<u>Roy DENMAN (Born 12.6.24)</u>

DOHP Biographical Details

Career Outline

War Service 1943-46	
Board of Trade 1948 (Assistant Private Secretary to Presidents of Board of Trade, 1950-52, with remarks on Harold Wilson and Peter Thorneycroft)	p 2
First Secretary, Bonn 1957-60	pp 2-3
UK Delegation, Geneva, 1960-61 and Counsellor, Geneva, 1965-67	pp 4-6
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Deputy Secretary, Department of Trade and Industry, 1970-74	pp 8-10
(Negotiating delegation to European Communities 1970-72)	
(British Overseas Trade Board, 1972-75)	
(Department of Trade 1974-75)	
Second Permanent Secretary, Cabinet Office, 1975-77	
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(Please note that the interview deals mainly with Europe)

This is Malcolm McBain interviewing Sir Roy Denman at his home in St Luke's Street, Chelsea, on Tuesday 4 May 1999.

MM Well, Sir Roy, could we start by going back to your early days in the Board of Trade where I see, from Who's Who, that you were an assistant Private Secretary to various Presidents during the period 1950 to 1952, and before you had anything much to do with Europe?

RD Yes. Well, of my time with three Presidents of the Board of Trade I don't think Europe bulked very largely in their thoughts. That was a long time ago, 1950 to 1952. Harold Wilson was the first. I worked for him again later. He was a very clever politician and a very nice boss, a very considerate and friendly one. But his view of the world was formed basically by his boyhood year in Australia, by his conviction of the Commonwealth as the centre of all things, but he had an equally strongly held view that foreigners were all very well in their way if they were socialist and Scandinavians and spoke English. They were tolerable if they were Russian, because he was on very friendly terms with the Soviet leadership having conducted various trade negotiations with Russia. He hadn't got a great deal of time for French and Germans and Italians. Germans and Italians were wicked because they had started the war; the French and the Belgians and the Dutch were incompetent because they had lost it. And that was the basis of his view.

MM I presume that he seriously believed that we had won it?

RD Yes, he did seriously believe that, and the Americans had, no doubt, been a minor partner. Then Thorneycroft; that was when the government changed. He was a different type; he had an Italian wife, a very civilised woman, and he was altogether a more European character. Hugo Young has recently described Thorneycroft as uttering tremendously congratulatory comments on Russell Bretherton who was the British observer at the talks which had started after Messina. Well, I thought Thorneycroft was benevolent but still very much touched by the old conservative belief that we were the centre of the world and that if we condescended to engage in a commercial relationship with Europe they should be jolly thankful.

MM I suppose it must have been, to be fair, very difficult for political leaders in this country at that stage to disregard the contributions that had been made by far flung places like Australia and New Zealand and Canada who came in to support us in 1939 without any hesitation, and lost men too.

RD I think it is quite true. For example, when I was detached from the Board of Trade to go out to the Embassy in Bonn for three years in 1957 I worked for an Ambassador who was really one of the Ambassadors of the Old School, Sir Christopher Steel. One interesting thing happened in my first year. News had got about that some peculiar continental organisation called the Common Market had been formed. There had been press speculation about whether Britain would join this, and this was clearly thought in London to be quite undesirable, so one of those circular telegrams was sent out, if you recall them, to all those heading Her Majesty's missions, enjoining them to take such steps as they thought necessary to disabuse the foreign press of this foolish thought. So a meeting was called at the Embassy

in Bonn and it was decided that the young Denman, First Secretary, Commercial, should be sent out, partly because I had got a scholarship to Cambridge in modern languages, in German, and by dint of years of hard work, not natural talent, I was able to speak German sufficiently to convince Germans that I was a German. And it was decided I should be sent out to explain the British point of view. So, in my Ford car I drove all over Germany in a fortnight. I went to Hamburg, Düsseldorf, even to Berlin, and Munich, Frankfurt; everywhere the Germans were very sympathetic and kindly and a great deal of white wine was consumed. I explained that we wished them well in this enterprise of the Common Market but we couldn't really join for three reasons. One was because all these people had come all these distances to fight with us in two world wars and we couldn't let them down and cut out their exports of tariff-free food. We hadn't got the same links with the continent. And then our special relationship with the United States would be endangered. What 'say' would we have with the Americans if we were just a province of Europe? And loyal friends such as the Scandinavians and the Swiss, we couldn't let them down. The Germans, as I said, were very friendly but they said, 'Herr Denman, we respect this point of view but surely, don't you think, it is getting a bit out of date? The Commonwealth was a great force in two world wars. But now India has gone and the African countries are becoming independent. The Commonwealth, someone was saying to me, was rather like the exploding universe, and as for the Americans, they are tough realistic people. Would the future of England depend on the Scandinavians? I remember thinking about all this, when crossing the Maximilian Platz in Munich one evening after dinner. I had one of those conversions. Nietzsche called it 'ein Blitz in der Nacht' -a flash of lightning in the night. As if you were going through a village in the dead of night and everything was completely black, you couldn't see your hand in front of your face, and then with a flash of lightning and in a moment, and just for a moment, you could see the high steeples, the tops of houses, the winding road ahead of you through the pines. I became convinced that the Germans were right and we needed to join this thing to maintain an influence in the world. They said we had a lot to contribute. We fought a war but you have a long democratic tradition and you have a very fine Foreign Office and public services. Let's get together. We could make Europe a great thing. I went back and in a folly of relative youth told the Ambassador this. And he got in such a rage that I've never seen before or since. He towered up before me crying 'you bloody young fool, that's not what you were sent out to say,' and then he said, looking very much like an Edwardian stage manager, 'Her Majesty's Government could not possibly associate itself with this continental cockalorum, but it was damned impertinent of them to think of going it on their own.' That, to my mind, epitomises British policy for most of the last fifty years.

