

The British Dilemma With Special Reference to the British Conservative Party

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概 要

この論文は、大帝国主義時代を歴史にもつ英国民族が現代と大帝国の名残の狭間で葛藤する姿が、如実にあらわれたサッチャー保守党政権の外交政策を分析したものである。

Keywords : The Thatcher Administration

The European Union

The foreign policies

In my last paper "British Conservatism: The Deferential View of Culture"⁽¹⁾, I said that culture is composed of social and political organizations. Thence institutional structures and functions have significant cultural meanings. This paper will examine the institutional structures and functions of Britain, and in particular; the British Conservative Party. My attempt is to measure the characteristic aspects of the Party: how the Party tries to come through and at the same time appeal themselves as the British; and to see the British dilemma manifested in the international political strategies carried out by the Thatcher Administration.

I

Queen Elizabeth II is the paramount sovereign of the United Kingdom including the British 12 oversea dependencies: Ascension, Bermuda, the British Indian Ocean Territory, British Virgin Islands, Cayman Islands, Falkland Islands, Gibraltar, Montserrat, the Pitcairn Islands, St. Helena, Tristan da Cunha, and Turks and Caicos Islands. The sovereign appoints the prime minister as the leader of the majority party or coalition of parties in the House of Commons; she is entitled to open a new session of Parliament, although this is only a matter of formality. The government is in a bicamerally parliamentary form with a constitutional monarchy. The prime minister and the cabinet has executive authority, whereas a Parliament has legislative authority. However, there is not any effective separation between the executive and legislative realms as far as its power and authority is concerned, for the government and parliament elected is composed of members of the same kind, quality, and discipline. Although each party is made up of a disciplined group, both parties are in agreement to function under the fundamental rules of a democracy. Each party has a recognized leader, and if the leader wins the legislative elections, the leader becomes a prime minister, the head of the government. The party with this leader becomes the leading party of the country. The opposing party can not do much except look on from a distance. The power and authority of the government and parliament is completely in control during the term of a Parliament, which is four years, and five years at maximum. The British political system is recognized as the most stable, democratic, and strongest system than any other country's political system.

The British political system, however, has a weakness. In other words, it is not exaggerating to say that a democratic system does have

its own weakness: even if a leader of the leading party has innovative policies, the parliament may not approve of them. In the end, the policies cannot be put into practice. The parliament is entitled to be able to prevent the government from becoming unconventional. The democratic system involves the difficulties to discontinue a long-standing establishment, create a new form and reorganize it. At the same time, an immobile and inactive government can be a serious problem in modern society.

The House of Commons, namely the lower house, has more effective power than the House of Lords, the upper house, because the members of the House of Commons are directly elected, whereas the members of the House of Lords are qualified by hereditary aristocracy. There are 650 members in the Commons; and more than 80% out of 650 members are the representatives of England, only 11% represent Scotland, less than 6% are from Wales, and less than 3% are from Northern Ireland. The Isle of Man and the Channel Islands are administered in a self-governing body.

The government includes the Conservative Party, Labour Party, Social Democratic party, Communist party, Scottish National party, Welsh Nationalist party, and Ulster Unionist party which is locally important, and the Social and Liberal Democrats which merged by the Liberal Party and was formed in 1988. Prior to 1914, Britain included the Conservative and Liberal Parties, and since 1935 it includes the Conservative and Labour Parties; and these two parties are at present the principal political parties.

The British Conservative party was brought forth as a result of the Reform Bill of 1832 which was one of the important 19th-century legislative measures of electoral reform. The Reform Bill brought the

broader parliamentary franchise, and disparities among constituencies were reduced. The party was not established right after the Reform Bill. Electoral reform had been called for in the late 18th century. The break-out, however, of the 1789 French Revolution and its aftereffects interrupted the movement for reform and induced a more orthodox and controlled stream in the political climate to England. The Irish famine in 1845 and the repeal of the Corn Laws as a result turned out to be the opposition of the primary policy of the Tory Party, that was to protect agriculture as well as to support the crown and the established church. Sir Robert Peel, the leader of the Tory Party in those days, was appealed to resign from Parliament in 1846. A party was sought after, a party that was capable of responding to the interests of the land owning aristocracy and of the industrial capitalist class. In consequence, the Tory Party was transformed into the Conservative Party under Benjamin Disraeli as the leader, for the purposes of maintaining monarchy and imperialism under the crown, of standing for law, order, and free enterprise, and of improving the conditions of middle-class people. The name, 'the Tory' is still used as an alternative of "Conservative." Disraeli presented an unconventional agenda to reorganize the party. He improved Britain's traditional institutions and social welfare for low-income people. The Liberal Party, under William Ewert Gladstone, split over the issue of the Irish Home Rule in 1886. Thus the Liberal Unionist Party was formed. The Liberal Unionist Party was absorbed into the Conservative Party in 1912. This resulted in the present "Conservative and Unionist Party." Britain's Conservative Party is actually a conservative-liberal party, resulting from a fusion of the essential elements of the two parties. Despite the name Conservative, its ideology corresponds to political and economic liberalism. The conservatives were

