Challenging the ‘Postwar Consensus’: The Hidden Politics of Anglo-American Relations during the Cold War

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Abstract It is frequently claimed that there existed a 'postwar consensus' between the Labour and Conservative parties in British foreign policy. Nowhere is this claim clearer than in the party politics of Britain’s relationship with the United States. As a result, the dominant understanding of British foreign policy in the postwar period tends towards a realist explanation based on the necessities of maintaining British prestige and power in the bipolar Cold War environment. In this paper I present an alternative explanation based on the domestic politics of alliance and the interaction between political ideology and legislative constraint. I argue that when the governing parties in two states are more ideologically proximate than their respective political oppositions, low levels of legislative constraint promote international cooperation whereas high levels undermine it. Conversely, when the governing parties are less ideologically proximate than the opposition, high levels of legislative constraint serve to promote cooperation and low levels of constraint work against it. This approach helps us to explain both variation in the level of cooperation and why this does not follow strict party lines. More broadly it highlights the importance of modeling complex interactions in order to understand how domestic politics impacts on foreign policy.

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This article assesses the ‘postwar consensus’ between British political parties on the question of Anglo-American relations. Proponents of the ‘postwar consensus’ argue that party politics have had little impact on Anglo-American relations because of the strong material, economic and social forces pushing any government towards cooperation. Any variation in the quality of relations, they claim, can be attributed instead to exogenous events and the personalities of individual leaders. I argue that these arguments are based on a misreading of the empirical evidence of Anglo-American relations which results from a lack of theoretical attention to the impact of political parties on international cooperation. I show how the impact of party ideology on cooperation is contingent upon the degree of legislative constraint facing the governing party. Specifically, I argue that when the governing parties in two states are more ideologically proximate than their respective political oppositions, low levels of legislative constraint promote international cooperation whereas high levels undermines it. Conversely, when the governing parties are less ideologically proximate than the opposition, high levels of legislative constraint serve to promote cooperation and low levels of constraint work against it. I test this model through a comparative study of British administrations. I demonstrate that Labour and Conservative governments do not map directly onto periods of weak and strong Anglo-American relations because the degree of legislative constraint inhibits the instantiation of political ideology in foreign policy during certain periods. Once we take into account the interaction between political ideology and legislative constraint in foreign policy the theoretical and empirical evidence for a ‘postwar consensus’ disappears. This finding suggests that it is politics, not personality, which explains variation in Anglo-American relations.

Anglo-American Relations and the ‘Postwar Consensus’

There are two characteristics of postwar Anglo-American relations worthy of note. The first is the remarkably high level of cooperation over the years. Since 1945 the United States (US) has constructed a global web of ‘special relationships’ with states that share its political values, economic philosophy, and security condition. The foundational bedrock of this system has been the ‘special relationship’ with the United Kingdom (UK). The second characteristic is the pattern of variation. From the cautious cooperation of the immediate post-war period and the onset of the Suez Crisis, Macmillan’s ‘Atlanticist’ rapprochement of the early 1960s and the contrast between the frosty Wilson and Heath governments and the highs of the Thatcher era, relations between the US and the UK have waxed-and-waned to a considerable degree.

Theorists of International Relations (IR) have focused on the question of what makes the relationship ‘special’ in the first place. Realists, who view state behaviour as determined by the necessities of survival in an anarchic international arena, have stressed the importance of the Soviet threat at the war’s end in incentivising alliances to balance the global distribution of power (Gaddis 1986, 107; Joffe 1984,
Neoliberals have argued that the ‘special relationship’ results from the Pareto-superior gains achieved through international exchange and institutionalisation which provide incentives for states to coordinate their behaviour (Axelrod and Keohane 1985, 231; Ikenberry 1992, 289; Ruggie 1982, 393-394). Constructivist scholars focus on the role of shared ideational phenomena, such as norms, identity, culture and practices, and their role in undergirding the relationship (Adler 2008, 205; Kahl 1998, 121; Risse-Kappen 1995, 502; Wendt 1994, 389 Williams 2001, 543).

