation*, op.cit. For Labour's European policy in the 1950's, cf. H. PHARO, *The Norwegian Labour Party*, in: R.T. GRIFFITHS (ed.), *Socialist Parties and the Question of Europe in the 1950'S*, Leiden/New York/Köln, 1993, pp.201-220.

felt towards Germany.<sup>86</sup> The Labour Party program for 1970-73 called upon *European co-operation* stronger than ever and argued that Norway had to attach itself to the European Community. Furthermore, unlike previous white papers on Norway's relationship to the Community, Labour's 1971 white paper also elaborated on matters of foreign policy and European security.<sup>87</sup> Notwithstanding the changes, Labour supported the non-Socialist coalition's policy of permanent special arrangements for the primary sector.

Being subjected to the general thirty-year rule of access the files referring to Norway's negotiations with the Community are still not open to public consultation. This situation impedes researchers to answer accurately why the Labour government took the radical decision of negotiating the treaty of accession as well as to identify what kind of support this decision actually attracted within Norway's political system. We may nevertheless hypothesise that for the Labour leaders, having realised that Norwegian policy goals were out of sight while simultaneously three other applicants negotiated their EC accession, the prospect of a *social democratic EC* increasingly became the rationale to stick to. Norwegian membership in the EC was presented as a step towards European peace and stable economic growth, arguments which were largely accepted by yes-voters.<sup>88</sup>

Unfortunately for the Labour government, the accession treaty also provoked the cleavage identified by *the domestic-constraints* school.

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86. H.-O. FRØLAND, *Mißtrauische Freundschaft. Über das Mißtrauen norwegischer Außenpolitiker gegenüber der Bundesrepublik Deutschland zwischen 1947 und 1967*, in: *Nordeuropaforum*, No.1, 2001 (forthcoming).

87. St.m. No. 90, 1970-71, op.cit., pp.89-94.

88. CENTRAL BUREAU OF STATISTICS, *Folkeavstemningen*, op.cit., p.56.



## **An Awkward Partnership: Turkey's Relations with the European Union in Comparative-Historical Perspective**

*Ziya Önis*

As the European Community (EC) evolved and experienced a process of deepening and widening over time, Turkey, more than any other country on the European periphery, constituted a grave challenge to the European integration process. Historically, the European elites have been rather apprehensive about Turkey's claims to be a full member of the Community right from the outset on the grounds of its size, its level of economic development and at a more fundamental level, its alleged European identity. More recently, concerns about the nature and quality of democratisation have added another serious question mark as regards Turkey's credentials to become a member of the European Union (EU). Indeed, from a European point of view, if Turkey had not been so insistent about full membership, relations would have evolved in a fairly straight-forward and non-problematic manner, since there has never been any doubt concerning Turkey's significance for the Community from a purely economic or security point of view. Turkey, as a Western-oriented, secular state with a large internal market and a significant geostrategic position appeared to be a natural partner for the Community. The natural dilemma for the European elites, a dilemma which has been evident right from the beginning and has been carried on to the present day, is whether to treat Turkey as a natural "insider" or an important "outsider" in the context of the on-going European integration project. Turkey's single-minded ambition to become a full-member of the EC/EU and the Union's desire to maintain an arm's length relationship with Turkey have contributed to produce a difficult, tense and very often mutually disappointing relationship over the years.

The objective of the present paper is to highlight the principal turning points in Turkey-EU relations over a period of four decades, a process which has effectively been initiated in 1959 with Turkey's application for full membership of the Community leading up to the critical Helsinki Summit of December 1999, where Turkey has been accepted as a candidate country for full EU membership. A central claim of the study is that Turkey-EU relations cannot be adequately understood simply on a bilateral basis without taking into consideration Europe's evolving relations with other parts of its periphery in the course of the enlargement process. To be more precise, the southern enlargement process of the 1970s and the 1980s and the process of enlargement towards the east taking place during the 1990s are crucial to a proper understanding of recent Turkey-EU relations as well as Turkey's increasing feelings of isolation and exclusion, reaching a climax during the critical interlude between the EU's Luxembourg Summit of December 1997 and the Helsinki Summit of December 1999.<sup>1</sup>

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1. The author would like to thank Kemal Kirişçi for his valuable comments on an earlier version of this paper and Umut Türem for his able assistance.

## **I. Turkey and the Community: The Interplay of Economics, Politics and Culture**

To be able to capture the complexity and ambiguities surrounding the relations between Turkey and the Community over time, attention ought to be focused on distinct spheres of analysis involving the economic, political and cultural dimensions. A multi-layered investigation of this kind is also crucial to an understanding of why Turkey's full-membership aspirations have been consistently resisted and postponed on the part of the Community. Such analysis is also necessary in terms of comprehending the claims on the Turkish part that it has been subjected to unfair treatment with respect to other applicants from the southern and eastern periphery of Europe.

The economic dimension has been a critical factor governing Turkey–EC/EU relations right from the outset, which is not surprising in the sense that the Community in the late 1950s and the early 1960s was far more a project of economic integration as opposed to a political or cultural entity. On the part of the Community, a fundamental concern about Turkey's claims to be a full member rested on its population size (currently sixty-five million) and the underdevelopment of its economy. During the early stages of the relationship, a central concern was about the ability of the Turkish industry to survive in an environment of free competition that the integration process would naturally entail. Fundamental question marks have also been raised concerning the disruption that would result from the conflicts that would be created by potential free mobility of labour in the form of mass migration of labour to the high wage economies of the European core. More recently, additional questions have been raised concerning the EU's ability to absorb a country of Turkey's size and level of development in terms of the burden imposed on the Community's budget and regional funds as well as the drastic revisions of the Common Agricultural Policy, which would become necessary in the process.

Indeed, in spite of forty years of sustained economic growth and substantive industrialisation, a significant development gap still persists. Turkey has managed to undertake far-reaching economic reforms in the 1980s and the 1990s, resulting in a transformation of the development model in the direction of an economy, which is far more open, competitive and integrated into the world market. Nonetheless, most commentators would agree that pervasive macroeconomic instability has not been fully overcome and the reform process is far from being completed. There is no doubt that a powerful case can be presented, and has been frequently presented in the Commission reports, that purely economic deficiencies would constitute a serious constraint for Turkey's full EU membership.

It would be misleading, however, to attach disproportionate weight to economic factors. After all, the Community has managed to integrate over fairly short periods of time three southern Mediterranean countries whose *per capita* incomes were substantially lower than the Western European averages at the time of their membership applications and their subsequent acceptance as full members of the Community. A similar process of eastern enlargement has been underway in the

post-1990 era, a process designed to incorporate into the Union countries whose *per capita* incomes and levels of developments, whilst broadly similar to Turkey, are considerably below the standards of the European core. This comparative observation clearly suggests or, at least has been interpreted by the Turkish political elite as an indication that considerations relating to culture and identity may ultimately be of greater significance in determining the course of Turkey–EU relations.

“Secularisation” and “Westernisation” have been overriding goals of the Turkish modernisation project instigated by the Kemalist political elite following the formation of the Republic in 1923. The westernisation ideal, however, embodies longer and deeper historical roots in Turkey extending over a period of two centuries, going beyond into the pre-Republican Ottoman era. On the European side, the Treaty of Rome has clearly offered an avenue for enlargement of the Community beyond the original Six by making it possible for any country qualified as “European” to apply for full-membership in the future.<sup>2</sup>

Turkey’s desire to be part of the European project, however, has brought into the forefront deep issues concerning what constitutes “European” in the first place, where the “natural boundaries” of “Europe” precisely lie and whether it makes sense to absorb a country with a predominantly Muslim population into a community of Christians. Whilst, the economic dimension has always been on the surface of Turkey–EU relations, the culture and identity element has always been lurking in the background as a critical variable, complicating and frustrating the underlying relationship. Certainly, on the Turkish side, the sense of unfair treatment frequently expressed has been based on the conjecture that the Community has been far more willing to absorb new entrants from the southern or eastern periphery of Europe into the core of Europe on the grounds that these nations did not pose any obvious problems or threats for the common cultural entity or heritage of Europe in the same way as Turkey has. Stated somewhat differently, the Europeans have been far more receptive to the idea of incorporating Greece in the late 1970s or Poland in the 1990s to the orbit of the European project because these countries by definition appeared to be a natural part of the European order, whilst Turkey was a typical “outsider” or the “other” of the European integration project. Similar arguments can be advanced and have indeed been advanced in the past drawing importance to the cultural factor in highlighting the dichotomy involved with respect to the Southern European trio - Greece, Portugal and Spain - and Turkey. A strong case has been developed for incorporating the comparatively backward Mediterranean countries into the Community as a means of strengthening and consolidating democracy in these countries whilst emphasising weak democratic credentials as a barrier to entry in the Turkish case.

This brings us to the role of purely political factors in governing the course of Turkey–EU relations. It has always been the case that the qualification for EU membership

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2. Article 237 of the original Treaty of Rome, the treaty establishing the European Economic Community, opened with the statement that “any European State may apply to become a Member of the Community”.

necessitated a democratic government. Countries on the southern and eastern periphery of Europe could not qualify for full-membership for a long time simply because they failed to satisfy the fundamental political criterion. Yet, at the same time, the degree of emphasis placed by the “New Europe” on quality of democracy and performance with respect to human rights have increased markedly in the course of the 1980s and 1990s. This growing emphasis on quality of democratisation has progressively emerged as the single dominant hallmark of European identity, posing a serious dilemma for Turkey’s aspirations to become a full EU member. Indeed, the restrictive nature of Turkish democracy has become the focal point of Turkey–EU relations in the most recent era, in line with the changing nature of the EU itself, overriding purely economic or cultural/identity-based considerations.

## **II. The Ankara Agreement and the Terms of Turkey's Associate Membership: Similarities and Contrasts with Greece**

Turkey formally applied for associate membership of the European Economic Community in July 1959 shortly after the Greek application. An association agreement between Turkey and the EEC was signed in 1963 two years after the conclusion of a similar association agreement with Greece. Hence, it would be fair to say that the two eastern Mediterranean rivals occupied broadly similar positions in the hierarchy of Europe’s external relations during the early 1960s. From the Community’s point of view, both countries were important NATO partners, critical for western security interests in the Cold War context. The nature of the association agreements signed with the two countries are also broadly similar, although the agreement with Turkey is considered to be somewhat less generous than with Greece, reflecting concerns particularly in France and Italy about both economic and identity issues.<sup>3</sup>

The Ankara Agreement, which became effective from December 1964 onwards, envisaged a stage by stage integration process culminating eventually in full membership of the Customs Union following the successful completion of the preparatory and the transitional stages. The agreement embodied a vague promise of full-membership of the Community at some undefined date provided that the appropriate conditions had been satisfied. The agreement also envisaged a movement towards free mobility of labour between Turkey and the Community at some future date, an issue which has created considerable resentment and tension within the

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3. On the evolution of Turkey-EU relations see M.A. BIRAND, *Türkiye'nin Avrupa Macerası 1959-1999*, Istanbul, 2000, and I. TEKELI and S. ILKIN, *Türkiye ve Avrupa Topluluğu*, 2 vols., Ankara, 1993. Also relevant in this context are H. KRAMER, *A Changing Turkey: A Challenge to Europe and the United States*, Washington D.C., 2000, and M. MÜFTÜLER-BAÇ, *Turkey's Relations with A Changing Europe*, Manchester, 1997.

Community in the following years and particularly from Germany, which historically has been the principal recipient of migrant labour from Turkey.<sup>4</sup>

Looking back, three fundamental motives can be discerned in Turkey's application for associate membership status during this period. The first key consideration was essentially an identity issue. Closer relations with the emerging European Economic Community seemed perfectly consistent with the fundamental goals of building and maintaining a secular, democratic and western-oriented state. Closer relations with the EEC would also help to diversify Turkey's external relations and reduce the country's overdependence on the United States. A second major consideration was to prevent Greece from taking unfair advantage in its subsequent bilateral relations with Turkey. The timing of Turkey's application for associate membership clearly highlights the importance attached to containing Greece as an objective in its own right. Thirdly, the long-term benefits, which might be generated through closer interaction with a powerful economic union also proved to be a central guiding principle.

In retrospect, a defensive attitude was a dominant element in the minds of the Turkish political elite. Indeed, in both Greece and Turkey a consensus of opinion appeared to exist across the whole of the political spectrum, an opinion which the business community in the two societies strongly subscribed to, that premature trade liberalisation and early exposure to strong competitive pressures from the EC would jeopardise domestic industrial development. Hence, the long transition periods envisaged by the association agreements – twenty-two years in the Turkish case extending from 1973 to 1995 – were wholeheartedly accepted in the domestic policy circles of the two countries in the 1960s and the early 1970s.<sup>5</sup>

The year 1973 marked the climax of Turkey's relations with the Community following the signing of the Additional Protocol, which implied a significant lowering of protectionist barriers in the EC for Turkish manufactured exports on a unilateral basis, with certain key exceptions such as textiles.<sup>6</sup> It might be argued that in 1973 there was no fundamental discrepancy between the expectations of Turkish political elites and actual progress made in relations with the Community in line

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4. For the original text of the "Agreement Establishing an Association Between the European Economic Community and Turkey", which was signed at Ankara, on 1 September 1963, the so-called "Ankara Agreement", see <http://www.mfa.gov.tr/grupa/ad/adc/mfa303.htm> (25.01.2001).

5. For a comprehensive analysis of the stage by stage process of integration envisaged by the Ankara Agreement leading up to the Customs Union see C. BALKIR, *The Customs Union and Beyond*, in: L. RITTENBERG (ed.), *The Political Economy of Turkey in the Post-Soviet Era. Going West and Looking East?*, Westport Connecticut, 1998, pp.51-78.

6. For the original text of the Additional Protocol see <http://www.mfa.gov.tr/grupa/ad/adab/Document2.pdf> (25.01.2001). As part of the Additional Protocol, by 1973, the EC had abolished all customs duties and quotas for Turkish manufactured products with the exceptions of textiles and clothing. On the details of the Additional Protocol see C. BALKIR, *The Customs Union and Beyond*, op.cit.

with the Ankara Agreement.<sup>7</sup> One could go even further and argue that there appeared to be no substantive difference adopted by the Community towards its two major Mediterranean allies. There was no basic disagreement with the view that, given Turkey's level of industrial development at the time, entry into a full customs union would necessitate a considerable period of protectionism and adaptation. In any case, the eventual promise of a Customs Union through a legally binding Ankara Agreement was interpreted as being essentially the same as full membership in a Community which in the early stages of its development was a loosely structured economic entity involving a customs union and free mobility of labour.

### III. The Mediterranean Enlargement and Turkey's Self-Exclusion

The year 1974 proved to be a critical turning point in Turkey's relations with the European Community. It was also the beginning of a marked divergence in the fortunes of the two eastern Mediterranean powers, which had enjoyed broadly similar standing within the Community during the earlier era.

