



Britain and Western Europe

Bert Ramelson

Bob Rowthorn in your May 82 issue opens his article with the assertion that 'The British Left has failed to develop a genuine international perspective as part of its alternative strategy'.

It seems to me that far from this article contributing to such a 'development', it can only create confusion. His following paragraphs can only be interpreted not as a clarification of that strategy, but as an attempt to throw doubt on one of its key points. It is a point, moreover, which has the overwhelming majority support of the organised labour movement and the majority of the population, namely withdrawal from the Common Market.

And indeed, no one can blame John Palmer (*Guardian* May 10) for interpreting it in that way with considerable satisfaction, and Eric Heffer (*Guardian* May 13) with anger.

I am not clear whether he has changed his mind (he did oppose membership during the big debate leading to the disastrous Referendum). Certainly the impression is that he has done so. If he has not he should say so, and if he has, he should provide a credible case for the change.

In my opinion he not only fails to weaken the case for withdrawal, but his own arguments and statistical evidence strengthen that case. Assertions are not arguments, and

setting up Aunt Sallys in order to knock them down is not what I would have expected from someone with his reputation.

The following quotation from his opening paragraph is a perfect example of the kind of Aunt Sally I refer to:

'Its (the British Left's) attitude towards other capitalist countries is often negative and backward-looking, and it has failed to appreciate the extent and irreversibility of Britain's economic integration into Western Europe, of which our entry into the Common Market is merely an expression and not the basic cause. Many on the Left still seem to believe that Britain's future is to break away from Western Europe, the USA, Japan and the rest of the capitalist world and completely reorientate ourselves towards the Third World and the socialist countries. This unrealistic vision rests on a bizarre combination of imperial nostalgia and revolutionary romanticism, and only deserves to be taken seriously because in one guise or another it influences most writings on the alternative strategy.'

Every movement, and the Left is not immune, has its lunatic fringe. Perhaps someone may hold such infantile views, but it really is an insult to saddle the left, and in particular the Communist Party, with them. On the contrary, the view of the Left is that membership of the Common Market is an

obstacle to co-operation and trade with the whole of Europe and the rest of the world (including the capitalist countries), and that withdrawal would not only remove this obstacle, but enable more satisfactory and beneficial relations to be established with Western Europe itself.

I know of no statement by the Communist Party or the serious Left which doesn't argue for the extension of free and equal co-operation between Britain and the whole of Europe and the rest of the world. Far from suffering from 'imperial nostalgia', which was in its day also restrictive, the alternative economic and political strategy (AEPS), by demanding withdrawal from the EEC, wants to break with all artificial restrictive institutions which inhibit the free development of trade and co-operation with all.

It seems to me strange for a Marxist to use such phrases as ... 'irreversibility of Britain's economic integration into Western Europe'. What does the word 'integration' mean? He fails to explain it. It would be more correct to argue that the 'integration' process is a world process, precisely because of the dominance of the multinationals, which stretch far beyond the boundaries of the EEC. I am old enough to remember that precisely such phrases were used when the Commonwealth Restrictive Agreements were seen as the solution to Britain's problem during the depression of the 30s. Life compelled the disintegration of that 'integration'.

Rowthorn produces a series of valuable tables, which prove that increased trade between Britain and the EEC of the seven preceded our entry by a number of years. He argues from this that the process of 'integration' with the EEC countries started long before our entry and draws the conclusion that '... entry into the EEC is merely an expression (of this "integration") and not the basic cause'. It can equally be argued from these tables that it was unnecessary to join, and that co-operation is possible with-

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out the economic and *political* chains on Britain's freedom to develop wider co-operation and pursue its own policies as envisaged in the AEPS.

My main criticism, however, is that Rowthorn's case is based solely on economic factors. For apart from the trading arguments, he also glibly disposes of the point about the balance of trade deficit argument which used to be used by anti-Marketeters. I said glibly because he uses the most dangerous type of argument — one based on the projection forward of our present balance of payments surplus and growth of our agriculture. No one is entitled to assume that the same trend will necessarily continue in the same direction. Failed policies by Tory and Labour governments alike litter the post-war field of economics, precisely because they were based on projections of trends. Space precludes me from listing them all. One will suffice, the pit closure policies based on the projection of an indefinite supply of adequate cheap energy based on oil.

Many on the left, and certainly the Communist Party throughout the 20 years or so of its campaign against entry, based their case primarily on the political rather than economic arguments. The EEC is an institution of the most powerful capitalist countries with the main objective of not only maintaining but strengthening monopoly capitalism, and determined to obstruct the efforts of any of its members to transform capitalist society into a socialist one. Rowthorn hardly deals with that.