Accounts of the variance have, in contrast, come primarily from historians of Anglo-American relations. Prominent historical accounts of the cross-temporal variation in Anglo-American relations include those by Bartlett (1992), Baylis (1997), Dickie (1994), Dimbleby and Reynolds (1988), Dobson (1995), Dumbrell (2006), Grayling and Langdon (1988), Hathaway (1990), Louis and Bull (1986), McDonald (1974), Ovendale (1998), Renwick (1996) and Temperley (2002). Figure 1 summarises each author’s opinions as to the state of the bilateral relationship during the tenure of each British government. Though the quality of relations during some periods – notably that of the Attlee government – are contested, there is a remarkable consensus overall on the high- and low-points of the ‘special relationship’.
<table>
<thead>
<tr>
<th>Author</th>
<th>Attlee</th>
<th>Churchill</th>
<th>Eden</th>
<th>Macmillan</th>
<th>Wilson</th>
<th>Heath</th>
<th>Wilson/ Callaghan</th>
<th>Thatcher</th>
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<td>Poor</td>
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<td>Poor</td>
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<td>Good</td>
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</tr>
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<td>Poor</td>
<td>Poor</td>
<td>Poor</td>
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<td>Poor</td>
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<tr>
<td>Temperley (2002)</td>
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<td>Poor/ Moderate</td>
<td>Poor</td>
<td>Good</td>
<td>Poor</td>
<td>Poor</td>
<td>Poor</td>
<td>?</td>
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</tbody>
</table>

Figure 1 Authors’ assessments of the state of Anglo-American relations by government tenure. *(The period is coded as Poor/Moderate/Good if the author attributes a particular assessment to the timeframe or as Declining/Improving if they identify the period as one of transition).*

It is at the intersection of these twin explanations that the narrative of a ‘postwar consensus’ between the major British political parties has emerged. Theoretically it is held that a strong Anglo-American alliance has necessarily been the preferred policy of any party concerned with the national interest of the relatively weak British state (Addison 1998, 258; Dunne 2004, 895; Frankel 1975, 33-34; Hassner & Roper 1990, 13). The national interest, it is assumed, tends to pull parties in a similar direction policy-wise. “Confronted by the existence of two superpowers [and] conscious of Britain’s diminished strength and relative decline”, Dobson argues, “British leaders of both main parties saw the pursuit of a close relationship with the USA as the most realistic course of action” (1997, 45). Empirically this proposition would appear to have purchase. Proponents of the ‘postwar consensus’ claim point out that good Anglo-American relations have not mapped onto administrations headed by different political parties (Blank 1977, 681; Frankel 1974, 575). Indeed, both Labour and the Conservative administrations have had their fair share of strong and weak periods of bilateral relations with America (Dobson 1990, 389).
The argument for a post-war consensus, however, is valid only insofar as these accounts of cooperation – and of variance – hold up to scrutiny. That is, so long as incentives for cooperation exist irrespective of partisan affiliation and variation in Anglo-American relations is unsystematic. Yet these propositions are flawed. The problem relates to the division-of-labour between theory and history in the study of Anglo-American relations. IR theorists have focused on explaining only the overarching structure of the ‘special relationship’. Because their primary independent variables – security dependence, institutionalisation and shared norms – are subject to little change, IR theories struggle to explain the variation in Anglo-American relations over time. Moreover, IR theories exclude from their analyses many of the important elements of domestic politics which impinge upon the relationship. Historical accounts, for their part, have tended to rely on rather ad hoc explanations derived from personality politics (e.g. Burk 2009, 37; Dumbrell 2006, 75, 87; Jones 1997, 2). As Ashbee has argued, historical accounts tend towards the “implicit privileging of agency-based variables”, often leading historians to conclude that “the preferences and personal backgrounds of political actors play a large and perhaps determinate part in shaping policy outcomes” (2013, 1202).

The problem is that there has been no attempt to systematically account for the variation in Anglo-American relations. In this article I offer a theoretical account of the variance in international cooperation. In doing so, I challenge both the theoretical propositions of IR theory, and the historical accounts of postwar Anglo-American relations. This theoretical re-visioning of the ‘special relationship’ forces us to re-think the accuracy of the common wisdom surrounding the post-war consensus. In the section that follows I lay the groundwork for this enterprise by outlining a theory of partisan politics and international cooperation.

A Partisan Theory of International Cooperation

States may engage in cooperation for many reasons; to reduce transactions costs, coordinate policies, reduce the risk of attack, share the burdens of public-goods provision, or tap into the Pareto-superior returns from international exchange (Glaser 2010, 57-59; Snidal 1985, 931; Stein 1982, 309). Yet the national interest is not in itself sufficient to explain cooperation (Milner 1997, 27). Heads of state and foreign ministers have a direct interest in cooperative outcomes at the international level which their counterparts in the executive and legislature may not share. As Putnam has argued: “At the national level, domestic groups pursue their interests by pressuring the government to adopt favourable policies...[a]t the international level, national governments seek to maximise their own ability to satisfy domestic pressures” (1988, 434).