The Turkish intervention in Cyprus in the summer of 1974 followed by the delimitation and collapse of the military government in Greece, which had been in power since 1968, involved far-reaching changes in Turkish-Greek-EC relations. The new Greek government under the premiership of Constantine Karamanlis applied for full-membership of the Community in 1975. Ultimately, the Greek application was motivated by political and security considerations as opposed to purely economic concerns. The new Greek government saw full-membership as a means of consolidating the nascent democratic regime in Greece and also as a way of containing the security threat from Turkey, which appeared to be particularly acute following the Cyprus intervention.

It is interesting that the early reception of the Greek application within the Community was quite negative. The early Commission reports on the Greek application drew attention not only to the weaknesses of the Greek economy but also, perhaps ironically, to the possible discrimination that Greek membership would entail for the other associate member, Turkey, whose relations with the Community had been on equal terms up to that point. Nonetheless, the negative attitude and lack of optimism were subsequently reversed as the European Council overruled the Commission's recommendation and decided to open negotiations for full-membership with Greece. The key argument in favour of this decision was that incorpo-

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7. During the 1960s and 1970s the main source of contention among politicians, bureaucrats and businessmen in Turkey concerned the precise timing of the Customs Union. In retrospect, an underlying consensus could be detected involving both the right and left of the political spectrum that there ought to be a significant transition period before Turkish industry would become mature and be able to compete with the Community on equal terms. For a thorough documentation of the debates concerning Turkey-EC relations in domestic political and business circles in Turkey see I. TEKELI and S. ILKIN, *Türkiye ve Avrupa Topluluğu*, vol.I, op.cit.

ration into the Community would help to consolidate the fragile democratic regime in Greece.<sup>8</sup> Following the completion of a comparatively short transition period Greece was absorbed as the tenth member of the Community in 1981. Indeed, the time period between Greece's application and actual accession as a full member proved to be much shorter than the time period which Spain and Portugal had taken to graduate to full member status in the Community.

From a historical point of view, one of the puzzles of the late 1970s is why Turkey has failed to apply for full membership of the EC at the same time as Greece, considering that one of the motives for Turkey's application for associate membership back in 1959 was precisely to counteract the initial strategic move on the part of Greece. In retrospect, a number of possible factors might be identified to explain the puzzle. Firstly, the Turkish policy makers appear to have underestimated the difficulties that Greece's inclusion in the Community would pose for the subsequent course of Turkey-EC relations. The anticipation was that Greece would be incorporated as a weak and peripheral member and its position would be quite marginal within the overall hierarchy of the Community. Furthermore, the Community itself would refrain from taking decisions against an important NATO power and, at any rate, the inclusion of Greece would not fundamentally alter the Community's basic stance towards Turkey. Secondly, the Turkish policy makers failed to anticipate the speed whereby the Greek application for full-membership would be realised, a position which appeared to be quite justified by the lack of enthusiasm and the absence of any real momentum during the initial phases of the Greek application. Thirdly, the Turkish political elites, again a reflection of the defensive attitude which they had adopted towards the EC in economic terms, were reluctant to accelerate the pace of integration and to expose Turkish industry to unnecessary and premature competition. In retrospect, what they had in mind was to complete the time table which had been set to them by the Ankara Agreement and the subsequent Additional Protocol based on the understanding that Greece's peripheral presence as an insider would not jeopardise Turkey's direct economic links with the Community.<sup>9</sup>

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8. On the dynamics of Greece's incorporation involving an initial lack of enthusiasm which is subsequently reversed see L. TSOUKALIS, *The European Community and its Mediterranean Enlargement*, London, 1981, and I.S. TSALICOGLU, *Negotiating for Entry. The Accession of Greece to the European Community*, Aldershot, 1995. On the negative attitude underlying the European Commission's approach to Greece's full membership see COMMISSION OF THE EUROPEAN COMMUNITIES, *Opinion on Greek Application for Membership (Transmitted to the Council by the Commission on 29 January 1976)*, in: *Bulletin of the European Communities*, 1976, Supplement No.2.

9. For an eloquent elaboration of the argument that the Turkish political elites, during the mid-1970s, have severely underestimated the problems which would be posed by Greece's full membership of the Community see S. GÜVENÇ, *Turkey's Changing Perception of Greece's Membership in the European Union: 1981-1998*, in: *Turkish Review of Balkan Studies*, No.4(1998/99), pp.103-130. Also relevant in this context is A. ERALP, *Turkey and the European Community in the Changing Post-War International System*, in: C. BALKIR and A.M. WILLIAMS (eds.), *Turkey and Europe*, London, 1993, pp.22-44.

By the late 1970s, however, a certain change of position could be discerned on the Turkish side. There was growing concern in Turkey once Greece's early accession to the Community became a serious possibility. Those concerns were further intensified as Spain and Portugal also emerged as serious contenders for inclusion in the Community after shedding off their authoritarian past.<sup>10</sup> The idea of applying for full-membership gained increasing support in Turkey. Growing domestic political and economic instability, however, delayed the application process with the Islamist element in the ruling coalition government, the National Salvation Party, representing a significant obstacle in this context. Finally, the collapse of the democratic regime in Turkey following the military take-over of September 1980 put an end to any chance of possible full-membership in the foreseeable future.<sup>11</sup>

Hence, one line of interpretation, which emerges from this comparative account, is that, Turkey, through its failure to apply for full-membership at the same time as Greece, missed a major opportunity. In other words, Turkey's exclusion from the Community at the time of its "southern enlargement" constituted a case of self-exclusion as opposed to exclusion by the Community itself. There is a certain element of truth in the conjecture that domestic political weaknesses and inaction on Turkey's part resulted in its exclusion during the second phase of EC enlargement beyond its natural core. But, at the same time, it is not unambiguously clear that an early application on Turkey's part would have resulted in an equally smooth and non-problematic accession as in the case of Greece, Portugal and Spain. Given Turkey's size, the identity issues involved and, on top of this, the negative reception of the Cyprus intervention in the West, it is very doubtful that an early application for Turkey would have created an equally favourable response in the Turkish case, as it has been the case for the three southern Mediterranean entrants.

#### **IV. Turkey's Encounters with the New Europe in the Post-1980 Era and the Customs Union**

The post-1980 era represents a period of radical transformation for both Turkey and the European Community with rather striking implications for their subsequent relations. In the Turkish case, the principal change was in the economic sphere. The heavily protected and inward-oriented economy of the 1960s and the 1970s was steadily transformed in the direction of a far more open and outward-oriented econ-

10. On the Mediterranean enlargement of the Community involving Spain and Portugal see L. TSOUKALIS, *The European Community*, op.cit., R. BIDELEUX and R. TAYLOR (eds.), *European Integration and Disintegration: East and West*, London, 1996, and C. PRESTON, *Enlargement and Integration in the European Union*, London, 1997.

11. For a full documentation of this process see I. TEKELI and S. ILKIN, *Türkiye ve Avrupa Topluluğu*, op.cit., vol.1.

omy in the course of the 1980s and the 1990s.<sup>12</sup> On the political front, the military interlude between 1980 and 1983 was followed by a stage-by-stage return to democratic government, a natural corollary of which was a marked improvement in relations with Europe. In order to capitalise on this favourable environment, Turkey, under the premiership of Turgut Özal, applied for full-membership of the European Community. Turkey's position under Özal was no longer the timid and defensive attitude, which had characterised its approach to a potential customs union in the early 1960s or the 1970s. With a more open economy and substantially stronger industrial base, Turkey in the late 1980s adopted a more positive approach towards the Community based on the notion of active participation and geared towards maximising the opportunities provided by the Community.<sup>13</sup> The outcome of the application, however, was a disappointment. Turkey's application was decisively rejected by the European Council on the grounds that Turkey had failed to satisfy both basic economic and political criteria for full-membership. It was also indicated that, in any event, another round of enlargement was not in the cards at least until 1993.<sup>14</sup> The recommendation, instead, was to activate the Customs Union, which had been on the agenda ever since the very first agreement of 1963.

A point which has not been fully recognised by the Turkish political elite is that Europe as it evolved from the "Community" to the "Union" was itself undergoing massive changes both on the economic and the political fronts. In the purely economic realm, significant steps were being taken towards deepening and involving a far greater coordination of economic policies in a wide variety of policy areas leading towards the completion of the single market.<sup>15</sup> On the political front, the New Europe appeared to place much more emphasis on the quality of democracy and human rights.<sup>16</sup> The mere existence of representative democracy no longer sufficed as a qualification for full-membership. In other words, "deep integration" in Europe

12. On the political economy of Turkey during the 1980s and the 1990s in the context of neoliberal economic reforms see Z. ÖNIS, *State and Market: The Political Economy of Turkey in Comparative Perspective*, Istanbul, 1998.

13. For a detailed documentation and analysis of events leading to Turkey's application for full membership of the Community under Özal's leadership see I. TEKELI and S. ILKIN, *Türkiye ve Avrupa Topluluğu*, op.cit., vol.2.

14. On the arguments leading to a rejection of Turkey's application in 1987 both on economic and political grounds see COMMISSION OF THE EUROPEAN COMMUNITIES, *Commission Opinion on Turkey's Request for Accession to the Community*, Brussels, 20 December 1989, available at <http://www.mfa.gov.tr/grupa/ad/adab/opinion.htm>(25.01.2001)

15. On the economic aspects of "deep integration" in the "New Europe" involving a move towards a single market see L. TSOUKALIS, *The New European Economy. The Politics and Economics of Integration*, New York, 1993, and A. MORAVCSIK, *The Choice for Europe. Social Purpose and State Power from Messina to Maastricht*, Ithaca/New York, 1998.

16. On the political dimensions of the New Europe in the 1980s and 1990s with a significantly greater emphasis on performance with respect to human rights see J. STORY (ed.), *The New Europe. Politics, Government and the Economy since 1945*, Oxford, 1993, and N. NUGENT, (Editorial) *Re-defining Europe*, in: N. NUGENT (ed.), *The European Union 1994: Annual Review of Activities*, Oxford, August 1995, pp.1-9.

by the beginning of the 1990s had a fundamentally different meaning attached to it compared to Turkey's first encounter with the Community back in the early 1960s.

Turkey's relations with the New Europe were once again heavily shaped by the nature of its domestic politics in the course of the late 1980s and the 1990s. The Turkish democracy during the period faced two fundamental challenges in the form of Kurdish separatism and political Islam, challenges which appeared to pose serious threats to the territorial integrity and the secular character of the Kemalist state.<sup>17</sup> As the Customs Union became a reality by the end of 1995, the Europeans tended to place much more emphasis on political factors and the limitations of Turkish democracy, as opposed to earlier periods where the primary emphasis was always the development gap and the relative underdevelopment of the Turkish economy.<sup>18</sup>

Another factor, which complicated Turkey's relations with the EU during that period, was the role of Greece as an active insider in Union politics. It became increasingly evident that EU membership had given Greece an important political edge over Turkey in their mutual rivalry and bilateral relations.<sup>19</sup> The unanimity principle on which the EU decision making process was based meant that Greece could single-handedly block key decisions taken by the other eleven and subsequently fourteen members of the Community. A striking example of this was the blockage of the financial package, which would be made available to Turkey as part of the Customs Union.<sup>20</sup> Similarly, Greek approval for the Customs Union with Turkey could only be obtained in return for accepting the candidacy of the Republic of Cyprus for the EU, a decision which arguably complicated the attempts to find a satisfactory solution to the Cyprus dispute. Whilst the veto power exercised by Greece is important in understanding the nature of Turkey-EU relations during

17. For a critical analysis and overview of the "Kurdish problem" see H.J. BARKEY and G.E. FULLER, *Turkey's Kurdish Question*, Maryland, 1998. On the nature of Islamism and its consequences in Turkey see B.A. YEŞİLADA, *The Refah Party Phenomenon in Turkey*, in: B.A. YEŞİLADA (ed.), *Comparative Political Parties and Political Elites*, Ann Arbor, 1999, pp.123-50.

18. Commission Reports on Turkey before and after the Customs Union have continued to highlight Turkey's economic weaknesses, but placed more emphasis on the country's democratic deficits; see the Regular Reports from the Commission on Turkey's Progress towards Accession of 13 October 1999 and 8 November 2000, both available at <http://europa.eu.int/comm/enlargement/turkey> (25.01.2001); and *Agenda 2000. For a Stronger and Wider Union*, *Bulletin of the European Communities*, 1997, Supplement No.5. The Customs Union between EU and Turkey involved trade in manufactured products and excluded trade in agriculture and services. For the details of the Customs Union Agreement see *Decision No.1/95 of the EC-Turkey Association Council* of 22 December 1995 on implementing the final phase of the Customs Union (96/142/EC), available at <http://www.mfa.gov.tr/grupa/ad/adab> (25.01.2001)

19. For a valuable analysis highlighting and documenting the problems posed by Greece as an insider in the Community see, S. GÜVENÇ, *Turkey's Changing Perceptions*, op.cit. On the nature and origins of the Turco-Greek conflict see D. CONSTAS, *The Greek-Turkish Conflict in the 1990s: Domestic and External Influences*, New York, 1990.

20. Financial assistance promised to Turkey as part of the Customs Union agreement from various Community sources over a period of five years amounted to ECU 1.5 billion. These resources could not be activated, however, due to the lack of unanimity in the European Council. Indeed, ever since the signing of the Ankara Agreement, Turkey has managed to obtain only ECU 827 million as financial aid from the Community; see C. BALKIR, *The Customs Union and Beyond*, op.cit.

the period, a problem of interpretation clearly exists which deserves serious investigation in its own right. To what extent was Greece itself responsible for key Community decisions taken with respect to Turkey or was it being used as a scapegoat by other dominant powers within the Community who basically subscribed to the decisions taken by the Union?