MM To interrupt you for a moment, could you seriously talk about the special relationship with the Americans in 1957, one year after Suez when the Americans had undone the British and French attempt to … ?

RD Well, I think the conventional British view at the time was that this was one of the rocky patches that happen in any happy relationship, that this would soon be mended. Macmillan did a good deal to improve matters but there was still a basic British conceit, I put it as strongly as that, that we were in a very special position in the world, the centre of the Commonwealth. Whatever rows we had with the Americans from time to time we could still

talk to them, had served with them in two world wars and therefore we were in a very special position which would be jeopardised by our becoming some province of 'wogland'.

MM Well, that's very interesting, but in spite of Sir Christopher Steel's rude comments you nevertheless went on to UKDEL Geneva after that.

RD I was almost sent home. But let's linger a moment on Christopher Steel. We thought very little of each other, which mattered more to me than to him. I thought he was an old booby, he thought I was a young man with far too much to say for himself. Both judgements were completely accurate. But he was born probably about 1900. To have been born then and brought up at a time when we were the centre of a great empire must have made it very difficult to contemplate a future when we would merge with the rest of Europe. It was not how his generation was brought up. So, to that extent I have had some sympathy with him. One takes these strong views as a young man and I can see looking back that it was a very difficult transformation for someone of that generation to make.

MM Yes, I think that must be right, having gone through the First World War as well.

RD You remember when Lloyd George went to Paris in 1919 he went as the Prime Minister of the British Empire? Later in the thirties, Chamberlain went as a supplicant to Munich.

MM Yes, times have changed unfortunately. Anyhow, from there you went to Geneva. What were you doing in Geneva?

RD That was the start of my involvement in international trade negotiations. Geneva was in a sense the capital of GATT land, the centre of the General Agreement on Tariffs and Trade and we were engaged in negotiations first of all with the European Community and also simultaneously with the United States. It was one of the first of the big international trade negotiations since the war. And so I did a couple of years there, came back to London for a couple of years and then went out to Geneva again, living this time on, I am happy to say, Foreign Office allowances, comfortably installed for a longish haul, three years for the big negotiation, the Kennedy Round. And that enabled me to see the European Community in its first appearance on the world stage as a trade negotiator, which stood me in good stead in later years. There was an example of the then six countries acting as one. The Commission were the negotiators; the Member States were present at our meetings.

MM What was the basic problem?

RD The problem was one of trade negotiation. We were in a world trade negotiation to reduce tariffs - and our object was to get the best deal we could, giving what we had to and getting as much as we could from the others.

MM Were we involved at that stage with preferential tariffs for Commonwealth products?

RD Yes, that was one of the great difficulties in our entry negotiations with the EEC. In fact, in the first negotiation of 1962/63, the Commonwealth bulked very largely, because clearly to join a European customs union meant giving up these exclusive links with the Commonwealth. The Commonwealth leaders were very unhelpful. They played as much as they could on public opinion, stressing the points you made earlier about the great contribution the Commonwealth had made during the war. But equally what was at stake was the future of Britain in a very different world. Support for the position of the Commonwealth was of course very strong, particularly in the country Conservative districts. There were many letters to the Daily Telegraph expressing that point of view.

MM What was the reaction of the Commonwealth to the obvious decline in British exports to the Commonwealth?

RD I think the reaction was that they realised that we were on the skids, that our influence on the world was declining. Our exports were declining but they still wanted to keep their privileges in the UK market. There was a further reaction: I remember some angry exchanges late at night with the Canadian delegation who didn't say this directly but what they meant was that Canada would be less important as a liberal centre of the Commonwealth if Britain cut loose and joined this European club. They got very incensed at that.

MM The Canadians?

RD The Canadians. I remember an interesting example. Our Ambassador, and a Board of Trade man, Sir Edgar Cohen, called a meeting of the Commonwealth delegations in the Autumn of 1960 to protest at the high level of the common tariff which had been fixed among the six member states. He asked in effect for joint Commonwealth action against this danger to our trade. Sir Edgar made an impassioned appeal to this effect. After a silence, the Australian delegate spoke: 'If you blokes think we're going to get your chestnuts out of the bloody fire you've got another bloody think coming.' And that for me finished any idea of the Commonwealth acting in some heroic way together.

MM So that was taking place in Geneva. Had this anything to do with UNCTAD?

