Introduction

Almost thirty years ago, in 1957, when the Treaty of Rome that set up the European Economic Community was before the German parliament for ratification, I abstained from voting because I then thought – much as I was convinced of the necessity of European integration – that the EEC could never be successful in the absence of British experience and pragmatism. In the intervening thirty years I have had a lot of disappointments as well as positive experiences. One of the former has been to learn that almost no woman or man in England's political class, whether belonging to the right wing or the left wing of the political spectrum, and almost no woman or man in office in Whitehall, thinks that the Atlantic Ocean between England and America is broader than the channel between England and continental Europe. . . . On balance, I have come to think that General De Gaulle was right in his belief that the British are not really prepared to cast their lot with the rest of European nations.

Helmut Schmidt, 1985.[1]

In light of Britain's impending departure from the European Union (EU), Helmut Schmidt's damning verdict on British attitudes towards post-war Europe seems as potent today as when the former West German Chancellor first uttered these words in a public lecture at Yale more than thirty years ago. Ever since the late 1940s, tensions over European integration have overshadowed an otherwise flourishing post-war relationship between Britain and the Federal Republic of Germany (FRG).[2] After

[1] H. Schmidt, *A Grand Strategy for the West: The Anachronism of National Strategies in an Interdependent World* (New Haven, CT: Yale University Press, 1985), 52–3.

[2] A note on terminology: for better readability, 'Germany' always refers to the Federal Republic of Germany (FRG), i.e. West Germany, unless specifically indicated otherwise. Similarly, the 'European Communities' (EC), which were sometimes also referred to as the 'European Community', included the European Coal and Steel Community (ECSC), the European Atomic Energy Community (Euratom), and the European Economic Community (EEC) from the Merger Treaty in 1967 until the founding of the European Union in 1993. In practice,

Britain's initial refusal in the 1950s to join the emerging European institutions such as the European Coal and Steel Community (ECSC) or the European Economic Community (EEC) from the outset, Germany's subsequent reluctance to back Britain's two membership applications in 1961–3 and 1967 against French resistance foreshadowed many of the dynamics that cloud the bilateral relationship to this day. Though Britain eventually did join the European Communities (EC) in 1973, its open scepticism towards new European initiatives such as direct elections to the European Parliament (EP) or the European Monetary System (EMS) continued to compromise British–German relations during much of Schmidt's chancellorship in the 1970s; developments that were not helped by Britain's attempts to renegotiate its terms of membership in 1974–5, or by its fight to reduce its EC budget contributions from the late 1970s onwards. The 1990s then saw British–German tensions over Europe reach new heights. Whereas France and Germany sought to counter widespread fears over German reunification by embedding the reunified country tightly in ever closer European structures through the Maastricht Treaty, the British government instead regarded such attempts at greater integration as potential vehicles for German political and economic domination: Margaret Thatcher's notorious weekend seminar on the 'German national character' in March 1990, and her Trade Secretary Nicholas Ridley's anti-German *Spectator* interview in July that same year, have long since entered the cannon of British–German folklore.[3] It is thus of little surprise that, to many German commentators at least, the eventual result of the 2016 'Brexit' referendum seemed to mark an almost logical culmination of more than seventy years in which Britain had always been a problematic and at times even hostile partner inside the EC/EU. 'Never wholeheartedly with the European cause', the journalist Theo Sommer wrote in the German weekly *Die Zeit* in April 2017, offering a damning verdict on Britain's allegedly destructive role in the European integration process since the 1950s.[4]

however, the vast majority of everyday references to the 'EC' during the 1970s referred to the EEC rather than the ECSC or Euratom. This practice is also adopted in the book, again unless specifically indicated otherwise.

[3] 'Appendix: The Prime Minister's Seminar on Germany', 24 March 1990, in Her Majesty's Stationary Office (ed.), *Documents on British Policy Overseas, Series III Vol. VII: German Unification 1989–1990* (London: Routledge, 2010), 502–9; *The Spectator*, 14 July 1990.