In any event, the realisation of the Customs Union was an important step for Turkey in terms of moving towards a more competitive economy. Furthermore, the Customs Union was instrumental in the implementation of far-reaching regulatory reforms in the Turkish economy during the course of the 1990s, reforms which arguably could not have been implemented by the fragile coalition governments in power in the absence of such a powerful external anchor. Nonetheless, it is important to emphasise that for Turkey the Customs Union did not constitute an end in itself, but only a means to the ultimate goal of full-membership. Hence, the question of whether the Customs Union, in itself, made sound economic sense was not an issue which received serious attention given that it was seen only as a temporary, short-run transitional stage on the road to full-membership.<sup>21</sup>

### **V. Turkey and the Eastern Enlargement of the EU in the 1990s: Yet Another Round of Isolation and Exclusion**

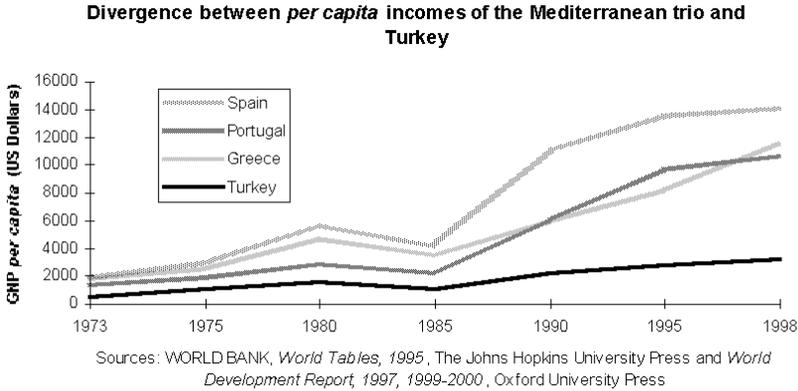
In spite of the realisation of the Customs Union, the late 1990s represented a period of isolation, exclusion and sense of disappointment in Turkey's relations with the EU. This perception on Turkey's part of being isolated and excluded reached a climax with the EU's Luxembourg Summit of December 1997 where Turkey was excluded from candidate status, at a time when a number of central and eastern European countries emerged as serious contenders for full EU membership.

In retrospect, Turkey's feeling of isolation and exclusion has been compounded by two major developments. Firstly, it became abundantly clear over time that the Mediterranean enlargement process of the EU had generated enormous benefits for Greece, Portugal and Spain in terms of both economic development and graduation from fragile to consolidated democracies over a comparatively short space of time. Spain, in particular, but also Greece and Portugal, if to a lesser extent, have benefited from the Community's structural and regional funds and from the expansion of trade and inflows of foreign direct investment. Full EU membership has clearly created a virtuous cycle of stability, growth and democratic consolidation in all these three countries. The divergence in the per capita incomes of the Mediterranean trio and Turkey during the course of the 1980s and 1990s appears to be a clear evidence of the costs of exclusion in the Turkish case (see figure). Furthermore, the size of

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21. The argument that the terms on which the customs union with the EU, established at the end of 1995 was not based on serious economic analysis is elaborated by M. EDER, *Becoming Western: Turkey and the European Union*, in: J. GRUGEL and W. HUNT (eds.), *Regionalism Across the North-South Divide: State Strategies and Globalization*, London, 1999, pp.79-94.

the official EU assistance to central and eastern European countries compared to the meagre resources promised to Turkey has also helped to aggravate the underlying perception of exclusion in the Turkish case.<sup>22</sup>



Secondly, the enlargement of the Community towards its eastern periphery during the 1990s with a view of incorporating the post-Communist countries of central and eastern Europe played a decisive role in confirming Turkey's apparent sense of marginalisation.<sup>23</sup> Clearly, these set of countries appeared to have broadly similar economic structures to Turkey and far more limited experience of democratic government. Once again, the enthusiasm displayed by the major European powers to absorb the eastern periphery into its orbit as a means of consolidating democracy in these countries and the amount of resources channelled to the countries involved under the auspices of the PHARE-program made a strong contrast with the Turkish case where the Customs Union appeared to be a final step in the integration process, the quality of democracy emerging as a criterion to deny entry and even the limited financial resources promised not being made available in practice.<sup>24</sup>

22. The formidable differences in the magnitude of official flows, both grants and credits, received by Spain, Greece and Portugal following their accession as full members and the meagre sum promised to Turkey as an associate member are clearly presented in N. BİLİCİ, *Avrupa Birliği Mali Yardımları ve Türkiye*, Ankara, 1997. For evidence on the substantial sums directed to the Central and Eastern European countries from the Community budget, if not on a comparable scale to the Mediterranean trio, see <http://europa.eu.int/comm/enlargement/pas/phare/wip/index.htm> (25.01.2001)
23. On the eastern enlargement of the European Union and its probable consequences for established institutional arrangements such as regional funds or the Common Agricultural Policy see J. REDMOND and G.G. ROSENTHAL (eds.), *The Expanding European Union. Past, Present, Future*, Boulder/London, 1998; and V. CURZON-PRICE, A. LANDAU and R.G. WHITMAN (eds.), *The Enlargement of the European Union. Issues and Strategies*, London, 1999.
24. The enormous contrasts between the resources targeted for the Central and Eastern European countries and the amounts allocated to Turkey at least in principle are clearly illustrated by the data presented in the report *Agenda 2000*.

The European Council summit meeting held in Helsinki during December 1999 represents yet another critical turning point in Turkey–EU relations.<sup>25</sup> Following the disappointments of Luxembourg, Helsinki has provided a new lease of life for Turkey–EU relations, by offering explicit candidate status to Turkey, a decision which generated considerable optimism on Turkey's part. A particularly striking and dramatic transformation in this context concerns the changing approach of Greece towards Turkey–EU relations. As emphasised earlier, Greece, as a full member of the Community since 1981, has been continuously posing problems for Turkey by capitalising on the unanimity principle in the EU's decision-making process. Yet, towards the end of 1999 a radical change of attitude could be discerned in the sense that Greece adopted a strategy of active support for Turkey's candidacy and eventual full membership. This paradoxical development is probably based on a growing realisation on Greece's part that its vital security interests would not be properly served and an appropriate solution to the Cyprus dispute could not be found if Turkey was left isolated and excluded from the Community. Stated somewhat differently, Greece increasingly visualises solutions to its bilateral disputes with Turkey within the orbit of the Community and through EU incentives, pressure and discipline. On a positive note, the Turkish–Greek rapprochement has been a major landmark of the most recent era. The immediate effects of Helsinki are visible on the economic front. Closer relations with the EU and the announcement of Turkey's candidacy contributed to the creation of a favourable environment for the implementation of a major program of stabilisation and public sector restructuring. Indeed, there are signs that the chronic inflationary equilibrium, a characteristic of the Turkish economy for many years, is on the way to being dismantled.

A balanced perspective however would suggest that serious hurdles continue to exist on the road to Turkey's full EU membership. Whilst there are economic constraints to full-membership in the sense that serious and politically difficult economic reforms need to be implemented, the principal hurdles appear to be on the political and more specifically on the democratisation front. Turkey's ability to meet the fundamental Copenhagen criteria requires equally fundamental changes in its domestic politics. To be more precise, a recognition of the rights of the Kurdish minority and an internationally acceptable solution to the Cyprus issue have been identified as central pre-requisites for full-membership, pre-requisites which pose serious challenges to the Turkish state and Turkey's domestic politics.

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25. On the dynamics of the process leading from the Luxembourg Summit of December 1997 to the Helsinki Summit of December 1997 see Z. ÖNIS, *Luxembourg, Helsinki and Beyond: Towards an Interpretation of Recent Turkey-EU Relations*, in: *Government and Opposition*, Vol.35, No.4, 2000, pp.463-483. For the official documentation of the Luxembourg and Helsinki Summits for the course of Turkey-EU relations see EUROPEAN PARLIAMENT, *Turkey and Relations with the European Union*, Briefing No.7, Luxembourg, 31 March 1998 and EUROPEAN COUNCIL, *Presidency Conclusions*, Helsinki 13-15 December, Brussels, 1999.

### Concluding Observations

In retrospect, the complexities, the ambiguities and disappointments surrounding Turkey–EU relations over time may be adequately explained by adopting two different levels of analysis. The first level of analysis concerns the dilemmas characterising the EC/EU’s approach to Turkey itself, a striking illustration of which has been Turkey’s initial exclusion from the candidate status in Luxembourg in 1997 and its subsequent inclusion two years later at the Helsinki Summit of 1999. This apparent dilemma or contradictory behaviour on the part of the EU may be explained in the following terms. For the EU, Turkey is an important country and a natural partner from an economic and security perspective. One could go further and argue that if Turkey had not been so insistent on full-membership status, relations between the two parties would have evolved in a relatively smooth and non-conflictual fashion.<sup>26</sup> When full-membership of Turkey and, hence, “deep integration” is at stake, however, problems arise from the EU’s point of view in relation to Turkey’s size, identity and the nature of its political regime which lends to the development of an arm’s length relationship. This lukewarm attitude becomes particularly evident in comparative terms, when one takes into account the extraordinary degree of adaptability and flexibility that the Community or the Union has displayed in incorporating peripheral countries as part of its southern and on-going eastern enlargement processes. Arguably, a similar lukewarm attitude may also be discerned in the EU’s somewhat insensitive approach towards Turkey’s two outstanding domestic problems, namely Kurdish separatism and the challenges posed by political Islam. Clearly, one may recognise an underlying dichotomy on the part of the EU itself, namely whether to treat Turkey as a natural “insider” or a major “outsider” in the enlargement process.

A balanced interpretation, however, would also need to identify a second level of analysis. Turkey’s domestic politics has been an important contributor to the underlying tensions surrounding Turkey–EU relations, both historically and in the current context. It is abundantly clear how Turkey’s democratic deficits have prevented it from capitalising on the process of southern enlargement in the late 1970s and the early 1980s. At present, domestic politics once again constrains Turkey’s ability to undertake the kind of political reforms needed to satisfy the basic Copenhagen criteria which open the way to a relatively smooth graduation towards full-membership. There exists a certain inconsistency or dichotomy in the approach of the Turkish political or state elites to the issue of EU membership in the sense that they would like to obtain the benefits of full-membership without necessarily delegating any power, authority or sovereignty over what they consider to be purely domestic political issues to Brussels or the EU itself. Clearly, considering the post-Westphalian character of the EU, full-membership without delegating any real authority beyond the purely economic realm does not commend itself as a feasible

26. For a cogent and controversial argument that it is in the interest of both Turkey and the EU not to pursue a “deep integration” project leading towards Turkey’s full EU membership see B. BUZAN and T. DIEZ, *The European Union and Turkey*, in: *Survival*, Vol.41, No.1, 1999, pp.41-57.

or rational strategy. Hence, our prediction based on the discrepancies underlying the perceptions of the European and Turkish political elites is a rather protected and rocky path to Turkey's eventual full-membership.

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## Book reviews – Comptes rendus – Buchbesprechungen

**Leslie HOLMES, Philomena MURRAY (eds.) – *Citizenship and Identity in Europe*.**

Aldershot/Brookfield/Singapore/Sydney, Ashgate Publishing, 1999, 167 p. – ISBN 1-84014-002-X. 40,00 £.

Dieser Sammelband geht zurück auf eine im September 1994 von der *Contemporary European Studies Association of Australia* (CESAA) durchgeführte Tagung über *Citizenship and National Identity in Europe*. Die hier von Fachleuten aus Soziologie, Politik- und Rechtswissenschaften gehaltenen Vorträge wurden ausgearbeitet und liegen nun gedruckt vor. Die zeitliche Verzögerung bei der Veröffentlichung wurde dazu genutzt, die Artikel zu aktualisieren – was bei deren Konzentration auf das ‚neue Europa‘ seit 1989/91 keinen Nachteil darstellt. Das Themenspektrum ist in zweierlei Hinsicht von Bedeutung: Erstens sind „Identität“ und „Bürgerschaft“ Gegenstand intensiver theoretischer Auseinandersetzung in den Sozialwissenschaften, und zweitens verspricht die empirische Anwendung der dabei entwickelten Konzepte auch für die Europaforschung sehr fruchtbar zu sein.

Der Band bietet nun nach einer ausführlichen und informativen Einführung in den Themenkomplex durch die Herausgeber sieben überwiegend auf die Gegenwart fokussierende Aufsätze. Die beiden ersten befassen sich mit der durch den Maastrichter Vertrag von 1992 etablierten Bürgerschaft der Europäischen Union (EU). Martin Vranken stellt dar, dass dieser Unionsbürgerschaft ein dynamisches Konzept zugrundeliegt, welches er an der Entwicklung ihrer sozialen Dimension demonstriert. Stephen Hall erläutert am Beispiel des Aufenthaltsrechtes, dass durch die Unionsbürgerschaft neue Rechte etabliert werden, dass die Unionsbürger aber keineswegs überall gleich behandelt werden. Er kommt zu dem Schluss, dass dieser Widerspruch die Unionsbürgerschaft zu einem „*unfinished business*“ macht: Auf dem mit dem Vertrag von Amsterdam 1997 erreichten Stand werde man nicht verharren können. Anschließend vergleicht Stephen Castles das deutsche und das französische Staatsbürgerrecht. Er favorisiert das französische Modell, hält diesem aber auch seine Grenzen in bezug auf die sozioökonomische Gleichstellung von Einwanderern und den Erhalt von deren kultureller Eigenständigkeit vor.

Die folgenden beiden Beiträge behandeln das Spannungsverhältnis zwischen Bürgerschaft und Geschlecht: Gisela Kaplan skizziert zunächst die Rolle, welche Frauen in den Widerstandsbewegungen während des Zweiten Weltkrieges innehatten, und legt nahe, dass hier ein Anknüpfungspunkt für die Ausbildung einer auch für Frauen offenen EU-Identität liegen könnte. Im weiteren stellt sie einen Widerspruch zwischen der auf dem Papier sehr fortschrittlichen Situation für Frauen in der EU und der tatsächlichen Lage, etwa der Unterrepräsentation von Frauen im politischen Bereich, fest. Linda Hancock beleuchtet die Stellung geschiedener Frauen in europäischen Gesellschaften und kommt auch hier zu dem Schluss, dass die soziale und wirtschaftliche Marginalisierung dieser Gruppe es ihren Angehörigen unmöglich macht, gleichberechtigt die Bürgerrechte wahrzunehmen. Leslie Holmes befasst sich dann mit Inklusions- und Exklusionsphänomenen in den Staaten Mittel- und Osteuropas. Einen wesentlichen Anteil der heute zu beobachtenden Tendenzen zur Exklusion sieht er in der Struktur des Postkommunismus begründet. Er verweist aber auch auf die internationalen Zusammenhänge und betont, dass, soll eine Zuspitzung solcher Tendenzen in jenen Ländern verhindert werden, eine offene Haltung der EU ihnen gegenüber von hoher Bedeutung ist.