RD A certain amount. UNCTAD was a reaction in effect to the way in which the old GATT seemed exclusively concerned with developed countries, but not too much with the developing. Now there was a certain amount of rabble-rousing in this, because the developing countries in effect had a bargain with the developed countries: Part three of the GATT. This allowed them benefits without strict reciprocity. (The GATT originally had two parts: one laid down certain rules such as non-discrimination; the second part had provisions designed to eliminate cheating.) And then the developing countries got restive. I think the Director General of the day, Eric Wyndham White, was a great man but was of a generation not to give exaggerated deference or attention to the views of developing countries. So they broke loose and formed UNCTAD, which I think only had a certain limited use, but they wanted too much too quickly. They already had the rights of GATT members but not the obligations. We hoped that in time they would assume the obligations. And that has partly

turned out to be true. So it was a gamble that paid off. But I don't think that UNCTAD played a very distinguished part.

MM All part of the great post-war effort to try to increase the standard of living of the developing world, I suppose. Perhaps we should pass on from that. After Geneva you had a spell back in the Board of Trade I …

RD It was felt that I should become acquainted with English life again. When I got back from Bonn, a stately lady in our personnel department said to me, 'now you are back from Bonn, and Geneva, you can get down to some serious work.'

MM So what did you do?

AD Well, I spent three years in what was called the General Division which was the Under Secretary's job dealing with all sorts of general questions. The advantage was that you saw everything that was going on and if you disagreed with what another Under Secretary was doing you sent in a minute saying this. His answer was usually 'go and boil your head'. But the convention was that you sent a copy to the Private Secretary of the Minister. Now Antony Crosland was a very brilliant man, I liked him, an engaging intellectual, and Crosland had a horror of accepting a sanitised view from the Department. He wanted to have a full discussion. So if the Permanent Secretary sent a note saying this is what the Department thinks and if he got a stray missive from some eccentric like Denman saying I don't agree with this at all, my reasons are these ... he would write, 'I am interested in Mr Denman's note. Let's have a meeting to discuss it.' It would get me curses from the Under Secretary concerned but it would lead to a debate and I was able to make points on policies towards the Community. That was an introduction, if I may term it that way, to what later came to be my work in the European field.

MM Of course, the Department of Trade itself had got an overseas arm hadn't it, the Trade Commissioner Service? Did that have any input or influence in these matters?

RD I don't think as such. I think that you have to go back to the traditional role that the Board of Trade and Treasury played since the war, which was very much of a Commonwealth and American view. You see the powers that be in Whitehall, apart from the Foreign Office, the Treasury and the Board of Trade with overseas affairs, took the view from the beginning of the post-war period that the future lay in economic co-operation with the United States, the Commonwealth and in universally applied tariff reductions. This collided with the beginnings of European unification launched by the Schuman Plan. At a meeting of Ministers under Attlee the day after Schuman's declaration, it was thought the whole thing was a very dangerous attempt at a European Federation and went against our Atlantic and world view. The whole view was basic to that generation. It had spent five years with Commonwealth support, on a life-line from the United States, regarding the continent as abhorrent. The Germans and Italians were dreadful, and the French and Belgians feeble, and there was a very deep sentiment of dependence on America and the Commonwealth and a distrust of Europe.

MM I remember that in your book "Missed Chances" you refer to Herbert Morrison dismissing the reports about the Common Market proposal by saying the Durham miners wouldn't wear it.

RD The thing that depressed me very much in my life was the outstanding ignorance of British politicians about everything to do with Europe. I'll give you only two examples. One was Reginald Maudling, this very bright young politician who became President of the Board of Trade, Chancellor of the Exchequer, later Home Secretary under Macmillan, a possible candidate at one stage, for leadership of the Conservative Party. When I was in Germany I was detailed to escort Maudling, who came across for a banquet of the German Chemicals Association in Frankfurt where Walter Hallstein, President of the European Commission was present. I went along to this party as dogsbody and interpreter. Maudling and the President of the Commission disliked each other intensely. Hallstein thought that Maudling was a young flibbety gibbet who resented the appearance of a bureaucrat in a serious discussion. Maudling thought Hallstein an elderly teutonic bore, which was not quite fair. At some stage the discussion turned to the Common Market. Maudling said, 'Hallstein, Germany is splitting Europe.' The reply was 'My dear young friend, it is not Germany which is splitting Europe, it is Britain and your Swiss and Scandinavian friends. We, after a long argument with you and others have decided to form a customs union. You do not want to take part. Very well, that is your choice. But Mr Maudling, England is a country of clubs, surely in London if you do not want to join a club you cannot reasonably expect to be on its management committee and decide the menus.' And Maudling was crushed. The next day, I went to Maudling's suite to escort him to the airport and I suggested that he should call on our host, the Secretary General of the Chemical Association to give his thanks. 'Do I have to go and see that dreadful man?' he said. I said, 'Yes, Minister, you do. In Germany it is considered polite, and people have a great respect for the English as polite people.' We went along and Herr Dorpmuller - I never knew he spoke English before, but he was determined to prove to Maudling that he could speak English - to my horror said, 'Welcome Mr Maudling.' And then, to show he spoke English, he wanted to say he had a heavy hangover - the colloquial word for a hangover in German is 'ein Kater', a tomcat. So he said to Maudling, 'I have a heavy tomcat.' And Maudling was extremely quick. I could see in flash what he was thinking: "this young man Denman is not from the Embassy at all but is a lunatic introducing me to his lunatic friends. I must get out". So we got in the car and processed out to the airport. I tried to explain the situation to Maudling but he wouldn't listen. My German friends had told me there would be a special plane, since there was no commercial flight. A private plane hove into view. It was Krupps' private plane. If the English journalists had been awake and sober, they would have written 'British Minister flies with merchants of death.' It was this kind of ignorant, arrogant approach they had to all Europeans. David Eccles came out also at that time. He was the same. He had a kind of sovereign contempt for the Germans. He had grown up after the first world war and no one thought very much of the Germans. It was sad that our relations should be conducted by people who had such a sovereign contempt for the rest of Europe.