[4] *Die Zeit*, 4 April 2017.

Helmut Schmidt, Chancellor of West Germany from 1974 to 1982, did not live to see the result of the 2016 referendum, but it is likely that he would have agreed with such *longue durée* interpretations of the post-war relationship. Indeed, his personal experiences with Britain closely mirror those of many post-war German politicians who became disillusioned with British attitudes towards European integration during the course of their careers. Born in December 1918, the young Schmidt grew up in a world where Britain occupied a central role in his worldview; perceptions that were strengthened by his heavy exposure to British politics and culture in the notoriously 'Anglophile' North German port-city of Hamburg. After serving as soldier on the Eastern front during the Second World War, Schmidt's political socialisation in the late 1940s then took place within the British occupation zone of Germany. This meant that the energetic young politician regarded Britain self-evidently as part of any future European order, leading not least to his refusal to vote on the Treaties of Rome in 1957. According to Schmidt, it was only during his time in government from the late 1960s onwards that he became disappointed by Britain's sceptical attitude towards European integration. As German Chancellor, he clashed repeatedly with his British counterparts Harold Wilson and particularly Margaret Thatcher; apparently an experience so traumatic that, when writing his memoirs in 1990, he decided to open his chapter on Britain by graphically recounting how the British Prime Minister swung her handbag and demanded 'her money back' at the Dublin European Council in 1979.[5] As a result of these first-hand experiences, Schmidt eventually came to believe in his later years that Britain's half-hearted attitude towards European integration reflected merely one symptom of a much more general British aloofness and detachment from its European neighbours. 'The Queen, the Commonwealth and the special relationship with the US is much more important than Europe', he asserted in one of his last interviews to the British newspaper the *Guardian* in December 2013, exclaiming at the height of the Eurozone crisis that Britain was 'less European-minded than Greece'.[6]

[5] H. Schmidt, *Die Deutschen und ihre Nachbarn: Menschen und Mächte II* (Berlin: Siedler, 1990), 91.
[6] *Guardian*, 22 December 2013.

Schmidt's cliché-laden narrative mirrors more general perceptions of British–German relations after 1945, where the two countries' very different attitudes towards European integration are frequently depicted as major obstacles in what is otherwise seen as a constructive, if somewhat unremarkable, bilateral relationship. 'For neither country was the other the most important', the historian Anne Deighton remarked on post-war British–German relations, 'nor yet so unimportant as to be safely ignored'; and it is a judgement that can be found in many other general surveys of the period as well.[7] The few more specialised studies of 1970s British–German relations similarly reveal the picture of generally cordial and well-functioning bilateral cooperation which was nonetheless compromised significantly by tensions over European integration. Klaus Larres, for example, contends that 1970s British–German relations were 'dominated by problems and complications caused by Britain's lukewarm attitude to the EC'; William Wallace agrees that 'the problems of Britain's position within the European Community [were] hanging over the whole relationship, despite the firmness of Britain's military commitment and despite, from the early 1970s, shared enthusiasms for European Political cooperation'.[8] These interpretations mirror a more general and somewhat teleological tendency in the historiography of European integration to depict Britain as the EC's eternal outsider or 'awkward partner', whose allegedly 'abnormal' attitudes towards the integration process are frequently contrasted with the allegedly 'normal' behaviour of other EC member-states.[9] Desmond

[7] A. Deighton, 'British–West German Relations, 1945–1972', in K. Larres and E. Meehan (eds.), *Uneasy Allies: British–German Relations and European Integration Since 1945* (Oxford: Oxford University Press, 2000), 43–4. Major general surveys are S. Lee, *Victory in Europe: Britain and Germany Since 1945* (Harlow: Longman, 2001); J. Noakes, P. Wende, and J. Wright (eds.), *Britain and Germany in Europe 1949–1990* (Oxford: Oxford University Press, 2002); R. Morgan and C. Bray (eds.), *Partners and Rivals in Western Europe: Britain, France and Germany* (Aldershot: Gower, 1987).