Im letzten Beitrag zeichnet Aleksandar Pavković die historische Entwicklung einer jugoslawischen Identität nach. Er stellt dar, dass diese im 19. Jahrhundert als eine Identität konzipiert wurde, welche die südslawischen „Stämme“ der Serben, Kroaten und Slowenen mit

Hilfe der Konstruktion einer gemeinsamen Vergangenheit und einer gemeinsamen Sprache zur Nation vereinigen sollte. Die Vergeblichkeit aller dahingehenden Bemühungen wurde aber bereits vor der Zerstückelung des Landes durch die Deutschen und ihre Verbündeten im Zweiten Weltkrieg deutlich sichtbar. Nach dem Krieg wurde der Jugoslawismus von den siegreichen Kommunisten in einem anderen Sinne wiederbelebt: Die jugoslawische Identität sollte nun nationale Identitäten nicht mehr ersetzen, sondern eine jene überwölbende supranationale Identität bilden. Aber auch dieses Konzept scheiterte – nicht zuletzt am Widerstand der Eliten in den jugoslawischen Teilrepubliken. Umso bemerkenswerter ist daher der Umstand, dass bei der Volkszählung 1981 über fünf Prozent der Befragten als ihre Nationalität „jugoslawisch“ angaben, obwohl sie dadurch ihre Möglichkeiten zur politischen Betätigung in einem streng am Nationalitätenproporz ausgerichteten System enorm beschränkten – eine jugoslawische Nationalität war nämlich nicht offiziell anerkannt. Pavković folgert hieraus, dass sich auch eine supranationale europäische Identität nicht entfalten können wird, wenn nicht erstens klar umrissen ist, was denn ihre spezifischen Inhalte darstellen, und wenn nicht zweitens den Menschen, die sich als Europäer betrachten, auch die Möglichkeit zur politischen Artikulation gegeben wird.

Einige Einzelheiten vermögen den insgesamt positiven Gesamteindruck des Bandes zu stören. Beispielsweise verzichtet Pavković gänzlich auf Belege und Literaturverweise, und Hancock hält es offensichtlich für zutreffend, dass das Prinzip der Supranationalität erst durch den Maastrichter Vertrag in die Europäische Gemeinschaft eingeführt worden sei (S.114). Gravierender sind jedoch andere Einwände. So hätte generell eine stärkere Berücksichtigung der historischen Perspektive für das Gesamtbild bereichernd wirken können. Weiterhin sind drei Schief lagen zu konstatieren: Erstens behandeln fünf der sieben Aufsätze ausschließlich die Europäische Union und vernachlässigen das Europa außerhalb der EU. Diese Einseitigkeit wird – zweitens – weiter durch die Tatsache verstärkt, dass die den Darstellungen und Analysen zugrundegelegte Literatur fast ausschließlich in englischer Sprache verfasst ist. Das dritte Ungleichgewicht betrifft die Aufmerksamkeit, welche den beiden Hauptthemen – Bürgerschaft und Identität – gewidmet wird: Sechs Artikeln, die in erster Linie Fragen der Bürgerschaft behandeln, steht lediglich einer gegenüber, welcher sich explizit mit Identität beschäftigt. Auf diesem Wege kann das Spannungsverhältnis zwischen Identität und Bürgerschaft kaum erfasst werden – der mögliche Synergieeffekt bleibt so weitgehend ungenutzt. Schließlich ist kritisch anzumerken, dass der feste politische Standort einiger Autoren und die normative Zielsetzung der entsprechenden Beiträge die Gefahr in sich birgt, den Blick für die Dialektik historischer Prozesse zu verlieren. Dennoch kann als Fazit gezogen werden, dass der Band für alle an Europa Interessierten einen guten und vor allem breit angelegten Zugang zu Fragen von höchster Aktualität bietet.

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**Giuliana LASCHI.** – *L'agricoltura italiana e l'integrazione europea.*  
Bern, Peter Lang AG, 1999, 350 p. – ISBN 3-906762-37-8. – 47,00 SFr.

Le livre analyse les positions italiennes face à l'intégration agricole européenne, de l'après-guerre jusqu'au début des années soixante. Une attention particulière est vouée à trois moments essentiels: les pourparlers pour l'Union Douanière italo-française, le projet de pool vert et les négociations en rapport avec la Politique Agricole Commune de la CEE.

Giuliana Laschi commence son travail en brossant un tableau détaillé de la situation de l'agriculture italienne, tant du point de vue purement économique et organisationnel que du point de vue des principales interventions du gouvernement de Rome pendant la période en question. De cette analyse il ressort d'emblée – la suite du livre en témoigne à merveille – que l'un des principaux obstacles à l'efficacité de l'action italienne au cours des négociations européennes est à chercher dans la politique d'un gouvernement qui considère l'agriculture, non pas comme un secteur de production au sens économique du terme, mais plutôt comme «un utile domaine d'action politique et électorale»!

L'auteur indique en effet dès les premières pages, les trois motivations essentielles qui influencèrent les positions des gouvernements italiens au cours des divers pourparlers: la nécessité de ne pas rester isolés économiquement de l'Europe naissante, le choix de collaboration politique dans le champ occidental et la volonté politique de maintenir l'agriculture dans un état d'assistance afin de pouvoir exercer sur la société rurale un contrôle électoral. Avec ces bases, décidément en désaccord entre elles, il devient facile de comprendre le comportement «schizophrénique» des délégations dépêchées par Rome dans les différentes négociations.

C'est à partir des premières discussions sur l'Union Douanière avec la France, commencées en 1947, qu'on peut observer deux constantes dans l'attitude italienne. La première consiste en la priorité assignée au facteur politique sur l'élément économique en matière d'intégration européenne: bien que l'Union eût entraîné d'éventuels effets négatifs, surtout par le fait que les deux pays présentaient presque les mêmes productions excédentaires, personne en Italie ne mit jamais en question la participation à l'Union. La différence avec ce qui se passait en France à suite de la forte opposition manifestée par les agriculteurs ne saurait être plus nette! La deuxième constante transparaît à travers les tentatives d'utiliser l'intégration comme une sorte de «soupape de sécurité» pour résoudre le chômage intérieur moyennant une forte politique de migrations: la liberté de circulation des travailleurs fut, en effet, un des points constamment soutenus par les représentants italiens au cours de toutes les négociations européennes durant cette période. Tout ceci montre comment les questions proprement agricoles restèrent à l'arrière-plan dans les préoccupations des plénipotentiaires du gouvernement de Rome. Ce fait contribue d'ailleurs à expliquer une troisième caractéristique qui se présenta déjà des temps du projet d'Union Douanière et qui aura un grand poids aussi au cours des phases suivantes: «le déplorable défaut de préparation des délégations italiennes».

Une situation analogue se retrouve aussi au moment des négociations pour le pool vert, aggravée par le fait que les membres du gouvernement étaient partagés sur certaines questions importantes du plan. Alors que le ministre de l'Agriculture Fanfani, tout en ayant accepté le projet français du pool, exprima des positions nettement contraires sur quelques-uns des aspects fondamentaux, le Président du Conseil des ministres De Gasperi, porteur d'un intérêt strictement politique, y était décidément plus favorable. Ces divergences donnèrent lieu non seulement à de fortes perplexités de la part des autres pays, mais elles causèrent aussi de sérieux problèmes aux négociateurs italiens, qui soulignèrent le fait que les positions de Fanfani, hostiles à l'institution d'une Haute Autorité sur le modèle de la CECA et à une communauté agricole limitée à six pays, fussent en contradiction avec la politique européenne italienne dans son ensemble. L'interprétation de l'auteur est que la crainte devant l'impact de la concurrence étrangère sur la faible agriculture sous-équipée de la péninsule poussait les autorités italiennes à «soutenir toujours la thèse extrême, en espé-

rant de n'obtenir rien». Il s'agissait, donc, «de la seule façon considérée possible pour rester dans la politique européenne, en cherchant à la fois de reculer cette intégration agricole qui était jugée avoir beaucoup d'effets négatifs sur l'économie italienne, et de remettre à une date ultérieure, le moment de l'activation, la confrontation avec les problèmes réels».

Si l'échec du pool vert permit de retarder le dénouement des problèmes, ceux-ci se présentèrent de nouveau avec le Traité de Rome et la naissance de la Politique Agricole Commune. L'instabilité gouvernementale et l'absence de directives claires obligèrent encore une fois la délégation italienne de travailler au Comité Spaak presque sans aucune supervision de l'exécutif. A la conférence de Stresa (juillet 1958) où les grandes lignes de la PAC commencèrent à être définies, la trop récente constitution du nouveau gouvernement ne permit pas au ministre de l'Agriculture Ferrari Aggradi de jouer un rôle actif. A y ajouter que la majorité de ses assistants n'étaient pas suffisamment au courant, on comprend aisément pourquoi l'Italie fut de tous les participants à la conférence le seul pays qui n'arriva pas à présenter un mémorandum sur les problèmes de l'agriculture nationale.

Enfin, la particulière et constante attention portée par le gouvernement à l'aspect politique de l'intégration provoqua un désintérêt substantiel des organisations sectorielles. Ce désintérêt contribua à son tour à affaiblir l'efficacité de l'Italie aux négociations. Le résultat en fut que l'Italie accepta une Politique Agricole Commune exclusivement orientée en fonction des exigences des agricultures des autres pays: une politique qui se focalisait sur le soutien des prix, mais qui négligeait une action substantielle pour la réduction des déséquilibres d'un côté; de l'autre, en absence de positions nettes de la part du seul pays méditerranéen membre de la communauté, une politique vouée à la seule protection des cultures typiques de l'Europe continentale.

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**Alexandre LAMFALUSSY, Luc BERNARD & Antonio CABRAL (eds), *The euro-zone: a new economic entity?*, Collection de l'Institut d'études européennes, Université catholique de Louvain, Bruylant, Bruxelles, 1999, ISBN, 2-8027-1302-7, 153 p. – ISBN 2-8027-1302-7. – 1.600,00 BEF.**

L'intérêt de l'historien est de pouvoir savourer un livre de débats économiques qui ont eu lieu en 1998 pour déterminer comment les prévisions des experts se sont trouvées confirmées en 2001 ... Or la table ronde qui a alimenté cet ouvrage collectif s'avère, par sa densité et la pertinence de ses approches, un ouvrage d'histoire par anticipation qui soupèse le devenir proche de l'eurolande au regard de l'histoire immédiate des années 1990. Les experts cherchaient en fait en 1998 à déterminer si la mise en place de l'eurolande n'allait pas imposer une période de déflation ou de restrictions à l'expansion européenne – et en cela ce livre est une contribution fine aux débats politiques qui accompagnaient alors la marche en avant de l'intégration européenne.

Le livre prend donc valeur d'abord de reconstitution historique, sur l'évolution des économies durant la décennie 1990, sur les différences de rythme dans le retournement de 'sagesse' gestionnaire après les débordements (déficit budgétaire, surendettement) qu'avaient suscités la récession de 1991-1993. Une chronique des dates, des grandes décisions de l'Union européenne y est ainsi fournie. Mais le plus intéressant est cette comparaison entre les choix des différents pays impliqués au cours des années 1993-1998: des séries statistiques sont ainsi disponibles. Elles sont mises en perspective puisqu'on les oppose aux séries virtuelles qui sont déterminées par les autorités afin de mettre en place la 'convergence' nécessaire à l'intégration de l'eurolande. Les conclusions des experts sont claires: l'effort

demandé pour affiner la marche ultime vers le complet respect des critères de convergence en 1999-2002 est en fait bien moindre que celui effectué pour redresser la situation entre 1993 et 1998 (quand le déficit global des quinze pays a reculé de 6,1% en 1993 à 1,8% en 1998; l'Italie et l'Allemagne parvenant à 2,6% et la France à 2,9%) – d'autant plus que la baisse des taux d'intérêt facilite le mouvement. Certes, avec lucidité, les économistes relèvent que la perception 'politique' est différente de la leur, puisque contraindre les économies et les citoyens aux efforts de la dernière étape est précisément l'enjeu des luttes démocratiques de la fin des années 1990 et du tournant du siècle. Mais ils insistent sur la souplesse prévue en réalité par le projet d'eurolande puisque la marge de fluctuation tolérée pour le déficit budgétaire en cas de récession (2% du PNB) laisse une marge de manœuvre aux autorités nationales pour enclencher une politique autonome.

Cela dit, le débat s'intensifie entre les experts: peut-on véritablement continuer à tolérer une telle autonomie et de telles différences dans la gestion des pays? En effet, si les politiques budgétaires tendent à respecter les fameux critères de convergence, le besoin semble se faire de plus en plus sentir d'une coordination des politiques fiscales, dans la mesure où des écarts trop sensibles pourraient influencer sur les taux d'intérêt de la BCE voire sur le niveau du change de l'euro. Naturellement, les experts recommandent la création d'un comité d'experts, d'un conseil des politiques économiques qui émettrait des recommandations quant aux politiques fiscales, ou tout au moins le renforcement de la capacité d'intervention de la Commission et du Comité économique & financier dans ce domaine, afin de mieux expliciter les objectifs de stabilité économique des gouvernements et d'une confrontation des effets des politiques budgétaires sur l'évolution globale de l'eurolande.

Un troisième débat concerne le rythme de l'intégration des PECO à l'eurolande et à l'Union européenne. Un rappel chronologique et une appréciation de l'évolution de chacun des candidats en fonction des critères de convergence souhaités apparaissent alors. La multiplicité des démarches d'intégration est évaluée; les experts évoquent la possibilité d'appliquer aux nouveaux membres ou aux candidats à l'adhésion les méthodes du Système monétaire européen qui avait fonctionné depuis 1979 – et qui a été maintenu *de facto* pour le Royaume-Uni, la Suède et le Danemark (et la Grèce jusqu'à la fin de 2000). Comment alors favoriser la stabilisation monétaire dans les PECO en vue de leur intégration? Il eût été utile, nous semble-t-il, d'effectuer un rappel de l'illustre stabilisation monétaire des PECO dans les années 1926-1932 pour bien marquer les différences certes, mais aussi pour scruter les enjeux politiques et diplomatiques. Quoi qu'il en soit, les experts insistent sur le rôle de la coopération entre la BCE et les banques centrales des PECO, sur le rôle clé de ces dernières: constitution de réserves; gestion fine du niveau de stabilisation de chaque monnaie, pour ne pas compromettre les exportations; animation de la gestion du taux de change flexible (comme en Hongrie depuis 1990).

La réussite, potentielle à l'époque de la table ronde, mais vérifiée par les faits, de la mise en oeuvre de l'eurolande conduit à s'interroger sur ses rapports avec le système monétaire international : une nouvelle architecture monétaire doit-elle en être la conséquence ? L'euro peut-il devenir une monnaie de réserve? quel doit être le poids de l'euro au sein des 'droits de tirage spéciaux' du FMI? les banques centrales et la BCE peuvent-elles accéder à une autorité quelconque au sein du FMI? Toutes ces questions restent d'actualité.

La richesse de ce livre est à la fois factuelle (tableaux, séries) et intellectuelle (débat, interrogations, remise à plat de fausses évidences) et il est clair que de telles tables rondes entre experts jouent bien leur rôle d'éclairage des décideurs et d'information de la communauté universitaire.

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à l'Institut d'études politiques de Bordeaux

**Kurt SPILLMANN, Andreas WENGER, Derek MÜLLER (dir).** *Between Russia and the West foreign and security policy of indépendant Ukraine*, Studien zur Zeitgeschichte und Sicherheitpolitik, vol. 2, Berne, Peter Lang, 1999, 358 p. – ISBN 3-906764-31-1. – 49,00 Sfr.