MM That is astonishing really. Well, I think it is astonishing because when I was a very young man and just about to embark on my National Service I was sitting in a train and Lord Pakenham, as he then was, came and sat next to me. I was a brand new second lieutenant and I told him I was going out to Germany. He said, this was in February 1948, we in the Labour

cabinet have become very concerned about the behaviour of our Russian friends. If there is going to be any trouble with them, we want the Germans on our side. So be friendly towards them. 1948! It flabbergasted me that politicians could be so brutally realistic. What sort of time are we talking about when you had Maudling coming out to Germany?

RD 1957 to 1960.

MM While you were in Bonn. And then, of course, you had an extremely rapid rise up through the Board of Trade?

RD Yes, well after Bonn I went out to Geneva and I did this trade negotiation. There's a lot of luck in these things but as it worked I seem to have got undue praise. I was then promoted to Under Secretary and then in 1970 when we started negotiations for entry to the Community for the second time the original choice for the Department of Trade membership of the team was a Deputy Secretary who was getting on for 60. It was decided to appoint someone younger who would be able to use the experience of the earlier negotiation so I was very lucky and was appointed to the team. That was a very interesting experience. Our chief was Con O'Neill who was quite superb. When I first met him I didn't like him. He had a kind of very formal manner of speaking and his smile was rather like a gleam of moonlight on a coffin. Well, that was only shyness; when I finally got to know him he was a really charming man with an immense fund of Irish stories. He earned the respect of everybody he dealt with in an exceptionally difficult negotiation. Then there was the formidable John Robinson who I think never got the recognition he deserved. He was a brilliant man.

MM Of course that's your impression of him ...

RD Oh yes, and I think not just mine. He was an extremist. He had no time for diplomatic chit chat. He said what he thought and would defend it with ferocity.

MM Unfortunately he died before this programme got going so I was never able to interview him.

RD Oh, you would have found him a fascinating man. A history of the negotiation which has been printed and which will be generally released next year (2000) is worth consulting. You might be able to get access to it. Con O'Neill's report on the Brussels negotiations, 1970 to 1972.

MM I have heard references to it on several previous occasions and get the impression that it had not ever been put in the public domain.

RD Well, I think it is worth inquiring about for a public record such as yours and it is being published next year anyway. It is really worth consulting for the details that Con contributed himself make it very readable.

MM Yes, that's interesting. I wonder whether I could, before we go any further, go back to a point in 'Missed Chances'? You say in that book, that World War two was really unnecessary and Britain would have done far better to have remained neutral because the beneficiaries were almost everyone except ourselves. Perhaps that's a slight exaggeration, but you make the point that if Britain had remained neutral we would not have lost the empire, and I think

that means countries like India, Malaya, Singapore and so on, Burma perhaps. Do you think from a Board of Trade point of view in the light of negotiations with Europe that the loss, if one can put it like that, of these territories did any lasting damage to Britain? What did we lose after all?

RD No, but as I think I put it in 'Missed Chances', it was inevitable that India would drift away at the end if the war and that one accepted. A very distinguished historian of the Indian Civil Service said that our affair with India was an affair which had lasted 150 years. It was an affair of the heart and a gentleman knows how to leave a lady, and remain a good friend. We all knew it was coming but there is a difference between treading down a majestic staircase and falling head over heels down it to the bottom. What I feel passionately about the Second World War, and here the whole drift of orthodox opinion is I think wrong, is that it was unnecessary in the sense that Hitler's aims have been very much misconceived; he wanted to remove the evil features of the Treaty of Versailles. People talk about abandoning Czechoslovakia. But what right did Czechoslovakia have to rule three and a half million Germans which they treated badly, as the President of Czechoslovakia said himself to the British Minister in Prague. What right had we to consign half a million Germans to Poland and end German rule in Danzig? It had been a German city for hundreds of years. Now, would Hitler have stopped with Czechoslovakia and Poland? No, but he wouldn't have gone on to attack Britain; he had no designs on Britain. We could have our empire. As far as he was concerned that was our lot. He wanted to attack Russia and Communist Russia was a far greater tyranny than anything Hitler had imposed. Had we stayed out and had Hitler vanquished Russia, that would have been awkward because he would then have become arrogant and he would have had thoughts about the freedom of the press, and there would have been pressure applied to us. But I think the facts I give on military strength, on the sheer disparity of population and tank and aircraft production meant that if Stalin held his nerve, which he did, then the Russians would win. It would have taken two years longer but then there would have been such a terrible price that Soviet Russia would not have been a threat to the West for the foreseeable future. I think the received opinion here that this is absolutely wrong is partly Churchill worship. Churchill was a great man. But there is evidence that Churchill wanted all his life some great adventure in which he would be the hero; the Dardanelles, the fight against Indian independence, the cause of Edward the Eighth and finally the war. Eventually the bet came off.