Of particular importance in the domestic arena are political parties; parties are in the ‘political game’; their very function and motivation are intertwined with the broad political context. Parties also act as cross-cutting institutions, coordinating action in various branches and institutions of the state (King 1976, 12). Perhaps the most important function of political parties, however, is their ability to act as ‘vehicles of
ideology'. Parties package the commonalities from disparate individual ideologies together and promote the resulting programme to voters at election time. In Rathbun’s words “political parties are “policy seekers” – groups of like-minded individuals whose goal is to implement agendas that reflect their values”, suggesting they are “guided primarily by principle, not electoral profit” (2004, 2, 11).

Political ideology is here understood as “a system of collectively held normative and reputedly factual beliefs and attitudes advocating a particular pattern of conduct...which its proponents seek to promote” (Gerrng 1997, 957). Different parties embody different ideologies, and this has important implications for the manner in which they affect international cooperation. Though ideology is a broad concept, for analytical convenience I consider here the traditional left-right dimension where leftist positions indicate high levels of support for social welfare spending, redistributive taxation and government intervention in the economy, and rightist positions favour lower levels respectively. Whether governments are ‘left’ or ‘right’ has two important implications for foreign policy. First, governments tend to trust their ideological brethren more than they trust those who subscribe to dissimilar beliefs (Walt 1987, 35-36). As Haas argues, the perception of threats by states is largely a function of ideological proximity; that is, leaders are more likely to view states with similar ideological leanings as less of a threat than states which are more distant ideologically (Haas 2003, 42). Second, the content of these positions matters because of the existence between states of what Moravcsik (1997, 517-521) has termed ‘policy interdependence’. Contending views of state-society relations and the most appropriate model of economic organisation become mutually implicated through the interdependence which characterises contemporary international economic relations. For example, domestic economic policies may implicate foreign commercial investments, budgetary allocations can directly influence security policy, and international agreements embody compromise between differing conceptions of state-and-economy relations.²

The ideological hue, then, of the party in government is likely to have important consequences for the extent to which state interests will overlap or the probability that they will engage in cooperative behaviour. Yet this relationship ultimately depends upon the manner in which institutional structures channel the electoral support of parties into political influence. Tsebelis has argued that the spatial location and relative power position of ‘veto players’ – “actor[s] whose agreement is required for a policy decision” – will determine the capacity for policy change in any given system (1995, 292-293). In parliamentary systems with weak upper-chambers, such as the UK, governments face relatively few obstacles to imposing their own agenda on policy. If the parties differ significantly in their programmes, we would

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¹ This is in contrast to those conceptions of parties which stress their instrumental motivations (e.g. Bueno de Mesquita 2002, 4; Schultz 1998, 831).
² Note that both of these mechanisms are relational. They play on the interrelation between parties in both states involved in a given bilateral relationship. This dyadic conception of ideology differs from the traditional monadic accounts which stress the content of ‘left’ and ‘right’ positions and the impact these have on foreign relations irrespective of the hue of the other state’s governing party (e.g. Rathbun 2004, 16-18; Rathbun 2012, 46-51; Thérien & Noël 2000, 151).
expect changes in government to produce a substantial policy shift (Tsebelis 1995, 314).

It is also important, however, to consider the extent to which the level of support a party commands in the legislature impinges on this relationship. Legislative influence operates in often subtle ways, mitigating the smooth operation of formal institutional rules and prerogatives (Martin 2000, 21). There are good reasons to believe that a party’s degree of legislative power has the potential to override the operation of formal executive prerogatives. Issue-linkage is ubiquitous in politics; parties link the outcomes of agreement in one policy area to success in others. In this manner, although executive prerogatives may formally shield the executive in one domain, it risks losing agreement in others, thereby collapsing policy areas into a single politicised domain (Haas 1980, 371; Lacy & Niu 2004, 26). The level of support within the legislature impacts upon government behaviour via two mechanisms. First, legislative constraint empowers the political opposition, as governing parties find themselves unable to enact policies without support from the opposition party. Second, legislative constraint disempowers the governing party’s ideological fringe. Party leaders are able to maintain discipline because any threat to vote against the party line would collapse the government. In this manner a small majority works in a similar manner to a vote of ‘no confidence’ (Dewan and Spirling 2011, 346; Huber 1996, 272). The ‘pull’ of both mechanisms will operate in the same direction in a two-party system. This is because the ‘fringe’ of any party will be strongest on the side of the ideological spectrum where there does not exist another party. Hence, factions tend to be stronger on the left within leftist parties, and on the right within rightist parties.