Durant trois siècles au moins, l'Ukraine a fait partie intégrante de l'Empire russe puis soviétique. En 1991, pour la première fois de son histoire, l'Ukraine acquiert son indépendance en tant qu'Etat, doté d'institutions modernes et stables. L'importance de cette situation nouvelle n'est alors guère perçue que par ses voisins polonais et hongrois. Il faut attendre la seconde moitié de la décennie avant que l'Occident – et, en particulier, les Etats Unis – considère ce nouvel Etat indépendant comme un acteur géopolitique majeur dans l'établissement du nouvel équilibre européen. Malgré cela, peu d'ouvrages occidentaux se sont attachés à étudier l'Ukraine. C'est dire l'intérêt que l'on peut porter à un ouvrage consacré à la politique étrangère et de sécurité de ce pays.

Réunis sous l'égide du Centre de recherche sur les conflits et la sécurité de Zurich, cet ouvrage est un recueil d'articles ou plutôt une sorte de dialogue entre auteurs ukrainiens et non ukrainiens (allemands, britanniques et russes). Il est divisé en trois grandes parties consacrées respectivement à la dimension intérieure de la politique étrangère et de sécurité; à la place de l'Ukraine en Europe, en relation notamment avec l'OTAN et l'UE; enfin à la spécificité des relations russo-ukrainiennes.

Dans sa dimension intérieure, la nouvelle politique étrangère et de sécurité de l'Ukraine est, à l'instar de la Russie, marquée par l'affrontement de deux écoles dont l'existence remonte aux lendemains de la «Guerre patriotique de 1812» et qui oppose «slavophiles» et «occidentalistes». Aujourd'hui, et dans leurs visions les plus extrêmes, les premiers défendent l'idée d'une Ukraine intégrée à un espace post-impérial sur le modèle de la Biélorussie; les seconds, au contraire se réfèrent à un retrait de l'Ukraine hors de cet espace, à l'instar de la politique menée par les trois républiques baltes. La réalité politique se situe naturellement entre ces deux extrêmes: ni affrontement ni intégration (articles Taras Kuzo et de Oleksandr Potekhin). Cette voie moyenne pourrait d'ailleurs être confirmée avec la (re)nomination de Anatoli Zlenko à la tête de la diplomatie ukrainienne en octobre 2000.

Certes, l'Ukraine cherche à s'intégrer dans une logique euro-atlantique, voire à beaucoup plus long terme à adhérer à l'OTAN. Mais la majorité de la population souhaite, dans le même temps, que cette entrée dans le monde occidental et atlantique ne conduise pas à une rupture avec Moscou qui transformerait l'Ukraine en une sorte de zone grise, lieu privilégié de crise. Par contre, le rapprochement avec l'UE – même si les perspectives d'adhésion y sont au moins aussi éloignées que de l'OTAN – est soutenu par tous car il est perçu comme un moyen de surmonter une situation économique qui n'est guère différente de celle de la Russie (Iris Kempe).

Le partenariat stratégique polono-ukrainien auquel est consacré un chapitre entier est, de ce point de vue, exemplaire (Oleksandr Pavliuk). Car, même si leurs relations bilatérales sont parfois complexes, par son adhésion à l'OTAN et ses perspectives d'appartenance à l'UE, la Pologne représente pour Kiev un fort soutien dans sa volonté de se rapprocher des institutions occidentales. De même que l'Ukraine permet à la Pologne de s'éloigner d'une Russie qu'elle perçoit toujours comme une menace.

Car la Russie reste bien un facteur essentiel de la politique étrangère et de sécurité de l'Ukraine. D'où une partie entière consacrée à ce sujet. En particulier, les regards croisés de deux auteurs, l'un russe (Arkady Moshes), l'autre ukrainienne (Ivanna Klympush), montrent que la volonté de résoudre les différends – signature du «grand traité» (31 mai 1997), règlement de la question de la flotte de la mer Noire – n'exclut pas les arrière pensées et les relents nostalgiques, alors même que la dépendance économique de Kiev à l'égard de Moscou s'accroît.

Assez complet dans les thèmes abordés et équilibré dans ses approches, cet ouvrage constitue un bon outil de travail pour qui souhaite aborder l'Ukraine dans sa complexité et sa diversité.

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**Jean-Paul CAHN, Henri MENUDIER, Gérard SCHNEILIN (Ouvrage collectif coordonné par) – *L'Allemagne et la construction de l'Europe 1949-1963*, Paris, Editions du temps, 1999, 318 p. – ISBN 2-84274-105-6. – 130,00 FF.**

The Franco-German academic dialogue is an extraordinary achievement in the post-1945 European history, and it cannot but arouse the invidious admiration of the onlookers. During more than fifty years, while Alfred Grosser symbolised a reconciled double identity and a moral commitment to mutual intellectual understanding, experts of German civilisation on both sides have sympathetically investigated Germany's rebirth and the growing up of a partnership across the Rhein, which replaced the «inimitié héréditaire». In the volume *Le couple franco-allemand en Europe*, edited in 1993 by Henri Ménudier, a section was rightly devoted to the analysis of some aspects of this dialogue in proper historical terms. *L'Allemagne et la construction de l'Europe* is a new expression of this complicity, publishing the contributions of major French Germanists and French and German historians, economists, jurists to a conference held in December 1999 in Paris. This has two consequences: that «European construction» is understood purely as «a form of the Franco-German relations» and, *a fortiori*, that the bilateral relationship is the second, unofficial theme of the volume. Bearing this in mind – a little disappointing for those interested also in other dimensions of the European construction – the volume can be regarded as a collection of useful studies on the early stages of the Federal Republic of Germany (FRG). It focuses on the period dearest to the Franco-German approach, the years between the birth of the Federal Republic and the resignation of Adenauer. The «era Adenauer» in German history covers the genesis and infancy of the European construction and of the European communities, the early, fateful tests of integrated policies, the emerging of the Six as the nucleus of a political Europe, the deadlock in the question of the institutional form of the European enterprise.

In the first section, Horst Möller and Hélène Miard-Delacroix analyse how the conditions and status of the western part of Germany moved toward statehood, equality and sovereignty under the occupation and during the 1949-1955 Occupation Statute. Möller gives a wide picture of the interaction between the international setting and Germany's recovery between 1945 and 1955; Miard-Delacroix reviews the relations between the German authorities and the Allied High Commission, and the German authorities reactions to the AHC's status as supreme authority and its emergency powers – symbols of the FRG's minority, before and after the prospect of contribution to the Western defence opened the way to the revision of the Statute. Entering the field of European integration proper, Pierre Gerbet has reviewed the renewal of the Franco-German relationship from the early steps to reach the post-1957 period and put forward a recurring idea of the volume: Adenauer's pragmatism regarding the forms of the European construction. «*La forme de l'unification européenne l'intéressait moins que l'unification elle-même et il croyait que la France et l'Allemagne pourraient, sous l'impulsion de de Gaulle, former le noyau de l'union politique européenne*» (p.49).

The second section of the volume deals with three domestic fundamentals of the FRG. Gérard Schneilin analyses the «social market economy» model, beginning with its origins that go back to the «ordo-liberalism» of the Friburg School, in order to explain why the majority of the economic milieu was unenthusiastic about the economic orientation of the European integration. So Erhard's opposition to the EEC was not only widely shared, but also often depicted as that of a die-hard free-marketer: «*La priorité pour lui (était) dans «l'intégration fonctionnelle» et non institutionnelle et administrative*» (p.64). In Michel Hubert's essay on the population in Eastern and Western Germany, demography «*reflète également ces trajectoires opposées qui caractérisent les structures politiques économiques et sociales des deux morceaux de territoire ...*» (p.69). In the West, waves of refugees and people expelled from Eastern Europe first, later on from Eastern Germany, in addition to the natural growth, produced a demographic explosion which supported a booming economy. In contrast, the East declined both in number, losing one fifth of its inhabitants, and in the

economic potential of the aging population. The third structural element of the West-German State taken into consideration is its Constitution (*Grundgesetz*). From a juridical point of view, Christoph Gusy has put into relation the Constitution's two main features, its provisional nature and "the aspiration for the revision of the *status quo*", with the questions of German unity and European unification. In fact, he concludes, the Cold War altered and reduced to empty rhetoric what was written down in the 1949 document.

Also in Andreas Wilkens's analysis of Jean Monnet's activity in Germany during the 1955 'relaunching' – which gives a detailed review of the German élite's attitude after the failure of the European Defence Community and during the ambiguous "early détente" – a major point is the cautious, un-ideological attitude of the political and bureaucratic elite of the FRG toward the supranational and institutional path to integration. So, it was a combination of ideals and cool-headed appreciation that inspired the CDU/CSU attitude toward the European construction. In Ulrich Lappenküper's essay, Adenauer appears to be driven by the determination to combine the shortest path toward the recovering of Germany sovereignty and independence, with security, democratisation and westernisation. Lappenküper follows the ups and downs of the Bonn-Paris and the Bonn-Washington dialogues, putting the Christian-democrat "European choice" into dialectical relation to its "Western choice". Also in the third section, Anne Saint Sauveur-Henn and Jean-Paul Cahn examine the attitudes respectively of the *Freie Demokratische Partei* (FDP) and *Sozialdemokratische Partei* (SPD). Of course, reunification and security influenced the German parties in a peculiar way. But domestic aspects, electoral calculations, need for openness in the governmental coalition, pressure groups, made the "European choice" a splitting issue inside all parties. So, by the FDP's change in attitude, that shifted around 1955 from support of the European integration process to its denunciation, its leaders aimed at setting the party apart from its coalition partner (Saint Sauveur-Henn). Jean-Paul Cahn seeks the origins of the SPD's Euro-enthusiasm back in the 1920s and analyses its post-war position that moved from rejecting the Schuman Plan to adhering to Monnet's Committee for the United States of Europe and supporting the Common Market and Euratom.

The same author deepens his analysis of the SPD's attitude in the fourth section concerning security. He reappraises the party's opposition to the EDC, that left the party with an almost nationalistic, anti-European stain. Kurt Schumacher's loud opposition to German rearmament, to NATO, to the EDC are explained in the light of a 'national' position, based on the FRG's right to equality and preoccupation with all-European aims. Also Klaus-Jürgen Müller analyses the EDC affair, this time from the point of view of early German security concerns. Renata Fritsch-Bournazel looks East, seeks the germs of Adenauer's *Ostpolitik* and finds the "Hallstein Doctrine" guilty of producing a West German passivity in East-Central Europe until the early Sixties. Last of this section, Bernard Poloni discusses how the year 1957 achieved the postwar recovery, and opened a further phase of West German history under four keys points, domestic policy (the CDU/CSU success in the elections of the *Bundestag*), European and Western policy (not only the Rome Treaties, but the coming into force of the Saar agreement and general Hans Speidel's appointment as C-in-C of NATO's ground forces in Central Europe), German-German and East-European policy (a hardening of positions), the international framework (Suez crisis and Sputnik).

In the last section, Georges-Henri Soutou, Stefan Fröhlich, and Henri Ménudier consider Adenauer's high-policies. This three dimension statesmanlike portrait stresses the Chancellor's eagerness in pursuing a set of vital aims – his country's position and status vis-à-vis its allies, its security, the solidity of the American defence guarantee, Franco-German reconciliation and the advancement of West-European integration – not considered to be alternatives, but complementary and mutually reinforcing. Soutou presents his thesis about Adenauer's genuine commitment to the Paris-Bonn entente. His loss of confidence in the American nuclear guarantee, highlighted by the Berlin and Cuba crisis, explains why he pursued a strategic and military as well as political entente with France. Eager to reap for Germany the benefits of the rivalry between Paris and Washington,

the Chancellor firmly stuck to ambiguity; but Soutou shows that he shared many of de Gaulle's judgements on the Atlantic Alliance and was ready to follow him a long path toward the building of a political and military Europe. Stefan Frölich also analyses the geometry of the FRG-USA-France triangle in the foundation of German foreign and security politics. His dialectical periodisation singles out a 1949-55 Europe-bound period, followed by a 1955-60 US-bound phase; both entered after 1960 into the FRG's last, and still lasting, policy of an equalising and mediating force between French ambitions to European hegemony and the American drive for global domination (p.285). In the end, Henri Ménudier reviews Adenauer's attitude to the question of German unity: his reactions to the events in Democratic Republic of Germany, political and economic proposals coming from the Eastern bloc until 1955; after the FRG adherence to NATO, the primacy of security upon the reunification issue in the Chancellor policy, in spite of widespread criticism.

One final remark: New details and fresh interpretations can always perfect our knowledge of the origins of the European construction and further enlighten how and why the various "choices for Europe" were made. The "holy fathers of Europe" have left place to both «*Kalkulierte Interessen und ideelle Visionen*», as formulated in Ulrich Lappenküper's title. We know how the compromise between (little) supranationalism and (a lot of) intergovernmentalism and national interests produced the Rome Treaties. It is now time to overcome this "perimetral strategy" dealing with "approaches" and "attitudes" and enter the actual "contents" of the policies of integrated Europe. The working of the Community and of the Six in the European institutions remains, with few exceptions, full of question marks.

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**Caroline VERMEULEN – *Le Collège d'Europe à l'ère des pionniers (1950-1960)***, Peter Lang, Collection Euroclio, Brussels, n° 17, 2000, 216 p. – ISBN 90-5201-906-1. – 39,00sFr.

The appearance of a book on the European College is timely in this year 2000, which marks the fiftieth anniversary of the Bruges Institution.

The cultural dimension of European integration, long overshadowed by primarily economic and political concerns, is being increasingly brought out today by historians. Caroline Vermeulen, herself a College alumna, is contributing to this welcome departure by recreating, on the basis of unpublished archives and of interviews, the first years of this "Europe in miniature", the times when "*the pioneers felt everything was possible, and that Europe's unification would defeat the nationalisms ... that threaten[ed] the peace of this continent*".

In the first section of the work, she brings out the College's "prehistory". One of the private initiatives that burgeoned from the founding Congress in The Hague in May 1948, the College was the outcome of cross-fertilization between the international cultural section of the European Movement and the Bruges local Committee. Without the enthusiasm of the one and the persistence of the other, the initiative would certainly never have seen the light. For intellectuals in the movement, like Salvador de Madariaga, Silva or Denis de Rougemont, promoting cultural activity was seen as a favoured means of accelerating Europe's future and fighting the lack of understanding of Europeans for each other: "*in order to become a fact, Europe [had to] assert its soul*".

Caroline Vermeulen goes on to show how the small team grouped around Rector Henri Brugmans framed the College Statutes and secured the necessary financial support to underpin the studies.