The only reference to the political argument is his assumption that the election of the French Socialist government has transformed the potentialities of achieving a socialist Europe, for he argues that a Left British government, together with the Socialist French government, would dominate the EEC and facilitate or encourage alternative orientations in Europe. He says: 'With the election of Mitterrand in France, it is odd that anyone on the Left in Britain should still think of us going it alone. Individually, France or Britain is relatively weak, but acting together for socialist objectives they could transform European politics and alter the whole direction of European economic development. This has obvious implications for Britain's membership of the EEC. Traditionally, the Left has seen the EEC as a body with the independent power to block socialist advance in Britain, and this is often used to justify the demand for our withdrawal. Such a view is wrong. As far as Britain is concerned, the EEC is really France and Germany. Both the EEC's policies towards us and its ability to implement

them depend mainly on the attitude of these two countries. With France on our side, the EEC would lose the capacity for action against us. It would either go along with the common socialist strategy of France and Britain, or it would fall to pieces. After Mitterrand's victory, the Left's argument for immediate withdrawal from the EEC has lost some of its original force.'

This is naive, and he again uses the dangerous projection method. Naive, because the socialist French government is a far from reliable ally for basic transformation. That is not to deny that some important reforms have been introduced. But there are many reactionary planks in its programme, especially in foreign policy, which must have a big effect on domestic policy. It is also naive to underestimate the reactionary role of West Germany, the most powerful state in the EEC, and her allies, who will undoubtedly do all they can to frustrate any serious left policies within the EEC. And what guarantee has Rowthorn that at a future election there will not bring a shift to the Right in France?

The law of uneven development applies not only in the economic field but also in the political development of working class movements. That is why it is essential for a Left government to retain its sovereign power to pursue socialist policies.

What concerned me even more than the arguments on the EEC was the impression left on the reader that the author is not only unconcerned about, but almost welcomes, the 'deindustrialisation' of Britain as the following quotation shows: 'These ideas derive from an exaggerated view about the importance of manufacturing in Britain's balance of payments, and they ignore or underestimate what has occurred in other sectors of the economy, such as agriculture and services, over the past decade. Under the impact of "deindustrialisation" this blinkered attitude is beginning to change, for it is now realised that services can provide employment to replace jobs lost in industry. However, the contribution of services to the balance of payments is still not appreciated and the Left still exaggerates the importance of manufacturing trade out of all proportion.'

It seems to me that Rowthorn's approach to this key problem of 'deindustrialisation', which has ravaged Britain's economy, is fallacious both economically and politically.

The author uses figures that are out of date already and are more than likely to become more irrelevant as time moves on. It is true that as the manufacturing sector began to decline, the redundant workers were absorbed in the services sector. But that was in a

period when the public sector, especially the welfare services, was expanding. This is far from being the case now, and has not been for some time. The public services, far from expanding, are themselves being undermined. That is why the unemployment figures have been rising year by year. But if he is writing of what would happen under a Left Labour government committed to restoring the cuts and expanding this sector, it is still wrong for two reasons.

Firstly, the current technological revolution, unlike previous ones, is no longer mainly oriented towards manufacturing and industry, but equally or even primarily to the services and financial sectors. The general prognosis is that its impact on the labour force in these sectors is going to be more severe than the manufacturing sector. It is an illusion to think that these sectors will be able to continue to absorb those who are made redundant by the relentless process of deindustrialisation.

It will be quite possible to rebuild and even expand the public services and the private services and office staff as well, without absorbing fully those who were made redundant by the cuts, let alone provide jobs for those sacked by closures in manufacturing and such industries as steel and the extractive industries.

Secondly, and of greater importance because it is more fundamental, is the question of how the services will be paid for. The profits from banking and other financial institutions may cover the deficits as a consequence of the flood of imports (shrunken imports because of lack of purchasing power of the people). That no doubt will make the bankers happy and we may have a neat balance in our foreign trade, but it cannot possibly make a contribution to improving the people's material well-being.

Services do not provide wealth. Wealth in the real sense is created in the manufacturing and industrial sectors, a part of which is used to pay for services and social needs. In other words the larger and more productive manufacturing and industry is, the better it will be able to sustain a growing and developing services sector. Deindustrialisation sooner or later is bound to lead to a shrinking services sector. In fact that is precisely the process we are experiencing now.

Without adopting an autarchic approach, it is also politically crucial not to be totally dependent, or even mainly dependent, on foreign imports to supply most of our needs. It may be theoretically possible in such circumstances to achieve an external balance, though I doubt it, but such a parasitic economy is bound to restrict the possibilities of pursuing independent policies. D