How are we to tie together the impact of parties, ideology and institutions on international cooperation? I argue that the logical corollary of the different influences discussed above is that a party’s ability to implement its favoured foreign policies is tempered by the level of legislative constraint. When constraint is low, parties will be free to implement policies; when constraint is high, policies will be tempered by the position of the political opposition and the disempowering of the party fringe. Consider a situation where the governing parties in two states are more ideologically proximate than their respective political opposition. When legislative constraint is low, the predicted level of cooperation will be high relative to the baseline, because the parties will be free to implement their favoured, more ideologically-similar policies. When constraint is high, the parties will find their positions moderated by both the strength of the less-proximate political opposition and the weakness of the more-proximate party fringe, thereby undermining cooperation. Now consider the alternative situation where the governing parties are less ideologically-proximate than the opposition. Here the predicted levels of cooperation are inverse to the level of legislative constraint. When constraint is low, cooperation relative to the baseline should also be low, as the parties are free to pursue their disparate policies. When constraint is high, however, the predicted level of cooperation increases, as the parties are pushed into adopting more conciliatory positions.
Applying the Theory to the ‘Special Relationship’

This section considers details the method by which the theory outlined above may be applied to the case of Anglo-American relations. Bilateral relations between the US and UK have been consistently strong, we will recall, but they have also oscillated over time from this benchmark position of strength. The traditional narrative of the ‘postwar consensus’ asserts that this variation in the intensity relates predominantly to factors outside of the explanatory remit of political science, particularly exogenous ‘shocks’ and personal relationships. But the theory presented above gives us two reasons to challenge this narrative. First, the theory demonstrates how the frequent changes in domestic political conditions within British politics may be systematically related to the quality of the ‘special relationship’. Second, it argues that this conjecture may be valid even if the empirical pattern of variation maps onto the tenure of political parties, as the degree of legislative constraint is a necessary determinant of the nature of each party’s relations with the US.

The remainder of this article is dedicated to a comparative case study of British administrations and their relations with the US, the aim of which is to provide a systematic test of the theory. In order to do this I reconceptualise periods of Anglo-American relations as cases based on diverse configurations of the two variables of political ideology and legislative constraint and bounded by elections. Figure 2 lists each of the cases of postwar British administrations along with the party in power and its legislative majority (in absolute terms). There are two reasons why the research design framework involves the selection of cases bounded by changes in British rather than American politics.

The first is the assumption that the most important variation occurs primarily on the British side. I provide three theoretically-informed justifications for this claim. First, there is a relative lack of ideological difference between the two main parties. America has never had a politically viable socialist tradition (Archer 2007, 4; Rogowski 1987, 1130), and the common wisdom, as expressed by Layman et al., is that “there is relatively little ideological distance between the major American political parties” (2006, 83). Second, this is reinforced by the presidential system of checks and balances in the US (Rathbun 2004, 13; Tsebelis 1995, 314). In such systems the most important actors are institutional veto players, resulting in political conflict that is structured between the two branches of government rather than along partisan lines (Lindsay 1992). Third, in terms of global politics, as the US lies at the heart of the hub-and-spoke alliance system which characterises the West (Ikenberry 2009, 77; Sylvan & Majeski 2009, 17-18) it is more costly for the US to disengage from this system than for any of its individual clients to do so.

The second assumption is that the political status quo in the US is further to the right than that in the UK, to the extent that both political parties in the US are to the left

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3 Data are from Cook & Stevenson (2000, 55-63)
4 Some authors, notably Gaddis (1982, 356), have argued that Democrats were more hawkish than Republicans, particularly during the Cold War
of their American counterparts. The political culture in the US is rooted in a concern for individual liberty that may be characterised as a ‘rightist’ concern (e.g. Lipset 1996). Conversely, even the Conservatives – on the right of the UK’s political spectrum – have not appeared particularly right-wing when compared to the Democrats in the US. As expressed by Dean Acheson: “Even the Conservatives would be socialists” (cf. Darden 2011, 98).5