Though the boards of governors always took care to ensure international representation on them, they could not avoid a preponderant influence of the Belgian element, with that country's authorities bearing from the outset the bulk of administrative and teaching costs. Thanks to the success of the first academic years and the network of contacts maintained by the European Movement and the leadership team, the European bodies (with the Council of Europe, hog-tied by its Committee of Ministers, rapidly losing influence by comparison with the ECSC, then on the upswing) and the six EEC countries decided during the fifties to support the institution in any case. Apart from these European subsidies, the College enjoyed substantial though indirect aid from the United States (the sending of professors on sabbaticals, Fulbright awards, the Ford library grant in 1955).

In this context the author describes the ambivalent reactions aroused in Bruges by the projects for a European University launched at Messina and reactivated at the Bonn meeting of Heads of States and of Government (1961). Rector Brugmans and the Alumni Association then vacillated between two attitudes, concern to safeguard the existence and future of the College, and the desire to put their own experience in the area of European university education at the service of the new university being created. The first tendency impelled them to move away from the *status quo* by asking for official recognition by the national or European authorities for the Bruges institution and extending course offerings up to the doctorate; the second option led them to call for "integration" of the College into the European University. However, it was not until 1976 that the European University Institute in Florence, by this time more a complement to the College than a competitor, opened its doors.

In a second section, Caroline Vermeulen analyses the College's "philosophy". Neither a federalist cadre school, nor a European administration school, nor a European research institute, the College presents itself as an institution for higher European studies which, by pursuing its goals using methods of scientific objectivity, nonetheless clearly proclaims its ideal: to contribute to strengthening the free world and the union of Europe.

The Bruges experience in this sense constituted the prototype for a university institute with original features brought by the community living that shapes the successive intakes of students, the diversity and non-residence of the academic staff, the use of French and English, the mandatory teaching programme, multidisciplinary and clearly oriented towards the technical, albeit humanistic, study of European phenomena, and finally the concern to ensure the professional and European future of alumni.

While these features and these "virtues" enabled the College to carry out its mission, consisting, in Madariaga's apothegm, in educating people to be "European inside", it would be wrong to conclude that the institution behaved like an ivory tower.

In a third section, the author looks at the College as a "centre for spreading the European idea", an influence that sometimes took on revolutionary aspects, as with the cartographic section started by Istvan Kosmoss or the radio courses for listeners in Eastern Europe given through the intermediary of Radio Free Europe.

Caroline Vermeulen closes with her finding: because it managed to preserve the original features that had made its strength and its charm in pioneering years the European College still occupies its prominent place today on the European university scene.

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**Guido THIEMEYER.** – *Vom ‘Pool Vert’ zur Europäischen Wirtschaftsgemeinschaft. Europäische Integration, Kalter Krieg und die Anfänge der Gemeinsamen Europäischen Agrarpolitik.* 1950-1957. Oldenburg Verlag, München, 1999, 300 S. – ISBN 3-486-56427-7. – 148,00 DM.

Understanding how agriculture entered the post-war quest for institution building in Western Europe is not an easy task, particularly in the light of intensive state intervention into the sector, and dominant national agricultural political elites. Nonetheless, this is the question which the German historian Guido Thiemeyer has pursued in this book, based on his doctoral dissertation.

The book covers a period of time that spans from the launching of the Green Pool – exploring both the origins of the French Pflimlin Plan and the Dutch Mansholt Plan – to the miserable breakdown of the Green Pool negotiations in 1954. It then proceeds to examine the bilateral Franco-German trade agreements concluded in the aftermath, focusing on agriculture. The Benelux memorandum should be seen as a response to this apparent return to bilateralism, leading to the Spaak Committee-process and the writing of the agricultural chapter of the Treaty establishing the European Economic Community (EEC). It is a period that has been relatively well researched by historians in general, but so far, there has not existed a coherent study that systematically explores the position of agriculture in the European context; this is where Thiemeyer's book enters the scene. Based on thorough archival studies in the French, German and Dutch central administrations, the book offers a good view of the process of decision-making that lay behind the development at European level.

The title of the book – in English, *From ‘Green Pool’ to the European Economic Community. European Integration, Cold War and the beginnings of the Common Agricultural Policy 1950-57* – suggests the framework within which the study has been conceived. The European integration process, and the importance assigned to agriculture within that process has to be understood, so the argument goes, in the context of the way that western European countries were trying to position themselves during the Cold War. The diplomatic narrative in relation to agriculture in the period from the Green Pool to the EEC Treaty has been presented several times before (Milward, Griffiths and Milward, Girvin and Griffiths, Noël, etc.). Thiemeyer has, nonetheless, carefully gone through the archival documentation of the whole period again, but, at times, leaves the reader with the impression that it brings very little new to the understanding of this part of the process. The real merits of the research effort at this level of the analysis therefore lie much in what happened ‘in-between’ the big events. For instance the position of agriculture in the Franco-German La-Celle-Saint Cloud negotiations has not been presented this clearly previously, nor has the political horse-trading that went on during the discussions of the European Defence Community (EDC) with respect to the important role of agricultural parliamentarians. This approach leads to a finely shaped explanation of the period which shows that the integrative efforts of the west European countries were not driven by the efforts to find common solutions for the agricultural sector alone. However, agriculture always hummed in the background, and at several occasions the reception and passing of other European projects in national parliaments depended on the political trade-offs that could be made with the ‘green blocks’ of parliamentarians.

Domestic politics therefore play an important role in this story. A central aspect of the book is that it dissects the national administrations, and shows that most of the time, the administrations were split in their opinion on European policy in general, and on the agricultural aspects of it in particular. Interest representation and domination were at stake here, and Thiemeyer explains well how these issues were at the heart of the internal political power struggles of most governments. What often determined the government position was which ministry had won the right to be ‘*federführend*’, i.e. to lead the national delegation, and not consensus about what line to take in the European policy. Evidence of such split administrations has been shown before in literature, but not in such a systematic and coherent presentation as this book offers.

The social and economic decline of the sector in the twentieth century was prompting the powerful agricultural interest groups to play this game. The slow reconstruction of the agricultural production, coupled with romantic ideas attached to the sector and the way of life in societies where industrial production was taking over, mobilised agricultural elites to try to persuade governments that the sector's position was less favourable than that of other sectors. That was why the agricultural sector could retain the 'special position' that it had had nationally in the era of European integration. However, what seems to be lacking in the analysis of the period at this level is the breakdown of 'agricultural interests'. This would allow a distinction between what arguments were political arguments produced by agricultural politicians in order to retain their dominant political positions, and what arguments were grounded on 'real' economic and social problems the sector was facing. One example of this is the fear of a turbulent world market from which European agriculture had to be protected – promoted for instance by the French government during the Green Pool negotiations – and also later, outside the realm of this book, in the EEC. In reality, however, it is doubtful that all French farmers were harmed by fluctuating prices at the world markets as much as by the fear of a return to the crisis situation of the early thirties, as well as bad planning of the production and trade barriers by the government. Moreover, statistics of the period will show that agricultural prices on the world market did not fluctuate all that much in that period, and that the terms of trade of agricultural products on the world market actually increased in the post-war period (FAO, 1956). Ludwig Erhard in Germany was one contemporary who did not follow the line of argumentation pleaded in agricultural circles; that became clear when he took up the battle against the *Deutscher Bauernverband* in 1963-64.

The argument of the harmful effects of the world market nonetheless turned out to be very powerful politically by maintaining the 'special position' of agriculture during the 1950s and 1960s, but it was less grounded on realities than in a constructed political perception of the situation. One study which dissects other aspects of the rhetorics of agricultural interest groups is made by the Danish historian Anders Thornvig Sørensen, *Et spørgsmål om suverænitet? Danmark, landbruget og Europa, 1950-53* (Haderslev, 1998). For a more extensive view of the positions and activities of agricultural interest groups in relation to the initiatives made at European level, reference should be made to the work by the Swedish historian Martin Peterson in his dissertation, *International interest organizations and the transmutation of postwar society* (Göteborg, 1979); none of these works appear to have been used.

In addition, the absence of the much-debated work by the American political scientist Andrew Moravcsik, in particular his book *The Choice for Europe. Social Purposes & State Power from Messina to Maastricht* (Cornell, 1998) is puzzling, particularly because it stresses the importance of competing interests at the domestic political scene. This criticism apart, Thiemeyer presents a fascinating insight into the domestic controversies about agriculture and European integration in the 1950s. At this level, the analysis explains why the process moved, or did not move, more convincingly than at the superstructural level.

A book which presents a study of a central aspect of the European integration process, based on extensive archival research in three important countries is, by definition, noteworthy for the readers of this Journal. For some readers the density of the text as well as the fact that it is written in German, could be an obstacle. Not reading it on those grounds would be a shame, because it is an analysis presented with much skill and carefulness.

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**Antoine FLEURY en collaboration avec Lubor JILEK.** – *Le Plan Briand d'Union fédérale européenne. Perspectives nationales et transnationales, avec documents*, Bern • Berlin • Frankfurt am Main • New York • Paris • Wien, Peter Lang AG, 1998, 610 p. – ISBN 3-906760-61-8. – 82,00 SFr.

On ne peut que se réjouir de disposer enfin des Actes d'un colloque tenu au début des années 1990, qui fraya la voie à tant d'études novatrices. L'édition en fut laborieuse en raison de la multiplicité des intervenants; il faut saluer l'endurance dont fit preuve Lubor Jilek pour rassembler et relire l'ensemble des communications. Le caractère tardif de la parution ne doit pas dissimuler, au regard d'initiatives postérieures, le caractère inédit qu'eut alors celle coordonnée par Antoine Fleury.

Au-delà de la réhabilitation d'une initiative diplomatique française longtemps considérée avec condescendance – le «plan» d'Aristide Briand était présenté comme l'ultime manifestation de l'opportunisme d'un homme politique aux convictions politiques variables –, au-delà de l'effort manifesté pour l'extraire du champ historique des relations franco-allemandes et l'inscrire dans celui, plus vaste, de la construction européenne, il s'est agi de faire travailler ensemble les historiens issus des vingt-six Etats auxquels le Plan fut adressé en mai 1930. Le résultat est quasi-atteint (vingt-trois Etats sont représentés) avec cet ensemble de contributions, un peu inégales, mais qui, toutes, cherchent à restituer la spécificité de l'approche de leur pays à partir de la lecture des réponses parvenues au ministère français des Affaires étrangères, des archives accessibles dans leur pays respectif et de la documentation imprimée de l'époque. On dispose d'un ensemble cohérent, exhaustif, construit autour d'une même grille de questions, même si les analyses traduisent des approches méthodologiques un peu différentes; l'expérience n'a d'ailleurs jamais été reproduite avec la même rigueur pour les étapes ultérieures de la construction européenne quelle qu'ait été la qualité des articles produits. L'analyse des réponses au plan Briand est précédée de contributions qui précisent le contexte économique, intellectuel, politique et culturel de parution du projet.

On regrettera que dans sa mise en perspective de l'initiative briandiste et à la suite de son juste rappel de la marginalisation du Quai d'Orsay dans l'élaboration de sa première étape – le discours du 5 septembre 1929 – Jacques Bariéty n'ait pas souligné les dernières avancées de la recherche dans la connaissance de l'élaboration du mémorandum du 1<sup>er</sup> mai 1930 livrés au cours des débats du colloque. Si la paternité française du texte a été confirmée et précisée – la rédaction finale est due à Alexis Léger, le directeur de cabinet de Briand – l'étude de sa genèse a révélé la synergie et la convergence de différents pôles décisionnels dont le Service français de la Société des Nations (rôle de Jacques Fouques-Duparc) et le comité économique de la Société des Nations (notes d'Arthur Salter et de Pietro Stoppani). Cette genèse a son importance puisqu'en définitive, c'est bien sur le mémorandum que durent prendre position les gouvernements européens. Or, sa conception ne coula pas de source, achoppant en particulier sur la nature politique du lien proposé ainsi que sur ses relations avec la grande organisation internationale déjà existante, la Société des Nations. De fait, le texte définitif demeura imprécis quant à la description de l'union politique préconisée, hésitant entre l'expression vidée de contenu politique de «lien de solidarité» et la notion d'union «fédérative» ou «fédérale». Comme s'il devançait les critiques qui allaient lui être adressées, Alexis Léger veilla à placer le futur groupement régional européen sous le contrôle de la SDN.

Les réserves dont le mémorandum était assorti n'empêchèrent pas les réticences de se manifester. Les réponses gouvernementales reflétaient soit le poids de la conjoncture – l'Allemagne de Curtius n'était déjà plus celle de Stresemann –, soit des attitudes de long terme – les refus des années cinquante trouvent leurs racines dans ce premier «non» de la Grande-Bretagne à l'Europe –, soit du rapport de forces entre puissances ou encore des préoccupations nationales ou régionales (cf. l'attitude des gouvernements centre-européens). Dans la mesure où les Etats-Unis apparaissent

comme une référence omniprésente dans les réflexions du temps sur l'union européenne, il aurait peut-être été judicieux d'inclure une étude sur leur réaction à ce plan Briand demeuré sans postérité, mais qui marqua toute une génération de responsables européens.

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**Nathalie BERGER** – *La politique européenne d'asile et d'immigration*. Enjeux et perspectives. Bruxelles. Bruylant. 2000, 269 p. – ISBN 2-8027-1299-3. –57,02€.

The European asylum and immigration policy is striving for a common basis and succeeds little by little in establishing an identity of its own. This is what Nathalie Berger intends to demonstrate in a work based on her doctoral thesis. In her capacity as a committed jurist, she studies the evolution of this policy by analysing closely the Treaties and Agreements having been signed from the Single Act to the Treaty of Amsterdam.

After having described the institutional framework both of the European immigration policy and the asylum policy, she studies each of these two policies in their evolution: an evolution, which has been chaotic in the early stages of the Schengen Agreement, the founding text, which aimed at a “close union of the peoples of the member States; then, with the signing of the Single Act and the Maastricht Treaty which merely favoured “intergovernmental cooperation”, the development stagnated – to progress again with the Treaty of Amsterdam which incorporated “the Schengen acquis” and which set itself the goal of creating an “area of freedom, security and justice”.

Even though she states the common will for a supranational policy and thus for a common legislation, and despite the efforts made since the economic crisis of the seventies, Nathalie Berger insists on the differences in the usual practices existing between the various European countries, which she attributes to the fact that the definition of the word “foreign” which in international law is always linked to the notion of national sovereignty, varies from country to country.