[8] K. Larres, 'Introduction: Uneasy Allies or Genuine Partners? Britain, Germany, and European Integration', in Larres and Meehan, *Uneasy Allies*, 16; W. Wallace, *Britain's Bilateral Links with Western Europe* (London: Routledge & Kegan Paul, 1984), 29–30.

[9] A term famously coined by S. George, *An Awkward Partner: Britain in the European Community* (Oxford: Oxford University Press, 1990). For a recent critical engagement with George's thesis from an interdisciplinary angle, see O. Daddow and T. Oliver, 'A not so awkward partner: the UK has been champion of many causes in the EU', *LSE Brexit Blog*, 15 April 2016: http://blogs.lse.ac.uk/brexit/2016/04/15/a-not-so-awkward-partner-the-uk-has-been-a-champion-of-many-causes-in-the-eu/ [accessed on 17 November 2016].

Dinan's major history of post-war European integration, for example, lists both 'the significance of Franco–German leadership' and 'British detachment' as some of the key enduring features of the integration process; his chapter on the 1970s even contrasts the 'close Franco–German relations' at the time explicitly with the corresponding 'sorry state of Anglo–French and British–German relations'.[10] Most other histories of 1970s European integration similarly place great emphasis on the renewal of the so-called 'Franco–German axis' under Schmidt and the French President Giscard d'Estaing, interpretations that are often linked to implicit or explicit criticisms of British aloofness.[11] This ties neatly into a wealth of literature trying to identify some deeper root causes behind Britain's alleged semi-detachment from the European integration process.[12] Whatever the

[10] D. Dinan, *Europe Recast: A History of European Union*, 2nd Edition (Basingstoke: Macmillan, 2014), 9, 150.

[11] The classic works on the Franco–German relationship during the 1970s are H. Simonian, *The Privileged Partnership: Franco–German Relations in the European Community 1969–1984* (Oxford: Clarendon Press, 1985); H. Miard-Delacroix, *Partenaires de choix? Le chancelier Helmut Schmidt et la France, 1974–82* (Frankfurt am Main: P. Lang, 1993); M. Waechter, *Helmut Schmidt und Valéry Giscard d'Estaing. Auf der Suche nach Stabilität in der Krise der 70er Jahre* (Bremen: Edition Temmen, 2011). As regards more general histories, see J. Elvert, *Die europäische Integration* (Darmstadt: Wissenschaftliche Buchgesellschaft, 2006), 101–3; W. Loth, *Building Europe: A History of European Unification* (Berlin and Boston: De Gruyter Oldenbourg, 2015), 213–42, 439–40; D. Dinan, *Ever Closer Union: An Introduction to European Integration* (Basingstoke: Macmillan, 1999), 57–93. More nuanced is Mark Gilbert, who deliberately refrains from explicit criticism of Britain's role even though he agrees with the main interpretation of the 1970s as a period of the revitalization of Franco–German collaboration; M. Gilbert, *European Integration: A Concise History* (Lanham, MD: Rowan & Littlefield Publishers, 2012).

[12] To name just a few examples, D. Gowland and A. Turner, *Reluctant Europeans: Britain and European Integration, 1945–1998* (Harlow: Longman, 2000); H. Young, *This Blessed Plot: Britain and Europe from Churchill to Blair* (London: Macmillan, 1999); S. Greenwood, *Britain and European Integration Since the Second World War* (Manchester: Manchester University Press, 1996); B. Grob-Fitzgibbon, *Continental Drift: Britain and Europe from the End of Empire to the Rise of Euroscepticism* (Cambridge: Cambridge University Press, 2016); E. Dell, *The Schuman Plan and the British Abdication of Leadership in Europe* (Oxford: Oxford University Press, 1995); M. Beloff, *Britain and the European Union: Dialogue of the Deaf* (Basingstoke: Macmillan, 1996); R. Denman, *Missed Chances: Britain and Europe in the Twentieth Century* (London: Cassell, 1996). For an excellent revisionist take on much of this literature, see J. W. Young, *Britain and European Unity, 1945–1999* (Basingstoke: Macmillan, 2000).