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5 These assumptions are not held to be absolutes, nor is it apparent that they are beyond contention. They are best understood as necessary analytical moves to help structure the analysis and to keep the comparison manageable.
<table>
<thead>
<tr>
<th>Election Date</th>
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<th>Party in Government</th>
<th>Legislative Majority</th>
<th>US President During Tenure</th>
</tr>
</thead>
<tbody>
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<td>Labour</td>
<td>146</td>
<td>Truman (D)</td>
</tr>
<tr>
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<td>Labour</td>
<td>5</td>
<td>Truman (D)</td>
</tr>
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<td>Conservative</td>
<td>17</td>
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<td></td>
<td></td>
<td></td>
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</tr>
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<td>100</td>
<td>Kennedy (D)</td>
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*Figure 2 Universe of cases drawn from postwar British administrations, 1945-2000*
Political ideology is inferred directly from the political party in government; it is assumed that Labour is on the left and the Conservatives on the right of the British political spectrum. Legislative constraint is more problematic and subjective, especially given that the extent of variation in parliamentary majorities between cases is relatively slight. To solve this problem I calculate each government’s majority as an index from the highest and lowest values (rebased at zero) and adopt a cut-off point of 25% below which I assumed governments to be highly constrained. This approach has the benefit of including all of the cases where reference is frequently made to ‘narrow’ or ‘thin’ majorities and excluding those where such claims have not been made. Figure 3 shows the parliamentary majority held by each government.

![Figure 3: Parliamentary majorities of British administrations from 1945-2000 calculated as an index from the highest value (the Blair government). Party affiliation is indicated by colour (red for Labour, blue for Conservative).](image)

Distinguishing between high and low values of legislative constraint and left and right political ideology gives us four potential combinations on the explanatory variables. The four cases I consider are depicted in Figure 4 along with their values on the independent variables.
<table>
<thead>
<tr>
<th>High Legislative Constraint</th>
<th>Ideologically Proximate</th>
<th>Ideologically Disparate</th>
</tr>
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</table>

**Figure 4** Cases selected and their predicted outcomes in parentheses

Each individual case consists of an in-depth discussion of important contemporary issues in Anglo-American relations. The within-case approach is that of a ‘structured-focused comparison’ (George 1979). For each issue-area the positions of each of the parties are discussed alongside the government’s ability to act independently of the opposition. The resulting position adopted by the government is then considered alongside the preferences of the US and within the broader context of the Anglo-American relationship.

The issues explored in each case are detailed in Figure 5. Examining relations issue-by-issue is necessitated by the tendency for the quality of bilateral relations to emerge only when brought to the fore. The important question is not how many issues emerged during any one period, but the reasons why they became issues, and the manner in which they were dealt with. Domestic politics, I will show, is a factor in both considerations. State interests may be in harmony with one another, or they may be in discord. Cooperation, as Keohane reminds us, does not presuppose a harmony of interests, but rather a willingness to modify behaviour so as to obtain outcomes that benefit both parties (1984, 51-53). So long as they are unconstrained, one would expect ideologically proximate governments to be both more likely to encounter harmonies of interest and more willing to engage in cooperative behaviour even if their preferences diverge.

**Figure 5** Prominent contemporary issues in Anglo-American bilateral relations by government tenure.
Case One: Churchill’s Peacetime Government, 1951-1955

The successful Conservative election victory of 25 October 1951 marked the beginning of Churchill’s second administration. The Conservatives had a majority of only 16, enough seats to pass uncontroversial legislation comfortably, but not high enough to discount the views of the Parliamentary opposition. During this period the slim legislative majority and the leftward leanings of the opposition Labour party were to exert an influence on the Conservative government which would impact upon relations with the US. As a result, despite the enthusiasm with which Churchill took on the task of ‘repairing’ the Anglo-American relationship, his election ultimately made little difference to the strength of the ‘special relationship’. Here I consider how this impacted upon two of the crucial issues in Anglo-American relations during the period; trade with China and the status of Japan in the international order.