in office for almost 70 years until 1997, and the principles of Disraeli have been reasserted by the leaders such as Sir Winston Churchill, Anthony Eden, Harold Macmillan, Edward Heath, and Margaret Thatcher. John Major, the chancellor of the exchequer in the Thatcher Administration, succeeded Margaret Thatcher as the prime minister, but not so prominently, and he lost the General Election 1997. Tony Blair, the leader of the Labour Party, took over.

II

The Conservative Party has confronted the significant milestones since the mid-20th century. They were anti-union measures(1979), British entry into the European Economic Community(1973), Falkland Islands War(1982), Persian Gulf War(1990), and Poll Tax(1990). The Thatcher Administration's attitude towards these occasions was outstandingly clear in terms of the nature of the Conservative Party. Margaret Thatcher is a British Conservative politician and was a prime minister from 1979 to 1990. She was the first British prime minister in the 20th century who won three consecutive terms. She was educated at Somerville College, Oxford. When she was a student she became active in the Oxford University Conservative Association. While working as a research chemist she studied for the bar examination. Her special area in law is tax law. She was a middle-class nonconformist. She detested socialism and praised the virtues of simple and sturdy nature, freedom and personal responsibility. She advocated greater independence of the individual from the state. It was not until 1959 that did she enter Parliament. She was the Secretary of State for Education and Science in the Heath Administration (1970-1974). Edward Heath lost the General Elections two times, and Thatcher challenged Heath for the party

leadership and won. In 1975 Thatcher succeeded Heath as the Conservative Party leader. She carried out her philosophy, "no work, no food." She had a domineering attitude which was an essentially required character in order to fight inflation that resulted from union, trade-union-induced chaos, the so-called "English Disease." She resolutely made her denunciation of the "English Disease." She vigorously attacked James Callaghan, the leader of the Labour Party, the leading party of the government at that time. Consequently, the Conservative Party under Margaret Thatcher as the leader won a 44-seat majority in the General Elections 1979 and made a decisive victory over the Labour Party. She became the prime minister and formed her first government. She secured the ground of the Conservative Party.

Margaret Thatcher was labelled as an Iron Lady. She took an extreme case sometimes in her international and domestic policies. It is a general principle since the Disraeli Administration to promote a free-enterprise economy. However, Thatcher extended, for the purpose of cutting government expenditures, the principle not only to the area of nationalized industries, finance, industry, and economics but also to the area of social policy. She advocated an end to excessive government interference in the economy and she also introduced the policy of privatization to education, health care, and public housing. This was quite extraordinary because the welfare-state policies had been supported and followed in due course by both Conservatives and Labourites for years. Under her control, trade unions were restricted extensively and were completely subject to legal constraints. She had absolute authority over the ministers of her cabinet. She specialized in tax law, and she reduced the printing of money and tightened a monetarist policy in order to control inflation, lower taxes, and reduce government spending. She rejected

British participation in the monetary and political integrations with Europe. This caused antagonism within her own party; the government lost the support of the Commons and election was called. She was forced to resign as a party leader in 1990, and she was succeeded by her chancellor of the exchequer, John Major.

As for the foreign policies, Thatcher's administration had significant, open, even boisterous, fixed opinions, on issues of foreign policy, which were even not fully approved of. Thatcher was a resolute leader and tried to put any issue under her firm hand. Her replies were resorted to force instead of the mature public opinion in England. Her design was to profit from foreign dissensions and gain power through foreign dissensions. She did not intend to moralize the conflicts or give justice to them. It was a qualified justice, even if it were justice. She believed that nuclear weapons was an essential deterrent, and supported Britain's own independent nuclear and defense policies. It was her unqualified account that the country should keep nuclear weapons to itself for defense and peace. She firmly committed to the North Atlantic Treaty Organization (NATO).