One part of her demonstration rests on the emphasis laid on the contradiction between the will shared by several member countries to favour immigration in order to answer the needs for labour force, and the absence of a common definition of “third-country national”. Thus, on one hand she points out the ease with which European countries are achieving more and more positive results as regards the reinforcement of frontier controls and cooperation between police forces; on the other hand she shows up to what extent they are powerless in the face of countries that like the UK or Ireland continue to be opposed to all transfer of sovereignty, when the protection of these peoples is at stake. In the same way, in the face of the economic and social problems brought about by immigration and asylum, the author illuminates the Community's difficulties regarding the conflicts of competence existing between the European Commission, the Council of Europe and finally the Court of Justice, which make it de facto possible for the member States to keep to their national legislation. The analysis of the asylum policy defined by the Dublin convention comes to the same conclusion. Its application too comes up against a variety of national procedures, even if at the level of principles, it constitutes a positive step in comparison with the Geneva Convention. The work gives not only an account of the situation, it also actively attempts to outline institutional solutions that materialise the Community's political will to combine ethics and cautiousness.

For the author, who describes very exhaustively the different national exceptions, the asylum and immigration policy in its present state of realisation amounts to nothing more than an intensi-

fied cooperation for lack of a genuine common approach, despite the progress brought about by the Treaty of Amsterdam. By way of example, she states the difficulty to obtain the reciprocal recognition of national visas or to agree on consensually applied legislation on the right of asylum in accordance with particular adjustments requested and obtained by certain member States.

The rigorous and very clearly structured study of the different treaties and conventions is completed by numerous references (presented in footnotes, which allows a fluent reading of the corpus text) to institutional texts, to decisions setting judicial precedents as regards the foreigner's rights in the European Union, or to scenarios arising from particular political contexts, which often emphasise the constraints of real life by confronting the determination to abolish gradually the frontiers between the member States with the requirement to obtain a high level of security in these same states.

The work combines with talent an expert knowledge of both the texts and the practices of the different member states. It is an essential handbook for the jurist as well as the sociologist. Unfortunately, the thematic index doesn't always reveal the richness of its contents.

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**Bernadette WHELAN – *Ireland and the Marshall Plan, 1947-1957. Dublin, Four Courts Press*, 2000, 426 S. – ISBN 1-85182-517-7. – 39,38 £.**

Sieht man von den drei Gründungsmitgliedern der Sechsergemeinschaft ab, zählte die Rolle der "kleinen" Länder im Prozess der europäischen Integration bislang eher zu den vernachlässigten Feldern der Forschung. Schon deshalb verdient die von Joe Lee betreute Dissertation über Irlands Beteiligung am European Recovery Programme (ERP) und dessen Auswirkungen auf Politik, Wirtschaft und Kultur des Landes Anerkennung. Bemerkenswert erscheint auch, dass die Arbeit nicht mit dem Auslaufen des ERP endet, sondern längerfristige Effekte durchaus einbezieht.

Ihrem Untersuchungsgegenstand entsprechend, hat Bernadette Whelan, mittlerweile Dozentin für Neue Geschichte an der Universität Limerick, die einschlägigen Archive in Irland, Großbritannien und den Vereinigten Staaten aufgesucht und dabei Akten unterschiedlicher Provenienz – darunter diplomatische Akten, Kabinettsprotokolle, Unterlagen der Economic Cooperation Administration (ECA), der Ressorts für Wirtschaft, Handel und Finanzen sowie Nachlässe von Regierungschefs, Ministern und Beamten – ausgewertet. Etwas schmal wirkt dagegen die Literaturbasis; insbesondere fällt auf, dass weder deutsche noch französische Literatur berücksichtigt wurde. Whelans Aussagen etwa über den Anteil westzonaler Experten an der Formulierung der verschiedenen Programme oder über Motive und Ziele der französischen ERP-Politik reflektieren deshalb nicht immer den Stand der Forschung. Dieser Mangel springt nicht zuletzt deswegen ins Auge, weil sie sich mit der englischsprachigen Literatur, vor allem mit den Thesen und Ergebnissen Alan Milwards und Michael Hogans, intensiv und auch gewinnbringend auseinanderzusetzen versteht.

Das Buch ist nach chronologisch-systematischen Gesichtspunkten gegliedert. Zunächst beschreibt die Autorin die – keineswegs überschwängliche – irische Reaktion auf die Einladung zur Teilnahme am ERP: Immerhin eröffnete die Mitarbeit die Möglichkeit, die diplomatischen Kontakte auszuweiten, und überhaupt blieb Irland schon aus wirtschaftlichen Gründen kaum eine andere Wahl. Irische Vertreter beteiligten sich folglich aktiv an den Beratungen des Committee of European Economic Co-operation und pflegten dabei die Ver-

bindungen zu anderen neutralen oder "kleinen" Teilnehmerstaaten, ohne allerdings Anschluss an irgendwelche "Blöcke" zu suchen. Die Vorbereitungen auf die Verwirklichung des Marshallplans einschließlich des Aufbaus der nötigen administrativen Apparate ist Thema des nächsten Kapitels. Der Regierungswechsel vom Februar 1948 hatte übrigens keine nennenswerten Auswirkungen auf den außenpolitischen Kurs und die irische Haltung zum ERP. Selbst die amerikanische Entscheidung, die Marshallhilfe im wesentlichen nicht als "grant", sondern lediglich als "loan" zu gewähren, wurde, wenngleich widerwillig, akzeptiert. Recht knapp untersucht Whelan danach die irische Politik im Rahmen der Organisation for European Economic Co-operation (OEEC), vor allem die letztlich erfolglosen Bemühungen des irischen Außenministers Seán MacBride um eine Reform der OEEC und die nur sehr zögerlichen Aktivitäten auf dem Gebiet der Liberalisierung des Handels.

Sehr viel ausführlicher werden die Implikationen und Effekte der verschiedenen Wiederaufbauprogramme und die Verwendung der aus ERP-Mitteln gespeisten "Counterpart Funds" analysiert. Die Bilanz fällt eher zwiespältig aus: Während die weitgesteckten Ziele meist verfehlt wurden, gelang es immerhin, den Lebensstandard in einem Maße zu steigern, wie es ohne Marshallhilfe kaum möglich gewesen wäre; auch die staatlichen Programme zur Bekämpfung der Arbeitslosigkeit und zur Entwicklung von Landwirtschaft und Industrie profitierten zweifellos von diesen Mitteln. Und im Unterschied zu manch anderen Empfängerländern blieb der amerikanische Einfluss auf die irische Wirtschaftspolitik wegen der überwiegend auf Kreditbasis geleisteten Hilfe eher gering. Die beiden letzten Kapitel sind den Maßnahmen zur Steigerung der Produktion und der Produktivität sowie der Werbe- und Propagandakampagne im Zusammenhang mit dem Marshallplan gewidmet. Wie die Autorin zeigen kann, erwiesen sich die traditionellen Praktiken, Gewohnheiten und Werte als durchaus resistent gegenüber Bestrebungen in Richtung einer durchgreifenden "Amerikanisierung".

Die vielschichtige, nur selten langatmig wirkende Studie vermittelt neue Einblicke in den diplomatischen Prozess während der Gründerjahre des vereinten Europa. Eine "definitive Geschichte" des Marshallplans müsse noch geschrieben werden, betont Whelan in der Einleitung; selbst wenn es diese "definitive Geschichte" vermutlich nie geben wird – Whelans Buch leistet einen wertvollen Beitrag zum Verständnis der Motive der Integrationsstrategen in den USA und Europa, der Ziele, die sie verfolgten, und der immensen Schwierigkeiten, mit denen sie zu kämpfen hatten.

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## Abstracts – Résumés – Zusammenfassungen

**Maurice FitzGerald**  
**Ireland's Relations With the EEC:**  
**From the Treaties of Rome to Membership**

Ireland's accession to the European Communities in 1973 had internal and external connotations. Domestically, it was not just a stage in a dynamic new set of relations, it also marked the climax of a fifteen year process that saw its economy, polity and society transformed from being closed and protected into becoming part of an entity that was more open and liberalised. In international terms, Ireland's entry was doubly significant because it was not only among the first wave of enlargement countries, it was also classed as a peripheral. Although full membership was never inevitable, Irish dependence upon the United Kingdom meant that it was widely recognised, at home and abroad, as a necessary and suitable addition to this European integration structure. This conclusion was only reached at Ireland's third time of asking; thus, credit is due to the foresight and fortitude of a number of actors at all levels who were determined to see that it succeeded.

**L'Irlande et la CEE:**  
**des traités de Rome à l'adhésion aux communautés européennes**

L'accession de l'Irlande aux communautés européennes en 1973 connaît une double connotation, interne et externe. Sur le plan intérieur, l'adhésion marque non seulement une étape importante dans la dynamique de la mise en place d'un tissu de relations nouvelles, mais encore l'aboutissement d'un processus de transformation économique, politique et sociale qui, pendant quinze années, a changé la face d'un pays fermé et replié sur lui-même en un pays en passe de devenir partie intégrante d'une entité plus ouverte et libérale. Au point de vue international, l'entrée dans la communauté est significative, d'abord parce que l'Irlande fait partie de la première vague des candidats à l'élargissement; ensuite, parce qu'elle fait figure d'Etat périphérique. Quoiqu'une adhésion comme membre à part entière n'a jamais été exclue, la dépendance du pays vis-à-vis de la Grande-Bretagne entraîna qu'en Irlande et ailleurs l'association ou l'intégration étaient toujours envisagées en rapport avec les destinées du Royaume-Uni. Cette politique prudente fut couronnée de succès au moment de la troisième demande d'adhésion; elle est le fruit de la prévoyance et de la fermeté d'une série d'acteurs à tous les niveaux qui n'ont jamais désespéré de voir leurs calculs aboutir.

**Irland und die EWG:**  
**von den Römischen Verträgen zum Beitritt in die Gemeinschaft**

Irlands Beitritt in die Europäische Gemeinschaft (1973) hat eine innen- und außenpolitische Konnotation. Innenpolitisch bildet der Beitritt eine Etappe in der Entstehung neuer, dynamischer Beziehungen sowie auch den Höhepunkt eines fünfzehn Jahre dauernden politischen, wirtschaftlichen und sozialen Umwandlungsprozesses der das abgeschottete Land zu öffnen und zu liberalisieren half. International gesehen war die Mitgliedschaft zweifellos in doppelter Hinsicht bedeutsam: einerseits weil die Insel zur ersten Welle der Erweiterungskandidaten gehörte, andererseits weil sie als Peripherstaat angesehen wurde. Obwohl eine Vollmitgliedschaft nie ausgeschlossen wurde, glaubte man in Irland und auch anderenorts, dass diese nur sinnvoll im Rahmen einer Integration des Vereinigten Königreiches erschien, nicht zuletzt wegen der starken Abhängigkeit des Landes von Großbritannien. Dieses Ziel wurde erst im dritten Anlauf erreicht und ist der Weitsicht und Hartnäckigkeit zahlreicher Akteure auf allen Ebenen zuzuschreiben: sie haben nie am Erfolg ihrer Strategie gezweifelt.

**Nicolau Andresen-Leitão**  
**Portugal's European Integration Policy, 1947-72**

The role played by Portugal in European integration is relatively unknown even though this country has been a founding member of both the OEEC and EFTA, and has joined the EEC in 1986. Less known yet is the reaction of Portugal to the creation of the Community and its application for associate membership in 1962 in the wake of the British application of the previous year. The article provides a brief history of Portugal's official European integration policy up to 1972. The paper is divided into four sections: 1) an outline of Portugal and Europe prior to the Treaty of Rome, 2) a presentation of Portugal's reaction to the Treaty of Rome, which resulted in EFTA membership, 3) an explanation of Portugal's application for EEC association in 1962 with the objective of full membership, and 4) a survey on the period from President de Gaulle's veto to British EEC membership in January 1963 to the signing of the trade agreement between the EEC and Portugal in July 1972. A conclusion on Portugal's European integration policy during the period under consideration closes the article.

**Le Portugal et l'intégration européenne (1947-1972)**

Le rôle joué par le Portugal au niveau de l'intégration européenne est assez méconnu et ce, en dépit du fait que le pays range parmi les Etats fondateurs de l'OECE et de l'AELE d'une part, de l'autre qu'il a adhéré à la CEE en 1986 après avoir signé en 1972 déjà un accord commercial avec elle. On en sait moins encore à propos des réactions du Portugal face à la création du Marché Commun ainsi que sur sa demande d'association formulée en 1962 suite à la candidature britannique de l'année précédente. La présente contribution résume brièvement les quatre principales étapes dans l'histoire de la politique d'intégration européenne du Portugal antérieure à 1972: les relations du pays avec l'Europe communautaire avant 1957; sa réaction face au Traité de Rome et son adhésion consécutive à l'AELE; la demande d'association à la CEE en 1962, y compris les mobiles à l'origine d'une candidature visant au fond une adhésion comme membre à part entière et, finalement, les incidences du veto opposé par le général De Gaulle à l'adhésion britannique et l'évolution vers la signature de l'accord commercial passé avec la CEE en juillet 1972. L'article est clôturé par une appréciation générale de la politique européenne du Portugal au long cette période précoce.

**Portugal und die europäische Integration. 1947-1972**

Obwohl Portugal Gründungsmitglied der OEEC bzw. der EFTA gewesen ist und 1986 der EWG beitrug, ist seine Rolle im Rahmen des europäischen Integrationsprozesses recht unbekannt. Noch weniger weiß man allgemein über Portugals Reaktionen bezüglich der Gründung der Gemeinschaft oder über die 1962 – ein Jahr nach der britischen Beitrittskandidatur – gemachten Anstrengungen einen Assoziierungsvertrag zu unterzeichnen. Der vorliegende Aufsatz unterbreitet einen kurzen historischen Überblick dieser frühen Phase portugiesischer Bemühungen um europäische Integration vor 1972. Vier Etappen werden unterschieden: 1. Portugals Beziehungen zu Europa vor 1957; 2. die Reaktion auf die Römischen Verträge und der daraufhin erfolgende Beitritt zur Europäischen Freihandelszone; 3. der Antrag zur Assoziierung von 1962 und die damals ausschlaggebenden Beweggründe zu einem solchen Schritt; 4. General De Gaulles Blockade der britischen Aufnahme in die Gemeinschaft und die weitere Entwicklung bis hin zur Unterzeichnung des Handelsabkommens zwischen der EWG und Portugal im Juli 1972. Der Beitrag schließt mit einigen allgemeinen Betrachtungen zur portugiesischen Integrationspolitik in jenen frühen Jahren.

**Birgit Aschmann**  
**The Reliable Ally:**  
**Germany Supports Spain's European Integration Efforts, 1957-67**

Historiography considers Germany as the most reliable supporter of the European integration policy pursued by Madrid. Up to now, it has scarcely been examined in how far and why German diplomats supported the Spanish efforts. An analysis covering the ten years from Franco's reform of cabinet (1957) to the beginning of Spain's negotiations with the European Commission in 1967, shows that the Germans normally complied with the Spanish requests for support and acted as spokesmen for Spanish interests. By doing so, they first hoped for economic advantages, and secondly they were convinced, that European integration would help Spain politically to progress towards a more democratic system. The results actually achieved by the German politicians remained however extremely modest. The initial goal of an association with the EEC was finally given up, not least because the Germans did not consider it any longer to be realisable. However, this did not prevent both countries from reiterating expressions of mutual support. After all diplomats of both countries had tacitly agreed on supporting each other's respective favourite political project in the field of foreign affairs (i. e. European integration on the one hand and on the other Germany's claim to sole representation) by all – rhetoric – means.