quality of British–German relations in other areas, so the narrative goes, Britain's unilateral refusal to embrace the higher ideals of European integration meant that the post-war relationship between Britain and Germany could never reach the lofty heights of the Franco–German relationship, which stood at the very heart of the European project. By contrast, evidence of strong British–German cooperation within the wider realm of European security and defence is usually side-lined and confined to more specialised studies, which correspondingly often talk about a 'hidden dimension' or even 'silent alliance' of the post-war relationship between the two countries.[13]

This book offers a new and different interpretation of 1970s British–German relations, asking why the European integration dimension has come to dominate perceptions of the bilateral relationship and thus overshadow the many other areas of bilateral collaboration to such a large extent. More precisely, it argues that Schmidt's damning verdict on Britain's role in Europe is part of a bigger West German perspective on post-war international relations in which European integration came to occupy a strategic centrality in ways that – for various reasons – were not replicated in Britain. As a result, Schmidt came to interpret Britain's scepticism towards the EC as a sign of a more general British scepticism or aversion against cooperation with its European partners, in spite of the fact that the two countries cooperated exceptionally closely in various multilateral frameworks to further what both perceived as shared West European interests on the global stage. This applies in particular to the remarkably intense bilateral cooperation inside the transatlantic alliance during the so-called 'second' Cold War in the late 1970s and early 1980s. Yet, whereas British policy-makers were frequently able to isolate intra-EC tensions from other areas of close West European cooperation, their German counterparts – and Schmidt in particular – tended to regard such intra-EC clashes as more general threats to European stability and international effectiveness. The consequence was that the intense bilateral cooperation in non-EC areas was little-noticed outside a small circle of policy-makers and experts, and that perceptions of the British–German relationship have

[13] K. Kaiser and J. Roper (eds.), *Die Stille Allianz. Deutsch-Britische Sicherheitskooperation* (Bonn: Europa Union, 1987); C. Bluth, *Britain, Germany, and Western Nuclear Strategy* (Oxford: Clarendon Press, 1995); B. Heuser, 'Britain and the Federal Republic of Germany in NATO, 1955–1990', in Noakes et al., Britain and Germany in Europe, 141–62.

become overshadowed by a disproportionate preoccupation with intra-EC tensions both at the time and in subsequent historical writing. By embedding the 'European integration' story firmly within the wider picture of 1970s West European cooperation, the book therefore argues that at the heart of British–German relations under Schmidt lay deeply competing visions and clashing designs for post-war West European cooperation: incompatible strategies and mutual misperceptions, rather than simply one-sided British obstructionism. This is the big 'misunderstanding' that lies at the heart of 1970s British–German relations.

The book's analytical focus on Helmut Schmidt, without doubt one of post-war Germany's most influential strategic thinkers, reveals these interconnections between intra-EC and non-EC areas of cooperation far more clearly than a conventional bilateral study could have done.[14] While British–German relations during Schmidt's chancellorship were obviously shaped by an intricate web of multiple-level interactions and highly complex bureaucratic entanglements, it is nonetheless the case that the key patterns and major decisions of the bilateral relationship during the 1970s emerged primarily on the highest political level.[15] As Daniel Sargent put it in his recent study of 1970s US foreign policy, it is only 'at the very highest level that policies cohere and overarching strategic purposes emerge. Strategy . . . is what holds the policymaking enterprise together, imbuing disconnected actions (and inactions) with coherence, direction, and purpose'.[16] Approaching the British–German relationship through the prism of Schmidt's interactions with his British counterparts thus reveals the often highly divergent British and German national strategies and wider worldviews at the heart of many bilateral

[14] For a recent study of Schmidt's strategic thought and foreign policy, see K. Spohr, *The Global Chancellor: Helmut Schmidt and the Reshaping of the International Order* (Oxford: Oxford University Press, 2016).