The United Kingdom, United States, Netherlands, France, Italy, Norway, Denmark, Belgium, Portugal, Luxembourg, Iceland, and Canada gathered in Washington, D.C. in 1949 and signed the North Atlantic Treaty, for the purpose of keeping peace in Europe from the potential assault of the Soviet Union to Europe. Later on, Greece, Turkey, the Federal Republic of Germany, and Spain joined the above twelve countries. The main issue of the North Atlantic Treaty was collective military defense: if a country taking part in NATO were attacked, this should be considered that all the countries taking part in NATO are attacked. At first, the North Atlantic Treaty Organization did not mean

to have military force but meant to promote political, economic, and social inter and outer relationships among the member countries. However, preceding the Communist coup d'etat in Prague and Berlin Blockade in 1948, the Korean War broke out in 1950. The Western European Countries regarded these occurrences as a worldwide Communist offense and established a military force to the North Atlantic Treaty Organization.

With the birth of Russia, the cold war marked the ending period. Russia joined the North Atlantic Treaty Organization for the interests of the Disaster Relief Act, whereas the other member countries in NATO are interested in Russian nuclear affairs.

Now the North Atlantic Treaty Organization faces new questions about their future roles. In addition to carrying out their original roles to develop the cooperation in economic, cultural, scientific, and environmental affairs among the member countries, the member countries must clarify their positions in relation to the European Union and the participation of Russia to the North Atlantic Treaty Organization. Russia does not have veto but has voice about their opinion to the North Atlantic Treaty Organization. This would create more complication within the nature of the North Atlantic Treaty Organization and for the United States and Canada to exercise their political roles as a member country of the North Atlantic Treaty Organization. One of Thatcher's viewpoints is that China will take a politically prominent role in the future and owing to the potential affects from China on the western capitalist countries, Britain should keep its commitment to the North Atlantic Treaty Organization. Democratic capitalism penetrates politically as well as ideologically within the member countries of the North Atlantic Treaty Organization, and not just within the member states of

the European Union.

III

The Falkland Islands are actually a burden to England, and it was not worth while fighting with Argentina and taking it back. However, she wanted to fight. Thatcher's concern was the calculations on ideals of conduct instead of on strategic and imperial necessities. Domestic affairs were not necessarily showing favour to the Thatcher Administration. The unemployment rose up noticeably during her term. Her domestic policies to reduce inflation created the austerity, and this caused the consequential increase of bankruptcies and business losses. The Falkland War would not involve much entanglements with other countries in Europe and in South America. The war with Argentina should be justified as a matter of principle, and in her brilliant calculation, she would gain the trust from the national prejudices over the colonies, and the victory over Argentina certainly will lead to her second term as the leader of the Conservative Party. The victory over the Falkland Islands War meant an overture for the second term of the Conservative Party as the leading party of the country.

The Falklands is mainly made up of two islands: East Falkland and West Falkland. There are about 200 small islands around the two main islands. It is officially called Colony of The Falkland Islands. It is under the control of the British government in the South Atlantic Ocean. The whole area is a little over 10,000 square kilometers, with a human population of about 2,000 and a sheep population of about 700,000. Stanley in East Falkland is the capital and this is the only town in the Falklands. The name 'Falkland' comes originally from a British naval official, Viscount Falkland. The French navigators called the islands the

port of St. Malo when they explored the area. The people in South America call the islands *Islas Malvinas* which means the "port of St. Malo" in Spanish.

There are no high mountains but only ranges of hills which run east to west across the two main islands. The climate is chilly and damp throughout the year and there are no clear seasons. There are no natural trees, but grass grow all over the islands. It is a grassland. The climate does not permit vegetation, and mammals are not indigenous to the islands. Penguins, dolphins, sea lions, and elephant seals are abundant.

The people of the islands speak English and most of them are of British descent. Most of them live in Stanley and earn their living in wool by sheep-farming. The wool is the main resource in the islands. The sheep ranches are owned by individual families or by companies in Britain. People travel by motor vehicles internally and by air to England. Their living standard is not high but the condition is secure. There is a school up to secondary school (high school level in Japan) at Stanley. The education is free and compulsory to the age of 15. There is a hospital in Stanley and medical service is free. A governor in the Islands is appointed by the British crown.