Relations with Communist China

One of the most important rifts between the US and UK during the period was the issue of embargoed trade to China. Following the victory of the Chinese Communists over Chiang Kai-Shek’s forces in 1949, the US sponsored the ‘China Committee’ body to oversee the implementation of an embargo on trade with the Communist government (Cain 1995, 33-35). This was similar in form to the trade controls already established to regulate commercial links to the Soviet Union (Mastanduno 1988, 122). Particularly contentious were the embargoes of copper and rubber, both of which the US deemed necessary for the construction of military hardware. Churchill was keen to avoid a schism in Anglo-American relations, remarking at the end of 1952: “Don’t let us fall out with the United States for the sake of China” (Kaufman 2000, 357). But politically the Conservatives found themselves caught in the middle between the zealous anti-Communism of the US and Labour scepticism of the distrust displayed towards Communist governments (Buchanan 2012, 147). The muted suspicions of Communist governments in the Labour party, coupled with the realisation that trade embargoes would impact disproportionately upon working-class and northern constituencies in the UK, induced Labour to pressure the government for a relaxation of the embargo. The Labour MP Desmond Donnelly argued in the House of Commons that: “The surest way of digging our own graves in the Far East is to follow a policy which drives Communist China inwards towards Soviet Russia, cuts her off from the West, and makes her embittered”. 

The Labour Party was sincere and united in its opposition to the trade controls. The Attlee government had refused to participate in any sanctions which were non-military in nature when the China Committee list was drawn up and had gone further in subsequent years, side-stepping the controls by trading materials through Hong Kong. This provoked a furious reaction in Parliament by Churchill and the Conservatives whilst in opposition, accusing Attlee of indirectly arming the

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6 Desmond Donnelly (Labour), Hansard, 5 February 1953
Communists (Cain 1995, 38, 47). In opposition, Labour met with delegates from China to discuss the potential for increasing East-West trade, and their Conference adopted resolution after resolution calling for increased Sino-British trade and Chinese membership of the UN. This was in addition to the frequent and continued opposition in Parliament. Labour repeatedly pressed the weak Conservative government on its foreign policy ('Consultation with America: British Views Clear' 1953), Macmillan recalling in his diary that: "The [government] only just scraped through. The Opposition saw their advantage and pressed it. With no PM; no [Foreign Secretary]; and most other ministers in the House of Lords, they demanded discussions on Foreign Affairs, Defence and similar topics in order to embarrass the Front Bench in the Commons" (2004, 254).

The problem of East-West trade was to have a substantial impact on Anglo-American relations during the period (Haffner 1953), and the government was well aware of the impending clash of policies. MacArthur was informed prior to the meetings in Bermuda that: "The conference will be held against a background of repeated public expressions in the UK of concern over the present state of the Anglo-American relationship". It was felt that Britain would likely “push for relaxation of East-West trade controls, and may raise the possibility of trade with China” (FRUS 1979, 1715). Whilst the US pressed for maximum pressure against China, Eden pushed for a more conciliatory line. Dulles was angered, fearing that the rest of the world would see a “love for communist China” emanating from the UK. Though British efforts at diplomatic wrangling led to a partial relaxation of the trade controls in 1954 (Bar-Noi 2012, 189-190; Jackson 2000, 135), this was viewed by Britain as a poor compromise, and the issue was to continue in relevance until the Suez Crisis gave the UK ‘bigger fish to fry’.

The alternative argument to the domestic constraints one adopted here - that trade with China was in the UK’s best economic interests and would have been pursued by any government (Kaufman 2001, 105) – cannot account for three important aspects of the trade controls case. First, it cannot explain the opposition of the Conservatives, whilst out of government in the late 1940s, to the Labour government’s attempts to reduce the China Committee list and circumvent its requirements. Second, it cannot explain why Churchill’s shift from supporting the China Committee list to vigorously opposing it occurred almost three years after acquiring the reins of government (Young 1996, 132-133). Third, the national interest perspective cannot explain the repeated links made between the issue of trade with China and the need to ensure electoral success in Lancashire and the industrial heartlands of the UK (Macmillan 2004, 209).

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7 Labour International Committee Minutes, 24 June 1953
8 Labour International Committee Minutes, 1 October 1953
9 Conclusions of Cabinet Meeting, 26 February 1953
10 Record of a meeting between Dulles and Eden, 7 December 1953, Declassified Documents Reference System
The Conservative party’s fear of losing domestic support extended into other areas of foreign policy, most noticeably relations with Japan. Here there were two fundamental issues which forced themselves on the agenda. The first was the admission of Japan to the General Agreement on Tariffs and Trade (GATT). Though a multilateral project, GATT was promoted actively by the US, which sought to include as much of the non-Communist world as possible in a free-trade area. Accordingly, the US came out strongly in favour of Japanese membership, and pushed the British to do the same (McKenzie 2008, 94). But Japanese membership threatened British textile production and in doing so resulted in domestic political opposition. The Labour MP Samuel Silverman cautioned against Japanese accession, warning: “whatever may be the truth about Japan, will the right hon. Gentleman bear in mind that it is even more important to guarantee a prosperous future to Lancashire”. Balancing the ‘special relationship’ with Conservative support in Lancashire was to thus become a continuing issue for the government. At the beginning of 1953 Macmillan noted on the question of Japan’s admission: “So far, we have managed to ‘stall’ on this, but it does not seem possible to go on ‘stalling’ indefinitely. What between US and Lancashire, HMG are in a difficulty!” (Macmillan 2004, 209).