MM But there's also a school of thought that countries like India were nothing more than a millstone around our necks.

RD I don't think a millstone. We were out in Turkey in the last 10 days and if you think of the position that Sir Percy Loraine had, the British Ambassador, representing the country which was the holder of India, holder of Egypt, an immense position in the world, someone to whom the Turkish Head of State gave immediate priority, - we were far more important than the other European countries and that's just gone. Now, this was natural, we couldn't hang on to these countries forever. I don't think India paid for itself; the empire in a way was a handicap in the sense that British industry got used to imperial preference; we would have done better if they had had to face more competition. I think the empire would have become

independent more slowly without the war but as Hitler and George Bernard Shaw both said, the victors of the war were the United States of America and the USSR.

MM But bringing this up to date a bit, we've recently seen Hong Kong revert to China; so what?

RD Yes. I think that if you take the complete slam-bang of India, Africa and Egypt, there was the big difference it made to our position in the world. We were no longer able to be a great power. My contention is that without the war we would have gone through this evolution in a much slower way; the decline in our world influence would have been more gradual and we wouldn't have had this devastating drain on our capital and lost nearly half a million lives. My father's generation talked about all the rugger blues and double firsts cut down in Flanders and three-quarters of a million dead. In the Second World War you had in Bomber Command fifty five thousand young men, completely classless, navigators, pilots, gunners all tumbled out of the sky in Germany over four years; it was a tragic loss. I think the country would have been somewhat different if those gallant young men had remained …

MM I am sure that's right and of course we wouldn't have ended up with the colossal indebtedness.

RD Yes, from which it took years and years to recover.

MM Well, thank you very much for that. Pushing forward a bit, you went in 1977 to be Director General for External Affairs in Brussels. Was that was your first international appointment?

RD Yes.

MM How did you get it?

RD Well, I was in the Cabinet Office looking after European affairs. When I came out of hospital at the beginning of 1977 from a couple of weeks with a stomach ailment, it was suggested that I become Director General of External Affairs in the European Commission. Otherwise I might have gone back to the Department of Trade as Permanent Secretary. But I had spent a good part of my life in international trade negotiations and the Department of Trade would now be secondary; it would be the Commission doing the negotiation not the Department of Trade. So I signed on for the Commission - a decision I have never regretted.

MM Were you then an international civil servant?

RD Yes, I left Whitehall. I got a return ticket from Douglas Allen, Head of the Civil Service, and if some disaster happened and I came back he would find me a job. But I in fact resigned and after a few months I transferred my pension to the European Commission. It was a very exciting time in Brussels. I knew most of my crew from Geneva where I had spent years and during the negotiations for entry I had gone across every week and had lunch with a whole range of people. So we were on easy terms. What was exhilarating was that we were really creating a new world. We were of a generation which fought a war between young Germans, French, and Italians and we could sit quite comfortably around a table without cries of Boche, Rosbifs or Wogs and we were all in a friendly way ten percent more cynical of our own

national position. I could have a meeting at ten o'clock on Monday morning and say after discussion, 'Everyone talk to their friends and let's meet again at twelve.' One colleague would go and ring up the French in Paris, I would ring up the Department of Trade and at twelve we would get together and knowing far more than the ambassadors in Brussels because we had been talking directly to the people who made the decisions. It was tremendous fun; we felt we were creating a new world; it was exhilarating.

MM Do you have a view about the perpetual whinge that seems to appear in the press in Britain these days about the common fisheries policy?

RD Well, the common fisheries policy, as you recollect, was bounced through by the French before we started the negotiations, or the second negotiations, for entry. I think something like that was bound to happen in our absence. The Common Agricultural Policy would never have been fundamentally different from what it is now. Had we been there at the beginning we could have carved out a better position for ourselves, but as the French say, 'Les absents ont toujours tort.'

MM Absolutely. Thank you, so were there any other key issues that came up at that time?

RD I think the sad thing, seeing it from the Cabinet Office in London and from Brussels, was the negative attitude of British Ministers. Attlee in 1950, suspicious of any European entanglement. Macmillan was portrayed as the great European but his heart was hardly in it even after Suez. Suez had dented the conviction that the Commonwealth was a unique source of strength. Then I served under Wilson and Callaghan. Wilson was hard to interest in Europe. Callaghan had a kind of truculent insularity; that made things very difficult. I think the only Prime Minister we have had since the war who was a European was Ted Heath. I asked him once on a 'plane why he was such a genuine European? He said, 'Well, I went to the Nuremberg Rally in 1938 and I saw the massed panoply of and Hitler and the SS and I wanted to ensure nothing like that ever happened again'. He was genuinely convinced that the only way forward was not just by closer European co-operation but by giving up the power of the nation state. He was the only Prime Minister who saw that; the others didn't. The unfortunate thing was that while he inspired in those who worked for him great respect and some affection, he found it difficult to communicate. Thatcher, when she came in, started well and then embarked on increasingly Euro-hostile stance. She had a point in the sense that our financial contributions to the Common Market were excessive; no-one disagrees with that, and no-one disputes that she had to use her handbag to get them reduced. The difficulty was that, as Carrington once said, she wanted not so much a solution as a grievance, - that created a growing discontent in Europe, growing to this day.