The Falkland Islands were first discovered by an English navigator at the end of the 16th century. In the mid-18th century, the first French navigator settled on East Falkland, and the British on West Falkland. After several conflicts with the Spanish, the British successfully restored their outpost on West Falkland. There were times that the British withdrew from the island, but the British have never renounced their claim of the Falklands over that time. Buenos Aires had proclaimed its sovereignty over the Falklands, and there were battles between America and Argentina over East Falkland. The Falkland Islands lie only 480km

from Argentina's coast line. Argentina had proclaimed its sovereignty over the Islands since the early 19th century. Britain had occupied and administered the Islands since 1833. By 1885, the population of the Falklands became as large as about 1,800, and a British community was founded in the islands. Britain had consistently rejected Argentina's claims. The colonial situation by the British over the control of the Falkland Islands and the associated islands dependencies were established to the Falklands. This does not mean that the fight and conflict over the Falklands ended between Argentina and Britain. Argentina kept making protest persistently, as if it were a routine, against British occupation of the Falklands.

The United Nations took up the issue of decolonization after World War II. The issue of the rules and control over the Falklands was debated between Britain and Argentina. Britain's claim was as follows: Britain has administered the islands since the mid-19th century and the self-supporting principle of the Falklanders is recognized in the United Nations Charter. Argentine sovereignty over the Falklands is not what the Falklanders wish. Argentina's claim is as follows: according to the papal bulls, Spain and Portugal decided by the Treaty of Tordesillas in 1494 that the Falklands is contiguous to south America. This amounts to conclude that the Falklands is a part of Argentina. Either claim is not acceptable because either Britain nor Argentina had discussed the issue in terms of the same legitimacy. Britain is asserting its position based on a 'first come, first serve' principle, whereas Argentina is asserting its position based on a long, long ago story. The Falklands was not discovered yet in the 15th century! The United Nations suggested Britain and Argentina to find a peaceful solution to the dispute, and their discussion was prolonged. It was prolonged too long. If it should

be solved peacefully, the United Nations should express and act clearly for a peaceful solution, instead of leaving Britain and Argentina with what could be a peaceful solution. Neither Britain or Argentina started to administer, or started to try to administer the Falklands legitimately. If it starts by force, it will end by force. I do not believe what started by force will end by law. The occupation of the Japanese Embassy in Peru is a good example. That started by force and ended by force. The issue of decolonization was brought about after World War II, and Britain and Argentina's discussions over the Falklands was still in process in the 1980s, almost a half-century. Argentina tried to end the long-running negotiations with Britain over the issue by launching their troops to the Falklands in April, 1982. At that time the Falkland Islands War broke out. The Argentine troops seized the small garrison of British marines and the associated islands, and within the month of April, more than 10,000 Argentine troops were stationed on the Falklands.

The Thatcher Administration responded at once. It was indeed a very quick response. Argentina's sudden launch of their troops as such was a total surprise attack. And yet, the British response was so quick, as though the Argentine attack were expected. The whole England was filled with jingoism. This is a good expression of Thatcher's character: she had an iron rule, 'Eye for eye, tooth for tooth, hand for hand, foot for foot.'⁽²⁾ She declared a war zone for 320km around the Falkland Islands and launched the British troops to the Islands. It was a battle between the land-based Argentine air force and the British naval force. The Administration immediately called school teachers and people who had recently travelled to the Falkland Islands, and they collected the most recent and accurate information on roads, hills, rivers, etc.

Cartographic intelligence is important for all military operations. British submarine sank the Argentine cruiser General Belgrano on May 2, regained control of Georgia Island, one of the small islands around the main two islands. The British infantry was also quite strong, and they headed directly to the capital Stanley as soon as they landed to the Island and surrounded Stanley by the end of May. Most of the Argentine garrisons there surrendered by mid-June, and this ended the battle in effect. Argentina's military government was ignominiously discredited by the defeat. The defeat, however, brought a civilian reign to Argentina after the war.

The war lasted ten weeks. The British made an overwhelming victory, and the victory resulted in maintaining the British troops on the islands and enforcing and extending fishing conservation zones. Thatcher brought back peace with so-called honour to England. Thatcher's iron rule, 'an eye for an eye' was embodied and entertained the British imperialist nature as well as their auspicious patriotic sentiment for her political life. The Falkland Islands War was a nationwide political campaign of unprecedented excitement and drama. Thatcher's landslide victory in the General Elections of 1983 was largely due to her resolute leadership during the Falklands war.