[15] For the structures of 1970s British–German relations, as well as of the bilateral and multilateral relationships between Britain, France, and Germany, see first and foremost H. Wallace, 'The Conduct of Bilateral Relationships by Governments', in Morgan and Bray, *Partners and Rivals*, 136–55; as well as H. Wallace, 'Bilateral, Trilateral and Multilateral Negotiations in the European Community', in ibid., 156–74.

[16] D. Sargent, *A Superpower Transformed: The Remaking of American Foreign Relations in the 1970s* (New York, NY and Oxford: Oxford University Press, 2015), 8.

tensions during the 1970s.[17] It also serves to uncover the many intellectual linkages between European integration and non-EC areas of bilateral cooperation in the eyes of many policy-makers, two areas that have thus far been studied largely in isolation.[18] At the same time, the focus on high-level policy-making also re-introduces elements of human agency and chance into the study of international politics, showing how the holistic way in which national leaders like Schmidt and his British counterparts approached foreign policy also made them susceptible to at times significant misperceptions and distortions. Indeed, one of the central findings of the book is that Schmidt's personal preoccupation with intra-EC politics was one of the main reasons behind his more general disappointment with Britain during his time in office, a preoccupation that eventually came to cloud his judgement and compromise British–German cooperation in other areas as well.

This approach is all the more relevant since Schmidt was not only a shrewd observer of 1970s international politics, but also an active shaper of its course. As is well known, Schmidt's time as German Chancellor from 1974 to 1982 coincided with profound shifts in both the global economy and the East–West conflict, as well as with Britain's troubled first years inside the EC after its belated membership in 1973. In trying to cope with these new challenges, Western leaders embarked upon cautious but sustained attempts at global governance, triggering a proliferation of personal summitry on the highest level which found its institutional expressions in the creation of the

[17] In so doing, it builds on a growing literature in International History that focuses on the perceptions and mindsets of key actors. See, for example, S. Casey and J. Wright, *Mental Maps in the Early Cold War Era, 1945–68* (London: Macmillan, 2011); S. Casey and J. Wright (eds.), *Mental Maps in the Era of Détente and the End of the Cold War 1968–91* (London: Macmillan, 2015). More generally on the themes of 'political leadership', see R. A. W. Rhodes and P. Hart (eds.), *The Oxford Handbook of Political Leadership* (Oxford: Oxford University Press, 2014) or A. Brown, *The Myth of the Strong Leader: Political Leadership in the Modern Age* (London: Bodley Head, 2014). I have also used similar approaches in my studies of Schmidt's attitudes towards European integration. See M. Haeussler, 'A "Cold War European"? Helmut Schmidt and European Integration, c. 1945–1982', Cold War History 15/4 (2015), 427–47; and M. Haeussler, 'The Convictions of a Realist: Concepts of "Solidarity" in Helmut Schmidt's European Thought, 1945–82', *European Review of History: Revue Européenne d'histoire* 24/6 (2017), 955–72.

[18] Thereby mirroring a more general historiographical tendency that will be discussed in later parts of the chapter.

European Council (1974) and the world economic summits (1975).[19] These wider transformations of the international system also had a marked impact on the British–German relationship, where a similar trend towards the personalisation of bilateral diplomacy can be observed – not least in the institutionalisation of biannual British–German consultations in1976. Schmidt, a recognised expert on financial-economic as well as military-strategic matters, clearly benefitted from these new fora of international politics, in that they enabled the self-confident and rhetorically gifted Chancellor to pursue his policies in a highly personal style that often circumvented lower diplomatic levels and channels of communication.[20] As the book shows, such high-level diplomacy between Schmidt and his respective counterparts could at times have a considerable effect on the quality and effectiveness of 1970s British–German relations. At best, a close and confidential personal relationship between Schmidt and his respective British counterparts, such as during James Callaghan's premiership from 1976 to 1979, served as a bridge to alleviate misunderstandings and increase mutual trust, sometimes even ensuring that intra-EC tensions did not spill over into other areas of bilateral cooperation. At other times, however, failures in high-level communication exacerbated more general bilateral tensions, triggering erosions of trust that extended far beyond the concrete issues at stake. The focus on Schmidt therefore reveals how the growing importance of multi- and bilateral high-level summitry during the 1970s played a key part in shaping the short-term course of the British–German relationship, even though it did not change the deeper underlying divergences in British and German national strategies, particularly as regards European integration.