The second issue concerned Japan’s relations with China. Under the previous Labour government’s tenure, Japanese Prime Minister Shigeru Yoshida had signalled his intention to engage diplomatically with communist China. This alarmed the US, which threatened to boycott the San Francisco Treaty, an act which would have left Japan’s international status in limbo. The resulting potential for a rupture in relations with the UK worried Dulles, who welcomed the election of Churchill’s Conservative administration in the hope it would lead to a new approach on the British side (Hosoya 1984, 252). However, irritatingly for Dulles, the Conservative party’s views were that “Japan’s best interests would be served by sitting on the fence” and on hearing of the US demands Eden informed Acheson that he would not deviate from the terms of the previous Morrison-Dulles agreement (which stipulated that Japan’s relations with China would be its own to decide). Domestic constraints played a large part in Eden’s reticence to alter what was required from Japan. He “worried that a Tokyo-Taipei treaty would jeopardise ratification of the multilateral treaty by the House of Commons where anti-Chiang feeling was running high” (Ruane 2011, 146-147). Eden’s position was further damaged, however, by the publication of the ‘Yoshida letter’, a statement on behalf of Yoshida committing his government to a peace treaty with the Republic of China (ROC). The timing of the letter made Eden vulnerable to opposition attacks in parliament, as it made it appear that he had agreed to its contents (Hosoya 1984, 259). As a result the Conservatives’ political situation deteriorated, as Ruane (2011, 149) summarises:

In parliament, several Labour MPs vented their spleen on Eden for failing to restrain the USA. Already facing opposition charges—unfounded, as it happened—that he and Churchill had bowed to US pressure while in Washington and had secretly agreed to extend the Korean war to China,

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11 Samuel Silverman (Labour), Hansard, 10 March 1953
Eden’s annoyance was due as much to the parliamentary difficulties the letter’s publication made for him as to its actual content. The opposition claimed that ratification in November had been predicated on Japan’s freedom to choose its China destiny and a number of MPs called for the vote to be reconsidered in light of an American ‘double-cross’.

Although the Americans ultimately got their way (the San Francisco Treaty passed the Senate and Japan signed a peace treaty with the ROC) the discord in Anglo-American relations which emerged as a result of the affair “did not soon disappear” (Hosoya 1984, 259).

Case Two: Macmillan’s Government, 1960-1963

Macmillan’s conservatives achieved victory by a substantial margin in the General Election of 8 October 1959, returning to power with a majority of 100 seats. The years of Kennedy and Macmillan are viewed as a time of renewal in the Anglo-American partnership. This is often attributed to Macmillan’s ‘Atlanticism’; but this is to confuse preference with performance. After all, Churchill was a devout Atlanticist, but his administration’s precarious position in Parliament ensured that Atlanticism came at a political cost. For Macmillan this was not a worry. The position of his government was secure, and the threat from the left non-existent, affording Macmillan the opportunity to build bridges with America. There was a remarkable level of coordination between the two countries during this period. What is most important, though conspicuous only by its absence, is the degree of legislative constraint during the period. Macmillan’s position in Parliament was powerful and Labour’s feeble. Thus, although Labour held different views on almost all aspects of foreign policy during the period, they were unable to translate these positions into policy.