IV

The British Participation to the European Single Currency and Monetary System was another milestone the Thatcher Administration had confronted with. The Treaty on European Union is also called the 'Maastricht Treaty'. Retracing the 'Maastricht Treaty', it is the Treaties of Rome established in 1957. The main members of the Treaties of Rome were Germany, France, Belgium, the Netherlands, Luxembourg,

and Italy. The Treaties of Rome was developed into the Treaty of the European Economic Community and the Treaty of the European Atomic Energy Community. The Treaty of the European Economic Community was renamed as the Treaty of the European Community, which the Treaty on European Union started as. The European Community was aimed at having a single economic market with a single monetary policy; and accordingly, the Economic Monetary Union has been sought after. The current European Union Member States are Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Portugal, Spain, Sweden, and the UK. The treaties have attempted to integrate the collaborative projects already undertaken in the Member States, to work for the European Federation, as well as to encourage the mobility of capital, people, merchandise, jobs, etc. and to establish a common market for those movements.

The Treaty on European Union is administered by the Commission which serves as the governor of the Treaty. The Commission is composed of twenty members; each Member State sends one commissioner, except the United Kingdom, Germany, Italy, France, and Spain. These Member States send two Commissioners each. The Commissioners must not be biased by any government and have to work only for the interest of the European Union; they must be absolutely independent from their home government.

The ultimate purpose of the Treaty on European Union is the establishment of the Single Currency and functioning the European Monetary System, in the hope for the mobility of capital, to ensure price stability, the reinforcement of the independency and competence of the Central Bank, the well-balanced monetary policies, the constantly fixed conversion rates: the establishment of the 'Euro.'

The European Currency Unit is the denominator of Community transactions for the following reasons: a country's currency corresponds to a country's share of collective Gross National Product and of collective trade. To fulfill this requirement, the European Currency Unit is made up of all the member states' composite currencies. The European Currency Unit will be dismissed when the single currency and monetary system is introduced on the 1st of January 1999, when the single currency unit called the Euro will be employed. The European Central Bank will start to operate on the 1st of January 1999 to carry out the monetary policy of the Community.

Margaret Thatcher had a very firm attitude against British participation to the monetary integration with Europe, which caused an irrecoverable hostility within her own party. The party eventually lost support from the people. No longer is the issue whether the United Kingdom should join the single currency system or not; the issue is how and when they should join. The clear fact is that the Conservative Party lost at the General Election owing to the sense of crisis towards the future by not being a member state of the European Union. Tony Blair, the leader of the current leading party, the Labour Party, and Robin Cook, the Foreign Secretary of the Labour Party have avoided affirming that the United Kingdom will or will not join in 1999. The European Union with the amendments to the Treaty of Rome in Amsterdam, however, does not seem to be flexible enough for England to join. I am going to scrutinize what the crucial points about the European Single Currency for the United Kingdom are.

There are positive and beneficial aspects as well as negative and sacrificing aspects in the European Single Currency and monetary system. If employed, the positive aspects are: when we travel abroad, we have to

pay considerable amount of transaction charge to change one currency to the other currency. If the purchases are quite expensive, transaction charges won't be negligible. With a single currency, we should not have to worry about such a thing! The capital transactions should be completely liberalised and the member states' currencies should be fully convertible in the monetary union. The exchange rates should be constant, so that any leeway of fluctuation in the exchange rates would be cleared away. The indication is that the economic and monetary policies of the member states will be converged in a high proportion and the national powers will be transferred significantly to the member states' economic and monetary authority.

For businesses, people have to take currency fluctuations into account. People pay hedging costs against the loss owing to the currency fluctuations. With a single currency, business would be enormously simpler and the time involved would be saved.

The countries fix exchange rates endlessly irreversibly, and this creates a desperately instable currency. A single currency system in the countries that participate in the monetary integration would end currency instability internally and would at least reduce currency instability externally. Also, for the exporters, they can forecast markets for the future much more certainly, and this amounts to have great potentiality for growth. The Euro would be more useful and credible than individual currencies, for it would be used in a larger currency zone than an individual currency.

The European heads of state or government agreed the stability pact of a single currency at the Dublin Summit in 1996: the European countries that participate in monetary integration would be locking into German monetary credibility. This means that the Euro's international

credibility would be enhanced, and each of the European Union countries would have to take fiscal responsibility. This would direct lower interest rates and lower mortgages, more jobs, more investment, and more businesses.