**Un allié fiable: les efforts d'intégration européenne de l'Espagne et l'appui allemand (1957-1967)**

L'historiographie attribue traditionnellement à la République Fédérale d'Allemagne le rôle d'un défenseur fiable de la politique d'intégration européenne initiée à Madrid. La question à savoir dans quelle mesure et pourquoi la diplomatie allemande appuyait les efforts espagnols n'a pourtant guère été élucidée à présent. Une analyse couvrant les dix années depuis la réforme gouvernementale franquiste (1957) au début des négociations d'adhésion entre l'Espagne et la Commission européenne (1967), prouve qu'en règle générale la RFA réagissait positivement aux demandes d'entraide parties du pays méditerranéen. En se faisant les interprètes des intérêts de l'Espagne, les Allemands poursuivaient un double but: d'un côté ils escomptaient satisfaire leurs propres intérêts matériels, de l'autre ils étaient convaincus que l'intégration européenne aurait un effet bénéfique sur la démocratisation du régime espagnol. Les succès réels remportés par la République fédérale demeurèrent toutefois fort modestes. Son objectif initial visant une association de l'Espagne à la CEE, elle l'abandonna au fil du temps parce qu'elle finit par ne plus y croire. Ce recul ne modifiait cependant en rien les beaux discours de sympathie professés de part et d'autre des Pyrénées. Après tout, les diplomates des deux pays consentaient tacitement de continuer – avec tous les moyens de l'art rhétorique – à s'appuyer mutuellement en matière de leurs projets internationaux préférés: l'intégration européenne pour l'Espagne et la prétention à la représentation exclusive pour la RFA.

**Der sichere Alliierte – Deutsche Unterstützung für Spaniens Europapolitik. 1957-1967**

In der Geschichtsschreibung zur spanischen Europaintegration gilt die Bundesrepublik Deutschland als zuverlässigste Stütze der Madrider Politik. In welcher Form und warum sich die deutschen Diplomaten für die spanischen Bemühungen einsetzten, ist bislang nicht untersucht worden. Eine Analyse der zehn Jahre von der franquistischen Kabinettsreform 1957 bis zum Beginn der Verhandlungen Spaniens mit der Europäischen Kommission 1967 zeigt, daß die Deutschen den spanischen Bitten um Unterstützung in der Regel nachkamen und sich zum Sprachrohr spanischer Interessen machten. Dabei versprochen sie sich erstens wirtschaftlichen Profit und waren zweitens überzeugt, daß eine europäische Integration die politische Evolution Spaniens hin zu einem demokratischeren System bewirken würde. Die tatsächlichen Erfolge der deutschen Unterstützung blieben jedoch überaus bescheiden. Das ursprüngliche Ziel einer Assoziierung mit der EWG wurde schließlich aufgegeben, nicht zuletzt, weil die Deutschen sie nicht mehr für realisierbar hielten. Die wortreichen Sympathiebekundungen füreinander beeinträchtigte das nicht, schließlich waren die Diplomaten beider Länder stillschweigend übereingekommen, die außenpolitischen Lieblingsprojekte des anderen (Europaintegration und deutscher Alleinvertretungsanspruch) mit allen – rhetorischen – Mitteln zu unterstützen.

**Tapani Paavonen**  
**From Isolation to the Core:**  
**Finland's Position towards European Integration, 1960-95**

Finland's relationship with West European integration can be characterised as a movement from isolation to the forefront. In the 1950s, the country was relatively isolated with regard to what is known as West European integration. Finland's position in the sphere of interest of the Soviet Union imposed restrictions on her relations to the West, but isolation was reinforced by the endogenously generated protectionist foreign-trade policies. Finland concluded an association agreement with EFTA in 1961 and a free trade agreement with the EC in 1973 in order to safeguard her existing export interests, those of the wood-processing industries in first place. This first integration aim was achieved, but the main result was that Finland was drawn into a process of economic integration which eventually resulted in all-embracing participation in the West European construction. Finland's special relations with the Soviet Union could have obstructed the path but eventually obstacles to participation faded away and the Finnish pattern of economic development was comparable with other European neutrals. Finland's main feature from the 1960s to the 1990s was rapid convergence with regard to the economically-advanced countries of Western Europe.

**De l'isolement au membre à part entière:**  
**la Finlande face à l'intégration européenne (1960-1995)**

L'évolution des relations de la Finlande avec les différentes communautés de l'Europe occidentale se caractérise par un passage de l'isolement vers une adhésion à part entière. Durant les années 1950, le pays est en effet assez isolé par rapport à l'Europe occidentale en voie d'intégration et ce, notamment parce que sa mouvance dans la sphère d'influence soviétique lui impose des restrictions quant aux relations avec l'Ouest. D'autres facteurs endogènes viennent renforcer cette position à l'écart, en l'occurrence la politique protectionniste qui caractérise le commerce extérieur. En 1961 la Finlande signe un traité d'association à l'AELE avant de conclure en 1973 un accord de libre-échange avec la CE afin de sauvegarder ses intérêts en matière d'exportations, en première ligne, celles liées aux industries forestières. Ce début d'intégration avait pour principal résultat l'enclenchement d'un processus d'intégration économique qui, à la longue, débouchait sur une participation tous azimuts à la construction européenne. Les relations toutes spéciales avec l'URSS auraient pu barrer cette voie; mais finalement les obstacles au ralliement finlandais disparurent alors que le développement pris par l'économie faisait de la Finlande un pays absolument comparable à d'autres Etats neutres de l'Europe. A une particularité près: depuis les années 1960 aux années 1990 la convergence vers le niveau économique avancé des pays de l'Europe occidentale y fut bien rapide.

**Aus der Isolation zur Vollmitgliedschaft:**  
**Finnland und die europäischen Integration, 1960-1995**

Finnlands Beziehungen zu den westeuropäischen Gemeinschaften kennzeichnen sich durch eine Entwicklung aus der Isolation heraus hin zu einer vollständigen Integration. Während der Fünfzigerjahre war das Land wegen seiner besonderen Stellung im Einflussbereich der Sowjetunion noch weitgehend vom sich einigenden Westeuropa abgeschnitten. Die Isolation war aber auch durch interne Faktoren wie die stark protektionistisch ausgerichtete Außenhandelspolitik bedingt. 1961 unterzeichnete Finnland einen Assoziationsvertrag mit der EFTA und 1973 ein Freihandelsabkommen mit der EG, um die Interessen seiner Exporte – vornehmlich der Holzindustrie – zu wahren. Diese ersten Ansätze der Annäherung lösten einen wirtschaftlichen Integrationsprozess aus, der allmählich zu einer alles umfassenden Beteiligung an der westeuropäischen Konstruktion führte. Finnlands eigenartige Beziehungen zur UdSSR hätten diese Entwicklung gefährden können. Schließlich konnten derart bedingte Hindernisse aber aus dem Weg geräumt werden, so dass, begünstigt durch die wirtschaftliche Entfaltung, Finnland zu einem durchaus mit anderen neutralen europäischen Staaten vergleichbaren Land heranwuchs. Mit einer Besonderheit: seit den Sechzigern bis in die Neunzigerjahre ist die Konvergenz hin zu den wirtschaftlich hohen Standards in Westeuropa sehr schnell gewesen.

**Hans-Otto Frøland**  
**Choosing the Periphery:**  
**the Political Economy of Norway's European Integration Policy, 1948-73**

The paper argues that the dual character of the national political economy is the most adequate framework for understanding Norway's European integration policy between 1948-73. The political economy maintained national regulations for the primary industries while increasingly encouraging manufacturing industries to trade in foreign markets. Preferential areas as OEEC and EFTA represented the best solutions for Norway. The Community occupied an expanding position in Norway's political orientation, but foreign policy was of no significance for the country's policy towards membership. Staying outside the Community was decreasingly perceived as a problem.

Following the British applications for membership was motivated by the fear of losing EFTA preferences in Britain and Denmark. To gain access to the Community's tariff union for manufacturing industry while avoiding the impact of the Community's regulations on the primary industries, Norway on all occasions adopted a policy to maintain the primary industries under the concept of regional policy. This demand being unconditional, the applications neither assumed nor excluded membership. As the bargaining policy failed, the electorate turned down the 1972 access treaty in a referendum.

**Le choix de la périphérie:**  
**la politique économique de la Norvège et l'intégration européenne (1948-1973)**

L'article soutient que la dualité de l'économie politique nationale norvégienne représente le schéma d'interprétation le plus approprié pour expliquer la politique d'intégration européenne pratiquée par le pays entre 1948 et 1973. La politique économique maintenait pour le secteur primaire des mécanismes de régulation tandis que les industries manufacturières étaient de plus en plus encouragées à s'orienter vers les débouchés extérieurs. L'OEEC et l'EFTA constituaient des espaces privilégiés, et la meilleure solution pour la Norvège. Les Communautés certes occupaient une place croissante au niveau des orientations politiques norvégiennes, mais les Affaires étrangères proprement dites n'ont guère été déterminantes dans l'évolution vers une adhésion. Rester en dehors des Communautés était de moins en moins perçu comme un problème.

Suite aux candidatures anglaises, les demandes d'adhésion norvégiennes étaient motivées par la peur de perdre les préférences EFTA en Grande-Bretagne et au Danemark. Afin de gagner le bénéfice des tarifs communautaires applicables aux produits manufacturés, tout en évitant les mécanismes de régulation dans le secteur primaire, la Norvège essaya constamment de placer ce dernier secteur sous le sigle de la politique régionale et d'en faire une condition sans réserves. Ce qui ne présume ni n'exclut l'adhésion aux Communautés. Puisque cette politique de marchandage échoua, l'électorat du pays choisit d'abattre le projet d'accession par le référendum de 1972.

**Norwegens nationale Wirtschaftspolitik und die europäische Integration:**  
**ein Entschluss zugunsten der Peripherie. 1948-1973**

Der duale Charakter der nationalen Wirtschaftspolitik ist, so der vorliegende Beitrag, das adäquateste Interpretationsschema zum Verständnis Norwegens europäischer Integrationspolitik in den Jahren 1948 bis 1973. Während die Landwirtschaft und die Fischerei nationale Regulierungsmaßnahmen erforderten, wurden die weiterverarbeitenden Industrien zunehmend zum Außenhandel angespornt. Bevorzugte Absatzgebiete wie die OEEC- oder EFTA-Staaten bildeten die geeignetste Lösung für Norwegen. Die Europäische Gemeinschaft nahm zwar einen immer größer werdenden Platz in der politischen Ausrichtung des Landes ein, doch war die Außenpolitik als solches keineswegs von Belang für die schließlich angestrebte Mitgliedschaft. Der Verbleib außerhalb der Gemeinschaft war nämlich zunehmend unproblematischer geworden.

Im Anschluss an die britischen Beitrittsabsichten stellte Norwegen seine Kandidatur aus Angst vor dem Verlust der EFTA-Präferenzen in Großbritannien und Dänemark. Um in den Genuss der Gemeinschaftstarife für Industriegüter zu gelangen, andererseits aber die Gemeinschaftsregeln im primären Sektor zu umgehen, verpasste Norwegen keine Gelegenheit letzteren Wirtschaftszweig unter dem schützenden Schirm der Regionalpolitik zu behalten. Als das Feilschen um diese Vorbedingung scheiterte, ließen die norwegischen Wähler den Beitrittsvertrag in der Volksbefragung von 1972 durchfallen.

Ziya Önis

**An Awkward Partnership: Turkey's Relations With the European Union  
in Comparative-Historical Perspective**

The article attempts to highlight the principal turning points in Turkey-EU relations within a comparative framework involving the Community's enlargement towards its southern and eastern periphery. Two sets of influences are identified as being critical in accounting for the ambiguities and oscillations in Turkey-EU relations. A basic dilemma for the European elite, which has been in evidence from the very beginning, is whether to treat Turkey as a natural "insider" or a significant "outsider". Turkey's domestic politics itself has constituted an important barrier to a further deepening of Turkey-Community relations. A failure on the part of the Turkish political elite to fully understand the changing nature of the EU and the requirements of "deep integration" continue to pose problems for Turkey-EU relations in the current context.

**Un partenariat malaisé: les relations entre la Turquie et l'Union Européenne.  
Une analyse historique et comparative**

L'article essaie de mettre en évidence les principaux tournants dans l'histoire des relations entre la Turquie et les Communautés européennes et ce, en intégrant les élargissements successifs vers les Etats méditerranéens et les pays de l'Est dans son analyse comparative. Il s'en dégage deux facteurs d'influences qu'on pourrait qualifier de déterminants pour expliquer les ambiguïtés et les revirements dans les rapports entre la Turquie et l'Union. Dès le départ, il apparaît clairement que les élites européennes sont plongées dans un profond dilemme lorsqu'il y va de savoir si la Turquie est à traiter comme un insider naturel ou un vrai outsider. La politique des Turques eux-mêmes a elle aussi constitué un obstacle sérieux à l'approfondissement des rapports bilatéraux. L'incapacité des élites du pays à comprendre la nature changeante de l'EU et ses exigences accrues conditionnées par une intégration en profondeur continuent aujourd'hui encore à poser problème.

**Das nicht unkomplizierte Verhältnis zwischen der Türkei und der Europäischen Union.  
Eine komparative, historische Studie**

Der Beitrag versucht, im Rahmen einer komparativen Studie mit den EU-Erweiterungen zunächst nach Süden, dann nach Osten, die wesentlichen Etappen in der Geschichte der Beziehungen zwischen der Europäischen Gemeinschaft und der Türkei zu beleuchten. Es ergeben sich zwei entscheidende Faktoren die das gemischte und bewegte Verhältnis zueinander maßgeblich prägen. Die europäische Elite steckte von Anfang an in einem großen Dilemma wenn es um die entscheidende Frage ging, die Türkei als natürlichen insider oder aber als echten outsider zu behandeln. Die türkische Politik ihrerseits hat auch nicht unbedingt dazu beigetragen die Hindernisse auf dem Weg zu einer verbesserten Beziehung abzutragen. So hat sie es zum Beispiel nicht richtig verstanden die sich wandelnde Natur der Gemeinschaft und die verschärften Anforderungen die sich zwangsläufig aus einem vertieften Integrationsprozeß ergeben rechtzeitig zu erkennen. Hierin liegt wohl auch heute noch eine der entscheidenden Ursachen für ein nicht unkompliziertes Verhältnis zwischen EU und Türkei.

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