[19] For an excellent introduction to the growing literature on the phenomenon, see E. Mourlon-Druol and F. Romero (eds.), *International Summitry and Global Governance: The Rise of the G7 and the European Council, 1974–1991* (London and New York, NY: Routledge, 2014). With a tighter focus on the Cold War, see D. Reynolds and K. Spohr (eds.), *Transcending the Cold War: Summits, Statecraft, and the Dissolution of Bipolarity in Europe, 1970–1990* (Oxford: Oxford University Press, 2016).

[20] For Schmidt's handling of summitry, see J. von Karczewski, *Weltwirtschaft ist unser Schicksal: Helmut Schmidt und die Schaffung der Weltwirtschaftsgipfel* (Bonn: Dietz, 2008); for case studies, K. Spohr, 'Helmut Schmidt and the Shaping of Western Security in the Late 1970s: The Guadeloupe Summit of 1979', *The International History Review* 37/1 (2015), 167–92; Spohr, *Global Chancellor,* 10–32.

Although the book's main focus is on the high-level interactions between Schmidt and his British counterparts during his chancellorship, it also contributes to three broader and interlinked areas of historical investigation: British–German relations, British attitudes towards post-war Europe, and the more general history of European integration. As regards the bilateral relationship, the book's new empirical findings largely confirm previous judgements that British–German relations under Schmidt were generally benevolent and constructive yet compromised unnecessarily by tensions over European integration.[21] Where it differs from most previous studies, however, is in its interpretation of the causes behind these tensions. Writing largely without the availability of primary sources, historians have thus far tended to mirror Schmidt's own judgement that it was primarily Britain's destructive role inside the EC that was to blame for bilateral tensions. Julie Smith and Geoffrey Edwards, for example, claim that Britain 'rarely took the lead' inside the EC and 'on many occasions seemed unnecessarily bellicose, in marked contrast to the Germans'; Klaus Larres agrees that Britain 'continued to be a most awkward ally' during the 1970s.[22] Sabine Lee, though offering an overall more positive picture of 1970s British–German relations, similarly suggests that 1970s Britain eventually came to supersede France 'as the *bête noir* of European integration in spirit, word and sporadically in deed'.[23] By contrast, this book pays equal attention to the German role during the many intra-EC disputes at the time, interpreting such differences as mutual misunderstandings based on incompatible national strategies and clashing visions, rather than blaming them simply on one-sided British obstructionism. It also offers a more comprehensive picture of the bilateral relationship by highlighting the many non-EC areas of

[21] The only study based on primary-source research focuses exclusively on the European dimension, and largely echoing Schmidt's own interpretation of one-sided British obstructionism. T. Birkner, *Comrades for Europe?: Die 'Europarede' Helmut Schmidts 1974* (Bremen: Edition Temmen, 2005). For early studies of British–German relations under Schmidt written largely without access to primary sources, see J. Smith and G. Edwards, 'British–West German Relations, 1973–1989', in Larres and Meehan, *Uneasy Allies*, 45–62; Lee, *Victory in Europe,* 148–78; P. E. An, 'Anglo–German Relations in the EC/EU 1979–1997' (unpublished PhD thesis, University of Cambridge, May 2006), 83–126.

[22] Smith and Edwards, 'British–West German Relations, 1973–1989', 61–2; Larres, 'Introduction', in ibid., 13.

[23] Lee, *Victory in Europe,* 233–4.