On the other hand, the negative aspects of the European Single Currency and monetary system are as follows: the most significant disadvantage of a single currency and monetary union, at least for England, is the loss of dominant authority. This is what Thatcher opposed to most bitterly. The economically strong, in another words the politically stable countries would have to go along with economically weaker and politically unstable countries in terms of the economic, social, and diplomatic policies, which amounts to deny Thatcher's fundamental philosophy. She firmly supported the idea of freedom, of free competition especially in the world of capitalism.

The 48 states are conterminous in the United States. In this large geographical area, however, people speak the same language, English, and it is communicable. They do not have a language barrier. The insurance, pensions, mortgage, etc. are transferred easily among the states. They are able to value or devalue to boost exports and job creation. They can adjust the exchange rate upwards or downwards. They can even cut taxes for the public deficit criterion. In short, the labour market is adaptable and all-around among the states. In these circumstances, a single currency is foundational. The countries are also conterminous in Europe. However, the language as well as economic performance are different in each country. People have to be able to communicate in the same language in order to get a job and maintain their living. Apart from the great endeavors to the cohesion funds to solve the difficulties, it is not easy to form a single currency and monetary union in such

circumstances of Europe.

The economic cycles are determined by each country's situations, owing to the geographically, politically, and socially different circumstances. Accordingly, each country has different stages in their economic cycles. For example, the English economic cycle is closer to the USA since the Persian Gulf War than to the European Union member states. England has suffered from depression until 1990, but its economic shape is relatively better since the Persian Gulf War. Germany is now in poor shape. This means that one central bank cannot set inflation or deflation for each member state and cannot control the whole economic cycles at the appropriate level for all member countries.

They need to change everything from computer software, to labels, to train staff, if they employ the single currency and monetary system. According to the British Retailing Consortium estimation, it will cost about 12 billion pounds for British retailers to make such necessary changes. The initial cost by employing the single currency and monetary system is certainly not negligible.

Lastly, it is unforeseeable that all the fifteen countries in the European Union are able to combat and keep up with any recession. Each country has its own individual fiscal stance. The governments will soon come to a deadlock that they cannot keep a stability pact in the Maastricht criteria. The Maastricht criteria is a monetary convergence criteria, and the European Union under the Maastricht criteria is intended for coexistence of the European Union Member States. The European Union member states will be expected to fulfill the certain conditions.

Some of the main conditions are as follows: the European Union member states must keep price stability. As far as inflation is

concerned, the inflation rates will fluctuate to within 1.5% of the average of the three best performing European Union member states. I should like to call attention to the Maastricht criteria where the inflation rates should be within 1.5% of the average, not of all the European Union member states but of the three best performing European Union member states. The European Union member states have to maintain the interest rates to fluctuate within 2% of bond yields of the three best performing European Union member states. Here again I should like to call attention to the fact that the interest rates are to fluctuate within 2% of bond yields, not of all the European Union member states, but of the three best performing European Union member states. Of course, the member states can not function strictly within the Maastricht criteria. The inflation rates in the Maastricht criteria is too fast for the failing member states and is too dull for the thriving states. The interest rates in the Maastricht is too high for the failing member states and is too moderate for the thriving states. The Maastricht criteria is just a leeway to join a single currency and monetary union. The Maastricht criteria is based upon the standard of the three best performing member states, not of all the member states. A common currency instead of a single currency can be employed in order to modify the above described difficulties.

A common currency has to be controlled centrally, so that the centrally controlled currency can maintain the stable as well as low interest rate for the whole European Union member states, not just for a few economically leading member states. This will result in the improvement of the exchange rates, as well. Another adjustment is to employ both the common currency and the national currency, which is a quite way-out settlement. This may clear apparent and obvious problems but will

be bound to have more complications in the end. Hence, they should stay with a common currency instead of trying to be skillful using both common and national currencies. In this way, a monetary convergence and system could be reflected in the durable interest-rate levels. Consequently, the European Union member states could sustain their government financial position, and they could maintain their government budgetary position without deficit.