MM Yes, I suppose that's understandable in strictly domestic political terms. It's much easier to get people behind you if you are seen to be fighting …

RD I think so. I remember being met by a driver coming back one night from a meeting in Paris, 'Did we win, sir?' Any problem had to be explained in terms of our winning or losing. I think something has been lacking in the education of British politicians. As I said, the examples I saw in Maudling and Eccles were terrifying. There has been no cabinet member, with the exception of Dennis Healey, who knew anything about Europe, but he did not want to get involved.

MM Have you any idea why he was like that? A clever man really.

RD A very clever man, very formidable man. I suspect he thought that European politics was not something that he was going to be involved in as a Cabinet Minister because of the obvious dangers from the Left if he did.

MM On the other hand, of course, he fought the cause of nuclear armaments valiantly.

RD Yes, but he was fired with the belief that the European thing would never work. He spent some time in Italy in the war and he thought the differences inside Europe would be too great. He might have thought that about the United States in the days when North and South were fighting each other.

MM That reminds me, of Russell Bretherton and that lovely quote. You've alluded to it in your book.

RD Ian Gilmore wrote and asked whether I was sure he really said it. I worked for Bretherton so I knew him very well. He wasn't a barrel of laughs but he was a sharp and clever man, deeply convinced, like all senior Board of Trade and Treasury men, that salvation was to be found in multilateral trade not the European affair. The anecdote was told to me first by Jean-François Deniau who had been present at the discussion in Messina. An enormously clever man, he was the French Foreign Trade Minister and this was a meeting in the summer of 1978 on the Tokyo Round. There was a dinner in the Berlaymont and, after we had settled various details, discussion turned to anecdotage. Deniau was a superb raconteur. He told the story of Bretherton and I remember saying to him, 'Really Jean-François, did he really say that?' 'Yes, he did,' said Deniau. Now, Deniau was not above gilding the lily but I don't think he would have told an outright lie about something where other people were present. Moreover, what Bretherton said was what everyone senior in Whitehall would have said at that stage. Whitehall believed, not without reason, that complete free trade, knocking down all the barriers, was just impractical. France had been the most protectionist country since Colbert, three hundred years ago. So it just wasn't practical to think that they would agree. If they did agree, then we needed to remember that European Defence Community had not been ratified in the French Chamber of Deputies. And, if it had been ratified, would it work? The resistance in France, if you read Marjorlin's memoirs, the Secretary General of OECD, the reaction in Paris was massive. The only reason it went through, as I tried to explain, was that the French having vetoed the EDC could not veto another treaty and keep their influence in Europe. So it went through by the oddest historical chance. And then the project worked; the French economy rebounded; it was a success.

MM Yes, as the anecdote is related, it does sound as if it might have been polished up.

RD Bretherton did think rather like that and in Whitehall any Under Secretary and above in the relevant departments also believed that anything like the EEC could not be negotiated. If negotiated, it would not be ratified, if ratified, it would not be accepted by the French.

MM It's a rather brilliant anecdote ...

RD Many people would have put it far less politely than Bretherton.

MM Can we go on to your time in Washington, as Head of the EC Delegation. You were there effectively as an Ambassador.

RD Yes, we had the full title of Ambassador from the State Department. It was a fascinating time because the American view of the European Community went through three stages as I saw it. The first was when the venture started in 1950; Dean Acheson was in Paris and was told by the French before he went to London that they were about to launch the venture, to Bevin's great discontent. Bevin was furious. He said to Acheson afterwards, 'something has changed between us.' The American view was quite simply, 'great, these guys are doing what we did more than two hundred years ago. This is the way to go.' Moreover, they thought, again in the American national interest quite reasonably, that a prosperous, united Europe would be a better bet for them than a divided, impoverished Europe ready to succumb to a Communist takeover. So that was stage one. Then the years bumbled on and we weren't getting very far and Mac Baldridge, the U S Secretary of Commerce when I was there first, a great man, talked about the Europeans sitting on their bottoms and doing nothing, which was a fairly justified complaint. We had launched this customs union and nothing very much more had happened. Then stage two opened when Sir Arthur Cockfield, a much underrated character, appeared in Brussels as Delors' Commissioner for the internal market and launched a programme for a single European market. In one sense free trade had been achieved but American firms, or other firms based in Europe, found that if the tariff on tractors were zero, that didn't matter greatly because one country would say that tractors would need a certain type of steering wheel, others would say that tractors needed a certain windscreen. The great virtue of the single market, largely created by Arthur Cockfield in 277 directives was that these obstacles were swept away and a genuine single market was created. For a time the Americans ignored this as European claptrap and then, at the beginning of 1988, Time Life had a cover, Newsweek had a cover, people began to wake up to the fact that something enormous was happening. Europe was becoming a single market with tremendous implications for the United States. Now the American reaction, being as they are, was that this had to be anti-American. These cunning Europeans were devising a scheme which would remove the wallets from innocent American boys. So I had to go barnstorming across the country from Washington saying 'no, this is not the case; it's good for others and it will be good for you as investors and as traders.' And I think they began to see after a while that this was a good thing. It was a tremendous step. Then the single currency was long derided as something that would never come to pass but there was a certain air of jealousy this time, that the dollar might be displaced from its pedestal and again that has come to pass. The euro is going through a difficult first stage but that will pass. So, the United States took a long time, understandably, to wake up to the fact that Europe was uniting and we didn't help ourselves in

the sense that we were hesitant and slow. But I used to point out to my American friends that we went from 1950 to a single currency in half a century; it took the United States from 1776 to the Single Currency Act in 1863 to make their transition and the US didn't have a central reserve bank until the 1913 Federal Reserve Act. So, we have done historically really pretty well. That is always difficult for another country to grasp.

