Kieninger on Haeussler, 'Helmut Schmidt and British-German Relations: A European Misunderstanding'

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Drawing from German, British, and American archival sources, Mathias Haeussler’s study on West German chancellor Helmut Schmidt and British-German relations provides a powerful analysis of European integration history. Haeussler’s book sheds new light on a persisting question: why were German and British policymakers able to cooperate closely on non-European integration related matters whereas they clashed notoriously over European Community (EC) politics? Looking through the prism of Schmidt’s high-level encounters with his British counterparts, Haeussler argues that “what tore these different British and German leaders so continuously apart in intra-EC politics was not simply one-sided British obstructionism, but instead a deeper clash of different national strategies and perceptions that were the result of Britain’s and Germany’s different historical experiences of the European integration process since 1945” (p. 211).

Haeussler’s work is a major contribution to understanding European politics in the 1970s. It is not just a study on Schmidt’s diplomacy with his British counterparts Harold Wilson, James Callaghan, and Margaret Thatcher; it also develops two more general trends in the historiography of European integration. First, Haeussler connects the intra-EC and extra-EC dimensions in the bilateral British-German relationship. He relates close British-German cooperation in the fostering of joint European positions within the North Atlantic Treaty Organization (NATO) to the ongoing bilateral clashes over the EC’s budget and the European Monetary System (EMS). Second, Haeussler puts the “mental maps” and worldviews of Schmidt and his respective British counterparts at the center of his study. Thus, the book studies the role of political and cultural narratives in the European integration process. Haeussler tells his story with empathy and skill and makes excellent use of Schmidt’s voluminous private papers and evidence from the Chancellor’s Office Papers. Moreover, using the treasure trove of the Prime Minister’s Office Papers at the British National Archives, Haeussler illuminates the inner workings of Schmidt’s personal diplomacy with his British counterparts.

Haeussler’s argument is persuasive. He qualifies the traditional notion of Britain as a problematic partner in European politics during the 1970s by broadening the scope of his study to global finance, security, and defense. He demonstrates how manifold global and structural pressures drew Schmidt and his British counterparts together. Following the oil shock in 1973, Schmidt and Wilson shared the idea to overcome the oil crisis and the ensuing global recession through a radical redefinition of strategy and world economy. Wilson was closely involved in the search for the concept of world
economic governance and the establishment of the World Economic Summits. At the same time, as Haeussler argues, “the historically different attitudes towards the EC meant that such British-German communalities of interest never resulted in a corresponding strengthening of the bilateral relationship” (p. 214). Wilson and Schmidt had very different attitudes toward the EC. Schmidt sought to use the aftermath of the oil crisis as an opportunity to revitalize the EC whereas Wilson instead embarked on a controversial “renegotiation” of Britain’s EC membership, souring the British-German relationship and eroding the personal trust between Schmidt and Wilson. Haeussler analyzes “how the EC had by the 1970s become the central cornerstone of West Germany’s foreign policy, whereas British European policy was still shaped primarily by domestic and party-political pressures” (p. 18).

The book is structured chronologically, divided into four main chapters stretching from Schmidt’s early years in politics after 1945 to the end of his chancellorship in October 1982. The first chapter looks into the evolution of Schmidt’s attitudes toward Britain in the context of the more general developments of British-German relations from 1945 to 1974. During the postwar period, Schmidt admired Britain and its soft power. Growing up in Hamburg in the British occupation zone, young Schmidt developed an affinity for the Anglo-Saxon world. Back in 1932, at the age of thirteen, he participated in a three-week school exchange to Manchester. In 1946, Schmidt became a member of the Social Democratic Party whose Hamburg faction was less dogmatic than the rest of the party, mirroring the British Labor government under Clement Attlee at the time. While Schmidt’s Anglophilia persisted through the 1950s during his first period as a parliamentarian in Bonn, his attitude toward Britain began to change in the 1960s when he prioritized West Germany’s partnerships with France and the United States over the British-German relationship. Haeussler writes, “the evolution of Schmidt’s attitudes towards Britain prior to this chancellorship thus shows how and why, by 1974, Britain had already become the sorry third in its triangular relationships with France and Germany” (p. 53).

Chapter 2 investigates the British-German relationship during Schmidt’s initial years as chancellor coinciding with Wilson’s second tenure as prime minister (1974-76). As noted above, Wilson’s renegotiation of British EC membership was a running sore in so many ways. Whereas Wilson’s diplomacy annoyed Schmidt, the election of Valéry Giscard d’Estaing to the French presidency in 1974 triggered an entirely new Franco-German coordination on the macroeconomics of the EC. Schmidt and Giscard sought to reinvigorate the EC on a new consensus over fiscal restraint and budgetary consolidation. As a consequence, Britain was at the margins of EC politics. Wilson rejected the Franco-German proposals for specific EC institutional reforms, such as ideas for a direct election to the European parliament, more frequent use of majority decisions in the Council of Ministers, a passport union, and the institutionalization of the EC heads of government summitry.

In October 1974, Schmidt criticized these positions during an address to the Labor Party Congress under the label “What’s wrong with Britain?” Haeussler emphasizes the relevance of Schmidt’s speech as a wake-up call and a boost for the mood at the Labor convention. Whereas the crowd at the Labor Congress was hostile initially, Schmidt received several rounds of applause after his address. His pro-EC argument reminded the Labor delegates that Britain had actually already joined the EC. Summarizing Schmidt’s address, Britain’s ambassador to Germany, Nicholas Henderson, concluded “that if any single speech could have made a difference to opinion and events Herr Schmidt’s should have done so” (p. 70). However, Britain’s isolation continued also due to the failure of Wilson’s
personal diplomacy and his ambiguity: Schmidt’s transcripts of a December 1974 conversation with Wilson highlights this ambiguity, noting that Wilson appeared “interested in Britain remaining member of the EC, but without strong involvement; uninformed about details,” and complaining that Wilson had shown “no readiness to publicly declare the wish to remain inside the EC before the final renegotiation results were known” (p. 73).