Whether England should be or should not be in the European single currency and monetary system, England would be enormously affected by the system. England sustains its veto, while taking part in negotiations and participates in discussions because England is in Europe and England won't abdicate responsibility to be in Europe. The main reason why the Conservative Party was and still is reluctant to join the European Union is, apart from the economic disadvantages owing to the Single Currency and monetary policies, the loss of national identity. People have a sense of self-identity and a sense of belonging by being aware of their own national traits. The national traits are formed with a stable sense of values, traditions, heritages, and culture. The Conservative Government has a fear that England might lose its national identity by being a member state of the European Union. They do not desire to mingle with other nations. They do not wish to be "one of the others." They have to be different and independent from others. They can not see themselves to be a state of a Federal European States like a state of the United States of America. They want to be cooperative as much as possible in business and in maintaining the civilized society in Europe. They have seen their prosperity in the course of political and economic history by being in Europe and sharing the political growth and economic development in the European countries. They encourage the other countries in

Europe to follow the way how England benefited from being in Europe and came to be prosperous. The European Union should do only what a member state cannot do by itself. They detest to be administered and conducted by the European Union. (They have a bitter experience of having been pushed around by their own 'union' and are quite sick of the English Disease!) They want to be in Europe and want to keep their partnership with the European countries, but not a part of Europe. The European Union should not act as the central government of Europe or take a principal role but stay in a subsidiary position. The Conservative Party, or perhaps I should say Margaret Thatcher insisted not to authorize the centralization of power to the European Union, under the name of democracy. The European Union should work only within the areas of common interests of the member states, such as the foreign policies against international crimes. Two years ago the world banned import of British Beef and this caused a considerable damage to the British export business. It is a matter of British own internal domestic affairs to reform the Agricultural Policy, and Britain does not appreciate any opinion or interference from abroad. England does not share the fishing territory with other foreign ships. England should keep a complete control both geographically and politically: England should have unqualified authority over its national border and domestic and inter-governmental affairs. This may direct England to be isolated from the European countries; the Conservative Party would rather take risk to be isolated in Europe for the matter of principle. This is, for the Conservative Party, the British national trait and identity. The Conservative Party would act under the primary and original principle for the national interests, whereas the Labour Party would act quite adaptably for the purpose of national interests. This is the major difference

between the Conservative Party and the Labour Party. The more the European Union become powerful and influential, the more the European Union has to be flexible and all-round.

V

"I know that the right kind of political leader for the Labour Party is a desiccated calculating machine."⁽³⁾ Margaret Thatcher was the right kind leader for the political party, although she was not in the Labour Party but in the Conservative Party. She was a thorough competent calculator in foreign policies. Her shrewd calculation made her a successful leader of the Conservative Party. On the other hand, she failed owing to her lack of comprehension of the British dilemma between the British past glory and the British present reality. The Falkland Islands is not in a significantly political or economic position to England. Thatcher could, however, expect the support from the public by fighting back to Argentina and winning the war. The Falkland Islands is one of the British colonies. The presence of a colony reminds the British of the past glorious empire in the 19th century, and this is a unique sense the British still hold on to, or rather cling to (I should say). Thatcher had a brilliant calculation; it is perfectly justifiable to fight back to Argentina because Argentina started to fight all of a sudden. The world won't criticize Britain. It would not be difficult to defeat Argentina. Britain will probably win over Argentina, and this will embody the British imperialist nature. The British imperialist nature is gradually fading away but still does exist deep down inside of the British mind. The victory in the Falkland Islands War lead to her second term as the Party leader, as she had planned.

The British participation in the European Union is a good

testimony. The British do not want to be one of the many others in Europe. The British have their own characteristic uniqueness in politics, economy, and culture as a whole. This uniqueness is what the British are proud of. They can be in Europe geographically but could not be mingled with any other nation politically, economically, and culturally. They must be different from other countries in Europe. And yet, they can not afford to be isolated from Europe. The British go back and forth between their past and present self identities. This is the British dilemma. Thatcher could not manipulate perceptively with the British dilemma. She tried to identify the present British with the past British; she failed to separate it tactfully and left the problem to the Major Administration. She was quite aware that the time has changed and world situations have also changed. Even the North Atlantic Treaty Organization, which she confidently entrusts, has changed its nature and role owing to Russian participation to NATO. She sustained a sense of ethics and values in the Victorian Period and this was demonstrated in her foreign policies. Thatcher herself is a manifestation of the British dilemma.

Notes:

- 1 神戸親和女子大学『研究論叢』第30号（開学30周年記念号）pp.230-248.
- 2 *The Bible*, Old Testament, Deuteronomy, 19:21
- 3 Cohen, J.M. *The New Penguin Dictionary of Quotations* Viking 1991. p.33.

This is in a speech by Aneurin Bevan at the Labour Party Conference on the 29th of September 1954.

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