MM Did you spend most of your time in the United States doing basically a public relations job?

RD No. I would put it this way. Public relations are very important but we had trade disputes with the US. Con O'Neill once said that foreign policy was about trade or defence, and trade occupied a large part of it. We were dealing with the US administration day by day on these various disputes. With our fellow Ambassadors in Washington, we had a happy relationship; a good deal of the rest was certainly public relations. We wrote a weekly newsletter from Washington which gained a circulation of about 20,000 in the end, with a homily from me of a vaguely humorous kind on some current issue and a two page summary of recent events in Brussels. That worked very well. And then I went up and down the States. I went to all 50 States in 7 years to fly the flag, to address conventions or gatherings, appear on the local TV station, radio stations, see the local newspaper and slowly you made an impression but it was a major job. It took 150 years or so for them to get used to the fact that there were English and Spanish, French and the rest and the EU was a new player on the block. But slowly they began to accept that we were there. We had a tremendous time.

MM Your major contact was always the US Trade Department?

RD Yes, but the way America works you really had to have a much broader base. You see in a parliamentary democracy you always deal with the Foreign Office or the Trade Department. In America there was a separate team for every particular question. There would be someone from the bureaucracy, someone from Congress, the Senate or the House, a Congressional Committee staffer. You would have a lawyer and someone from the press. So you had to get out and about and see a good deal of the press, work very hard with Congress, who weren't interested in foreign affairs. You had to make sure you went to Congressmen's home States and could talk to them about things they were interested in. So it was a time consuming job but enormously worthwhile.

MM Did you have other people in the Delegation who were able to help you in this?

RD Yes, we had a total staff of 70. We not only had people in trade, we had other activities to watch. We had a very good press relations officer called Ella Krukoff, who had been with us for 30 years and who knew the press awfully well. We had people who dealt with development aid, technical and scientific matters and a library service to back them up. So we had a compact but very good team. The advantage of it was that unlike all the other European Missions in Washington, the Americans were not there simply as hewers of wood and drawers of water but were in some policy jobs. We had a very bright young American dealing with Congress who would tell us who were the Congressmen to go to for this and that. So we had a good mixture of Americans and Europeans, working with a common aim of trying to improve relations …

MM Yes, I can understand that. And you are reporting this back to the Commission?

RD To the Commission. I write my formal reports to the President of the Commission and obviously we would send telegrams in any Community language. I would send them in English. You got culture gaps, occasionally a translation difficulty, but, on the whole, it worked pretty well. The US was a very difficult country for the Commission in Brussels to understand. For example, the importance of Congress. I do not think you get that understanding of Congress without living and working in Washington for several years. Tony Blair says 'x' and his great Labour majority will follow that. But the President may say what he likes: it only matters when Congress agrees.

MM It takes a lot of understanding.

RD Yes and it's very difficult to translate into terms which they will understand. And Delors was a difficult character too because I think he didn't like Americans. He said he liked to sip a Bourbon now and again; he liked jazz; but that's not the United States. Taking him across the United States was really very difficult. He didn't like them and the fact is when you don't like people they can sense it.

MM And of course he is a Socialist as well.

RD Yes, and they didn't like that either.

MM Going on from there, do you think that the Commission does enough in this country to get its case across? I know we are supposed to be members, well, we are members, but there is no positive information about the Community readily available in this country.

RD There is a very fine man here, Geoffrey Martin, who runs the EU office, which distributes a weekly European summary of news and who is very competent and good, especially on TV. He is a Northern Irishman. But I don't think even the Archangel Gabriel could do much given the fact that two-thirds of the national press blacken the Community's name every day. And there is nothing you can get through it. He is the best we could have I think.

MM Why is Conrad Black so difficult?

RD Oh, because he is a Canadian who wants Britain to remain in the Anglo-Saxon North American world. I haven't met him. Murdoch I have seen over the years, and he seems to me to attach importance to who ultimately controls media ownership. Blair said that we might join the European currency one day. At the end of a discussion with him Murdoch said, 'well, that's it, let battle commence.'

MM What hope is there for us?