Chapter 3 examines the revival of British-German cooperation during Callaghan’s tenure as prime minister between 1976 and 1979 and gives a precise account of Callaghan’s and Schmidt’s successful effort to stabilize the British pound through a grant from the International Monetary Fund (IMF). Haeussler depicts how Callaghan asked Schmidt to soften the IMF’s harsh credit conditions in October 1976. Schmidt was willing to be helpful and even visited Callaghan at Chequers for a public demonstration of his confidence in Callaghan’s domestic course a couple of days later. Drawing from the Prime Minister’s Office Files, Haeussler uses the manuscript of the Callaghan-Schmidt conversation to illustrate the change in tone and the mutual sympathy. After engaging in a little chit chat and establishing personal rapport, Callaghan went right down to business—and Schmidt very much appreciated Callaghan’s style.

Haeussler deserves praise for his excellent use of sources, such as the transcript of a Callaghan-Carter telephone conversation of April 1978 that the author quotes at length to illuminate Callaghan’s role as a transatlantic broker and arbiter in the strained relationship between US president Jimmy Carter and Schmidt. Prior to the World Economic Summit in Bonn in the summer of 1978, Callaghan undertook a successful effort to raise his international profile, trying to mitigate the US-German frictions over Carter’s expansive fiscal policy, which Schmidt perceived as a danger for the financial stability of the entire Western world. According to Callaghan, Schmidt thought that “Europe has got to organize itself more, because the American economy will be running separately and the dollar we don’t know what’s going to happen and so on,” as Callaghan told Carter. Callaghan’s advice to Carter was that “you’ve got to get alongside Helmut, not you personally necessarily, but your people have really got to know what they’re thinking there” (p. 137). Carter very much appreciated Callaghan talking frankly about his problems with Schmidt, saying that Schmidt “has an ability to speak very bluntly and frankly when he is so motivated, without embarrassment. Why he has any reticence in talking to me I don’t quite comprehend.” In conclusion, Carter emphasized: “I’ll try to break down that reserve or that apparent language communication barrier when he comes and I’ll take advantage of this conversation to move on him” (p. 138).

The British-German frictions over EC-related matters continued despite the excellent personal rapport between Schmidt and Callaghan. In 1978, the bone of contention was Schmidt’s idea for the establishment of the EMS in an effort to achieve increased monetary integration. As Haeussler aptly notes, Schmidt’s primary motivation was to guard EC currencies against recurring dollar fluctuations. Callaghan was one of the few leaders whom Schmidt consulted about the EMS scheme. But this did not reduce his skepticism. In April 1978, Callaghan told Schmidt and Giscard that the EMS idea in his eyes reflected “a turning away from the dollar and from U.S. financial policy” (p. 125). In the end, it was important that the personal communication between Callaghan and Schmidt prevented another round of political friction over Britain’s non-participation in the EMS.

Last but not least, Haeussler’s fourth chapter depicts Thatcher’s aggressive agenda for the reduction of British contributions to the EC budget and the frictions Thatcher’s statecraft caused not just in
Anglo-German relations. As Haeussler notes, Schmidt was convinced that “the public fallouts over the EC budget compromised Western Europe’s more general political cohesion and thus jeopardized Western unity at a time of resurgent global crisis” (p. 19). Thatcher’s approach also contributed to Schmidt’s disillusionment with Britain’s European policy, reflecting the clashing perception of European integration in postwar Britain and Germany. Both countries “had competing ... narratives of post-war European cooperation ... and very different historical experiences of the integration process since 1945,” as Haeussler emphasizes (p. 220). European integration was West Germany’s raison d’etre in foreign policy. German policymakers sought to allay fears over a resurgent Germany by embedding the Federal Republic firmly into the European integration process. As Haeussler writes, “Schmidt and Giscard may have shared similar personal outlooks, but much more important was the fact that both regarded the protection of the EC and the Franco-German relationship as the key and overarching long-standing objectives of their European policies.... By contrast, Britain lacked a similar overarching strategic framework for EC membership, and its unfortunate standing in the triangular relationship between Britain, France, and Germany can thus ultimately be seen as the result of powerful path dependencies dating back to the 1950s” (p. 218). These forces contributed heavily to the persistence of Euroskepticism within the British Conservative Party.

Haeussler’s book is superb. It depicts the antecedents of the current patterns and themes underlying the Anglo-German debates over Brexit today. The book is an excellent read and written in clear and vivid language. It is policy relevant and directed to a broad audience of scholars, students, and the interested public. Haeussler combines analytic clarity and scholarly rigor with a compelling narrative. He tells a complex story within 220 pages. The book is essential reading for anybody interested in European integration history and British-German relations.

Stephan Kieninger is an independent historian and the author of two books on the history of détente and Euro-Atlantic security: The Diplomacy of Détente: Cooperative Security Policies from Helmut Schmidt to George Shultz (2018) and Dynamic Détente: The United States and Europe, 1964–1975 (2016). His current research looks into NATO enlargement and the search for the post-Cold War order. He received his PhD from Mannheim University. Formerly, he was a postdoctoral fellow at Johns Hopkins SAIS, a fellow at the Berlin Center for Cold War Studies, and a senior researcher at the Federal German Archives.


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