RD I don't think there is much. I don't think this country will join the single currency for many years. My reasons are that not only is the press against it but the British public is always suspicious of new ventures. And you've got two other factors. One is the recent scandal about the Commission, which is ludicrous. If you had a similar investigation into the French government, it would be far worse. What happened in Brussels was that the Commission as a whole were not insistent enough on having enough staff to monitor the

billions they have been asked to spend on Europe. If you deal out billions without adequate control of course funds will be misallocated sometimes. And certainly Delors brought in a good deal of cronyism. But to make out that 'Sodom and Gomorrah' is coming again is ludicrous. And the second thing is that some politicians take the plausible line, 'we are friends of the continental European countries, let's trade with them and nothing more'. None of this kneeling down and submitting to Brussels. This will have a great appeal to the British public. And of course once we are out, we might be out for a long time. Now this can only be overturned by a Prime Minister making a tough and eloquent political case for entry. Blair would have to go round, like Harry Truman in 1948, tub pounding, but he's not that kind of person. He is weak and wants to be popular.

MM I see. I'm not supposed to express a view because I am …

RD No, well you are taking mine. I think it is a great tragedy. We shall increasingly see that we are of little importance in the world. I was just on the telephone to one of our correspondent in Brussels about what is going on in the Commission. All my friends in Brussels are rather doubtful; we are not in the top eleven, we are second eleven. The tragedy is that, lulled by Blair and the spin doctors, the country still thinks that it is a great power. Europe is developing without us.

MM I am afraid that the British public doesn't really have a clear picture...

RD No, no, it doesn't at all. It has been completely bamboozled by the press. The correspondents in Brussels do their best, they are very bright but their papers tell them what they want to hear. The lobby correspondents, who know nothing about anything, see Blair once a week. He flashes his smile and tells them all's well.

MM Do you think it would help, as I think was proposed by Charles Powell in a recent interview, if Ministers were to be stationed, permanent Ministers for Europe, were stationed permanently in Brussels for each of the member states. I suspect this is a ploy to try to destroy the power of the, or reduce the power of, the Commission …

RD No, I think it's sound, a very sensible idea. It has been discussed. You see if you look at the position of the Permanent Representative in Brussels, the Ambassador, he has a position which is not equalled by any other Ambassador in the world. We used to think the Embassy in Paris was the tops, or since the war the Embassy in Washington. But in Brussels our man is sitting week after week over the enactment of legislation affecting all the citizens of the UK. So it's an intensely powerful political job and I think that sooner or later we are going to have to come to the position where the man there is a politician who is on intimate terms with the Prime Minister of this country. I will give you one example that I detailed in 'Missed Chances'. We held our first Presidency in 1977 when John Silkin, the Minister of Agriculture, rejected a settlement he was entitled to accept because he wanted to play the hero of the Left wing, defy Brussels and get publicity that way. Now, this happened at 4 o'clock in the morning and the Ambassador at the time was absent and the Deputy was there, but he was a Deputy Secretary and couldn't ring up the Prime Minister at 4 o'clock in the morning. You need somebody like Peter Mandelson who could have rung up the Prime Minister at 4 o'clock in the morning and could have said, 'Tony, this is urgent, things have gone wrong and I am coming across on an RAF plane. Will you fix up a meeting at 9am with the Foreign Secretary

and the Chancellor.' A civil servant can't do that. This means that you have to have a very good number two, Foreign Office or senior civil servant, but I think there is a case for giving the Permanent Representative job to a senior Minister, a political figure in his own right, who is on close enough terms with the Prime Minister to ring him up daily and to say to hell with what Joe so-and-so says, Tony, this is a disaster course. We need to come across to talk to you about it. You will never have that with a civil servant. This is an idea that is bound to be highly unpopular with the Foreign Office but I think things are coming to that stage.

MM Provided we have a sensible Prime Minister.

RD Of course, that's right. But even if we had someone like Tony Blair, who is not heroic and doesn't really take a great deal of interest in these things, input from a trusted colleague of some stature would be very helpful.

MM That's interesting. Thank you very much for that input. Do you think that we could do anything to improve the general quality of Commissioners?

RD Well, I think that is a very political matter. You see, we started with two, Christopher Soames and George Thomson, who were good but it comes to political choices. Many will take the line we want to get rid of 'x', or we want to pay 'y' back for various services and, we don't want to have someone too powerful there. We like a weak Commissioner. There was a certain Commissioner who, Jacques Delors once said, after an extensive lunch with several brandies, was not capable of running a Greek taverna, and a Dutch Commissioner, who threw a bottle of whisky into a mirror at the hotel in Strasbourg. You are bound to have this until the European Parliament gets the power the US Senate has to "advise and consent" on nominations.

MM So maybe the best way forward for the European movement is to generate greater interest in parliamentary elections for the European parliament.

RD Yes, and I think that a time will come when a politician of ambition will turn to the European parliament and not to his national parliament. That crossover point has still to be reached.

MM I think I've run out of questions I want to put to you. Is there anything that you think could be done further in this particular series of interviews that would have a useful bearing on European matters?

RD I think, before we leave the subject, that on one point we need to improve our act. That relates to the quality of the officials we send to the Commission. The word that got round Whitehall in the years I spent dealing with EC affairs was that the Commission was some kind of Fred Karno's Army which no serious or ambitious official should think of joining. Of course there have been some exceptions but the overall result has not been impressive. This is not just a question of bureaucratic rivalries but whether we can hold our own in Brussels, particularly with high quality French officials. It is a very important point.

MM Are there any further points you would like to make?…

RD No, I think that's all.

MM Excellent. Thank you very much.

RD Not at all, it has been a great pleasure.