Nuclear Testing

The level of coordination between Macmillan and Kennedy was unprecedented in the postwar years. The two leaders consulted frequently, particularly on issues of nuclear cooperation and East-West security, coordinating policy to the greatest extent possible. This close collaboration in nuclear politics was occurring at a time when the Labour party’s defence policy “appeared to be more radical and left-leaning than at any point since the pacifism of the 1930s” (Vickers 2011, 46-47). The party had produced a statement in July 1960 which proposed the abandonment of Britain’s independent nuclear deterrent and its wholesale incorporation into NATO, and there were many in the party who wished to go further and abandon nuclear weapons altogether. The broader party voted at frequent intervals for such ‘pacifist’ and ‘extreme left’ policies, which served to considerably alarm the US government (Macmillan 2012, 417). Finally, Labour had strong links to the individuals and interest-groups involved in actively protesting against Anglo-American nuclear cooperation, which became particularly noticeable during the Holy Loch protests early in 1961 (Lavery 2001, 138-139).
The first meeting between the two leaders took place in June 1961, where the two leaders discussed positions on Laos and Berlin. A month later both leaders issued a joint declaration calling on the USSR to cease all atmospheric tests (Macmillan 2012, 405-408). The USSR ignored this plea, detonating a 30-megaton nuclear device on 24 October 1961. Macmillan immediately arranged a telephone conversation with Kennedy; during this call common statements were agreed and ambassadorial discussions sanctioned. Further joint positions were agreed in the coming weeks before responses were sent to Adenauer and de Gaulle. Both leaders met again in Bermuda at the end of 1961, where the UK offered Christmas Island available for tests, and Kennedy agreed to Macmillan’s initiative to eventually outlaw nuclear testing (Macmillan 2012, 422-429, 436-443). Upon visiting the US in May 1962, Macmillan (2012, 467) summarised the state of Anglo-American relations as follows:

The most striking thing seems to be a greater friendliness to UK than I remember before, pervading every aspect of our relations...The President went out of his way to do me honour....On future policy - Nuclear tests, disarmament, detente with Russia etc., the President is in agreement with us.

Nowhere was this renewed cooperation between the two countries more noticeable than in the negotiations over the Partial Test Ban Treaty, Macmillan’s ‘pet project’, and a resounding success for both administrations. Macmillan and Kennedy coordinated positions right through the negotiations, and when Kennedy finally agreed to soften the American position and accept the compromise words devised by Lord Hailsham, the treaty could proceed (Home 1976, 155).

The Cuban Missile Crisis

The close ties between Macmillan and Kennedy were particularly noticeable during the Cuban missile crisis of October 1962. Kennedy notified Macmillan of the crisis on 21 October, the day before he informed Congress and the public (Rusk 1990, 206). Macmillan responded by promising full support in the Security Council and asking for the US’ legal position in order to help coordinate the UK’s stance. The response also warned Kennedy to avoid trading off anything of undue importance with the Soviets. Macmillan and Home worked out a response to Kennedy’s public proclamation. ‘EXCOM’ minutes from the 22nd demonstrate US approval of Macmillan’s supportive position. On the evening of the 24th, Kennedy bluntly asked Macmillan the ‘64 thousand dollar question’; “Should he take out Cuba?” (Macmillan 2012, 511). Macmillan’s advice to the President was relatively ‘hawkish’ for a European perspective; he accepted the possibility of the US taking over Cuba by

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12 Minutes of meeting between Kennedy and Macmillan, 8 June 1961, Digital National Security Archive
13 ‘The Next Five Years’, Conservative Party General Election Manifesto, 1959
14 Telegram from Macmillan to the Kennedy, 22 October 1962, National Security Archive
15 Minutes of the 507th Meeting of the National Security Council, 22 October 1962, National Security Archive
military action and suggested European opposition would be overcome by the ‘prompt success’ which would follow. More generally Macmillan was chiefly concerned with maintaining alliance unity during the crisis.\textsuperscript{16} It was in this spirit that he sent a personal message to Khrushchev on the 28\textsuperscript{th} demanding the removal of the missiles, a few hours before the Soviet decision came over the radio (Macmillan 2012, 514). Once the crisis had subsided, Kennedy telegraphed Macmillan, stating: “I am grateful for your warm and generous words. Your generous support publicly expressed and our daily conversations have been of inestimable value in these past days”\textsuperscript{17}

The Labour party’s reaction to the crisis strongly suggests that a Labour government would have taken a very different approach. In parliament Macmillan faced a ‘barrage of criticism’ from the Labour benches over his perceived acquiescent attitude towards US demands (Hull 2012, 63). In particular, Labour MPs questioned the legality of the blockade, the lack of consultation, the bellicosity of Soviet intentions, the severity of the US response, and in some cases the very existence of the missiles (DeWeerd 1963, 11-14). It is certainly unlikely that Labour’s sympathy for Cuba could have been accommodated with such close solidarity as witnessed during the missile crisis. A day after being informed of the missiles, and before the public announcement at 7pm, Macmillan showed Gaitskell the documents, reporting that: “He did not take a very robust attitude. He thought his party ‘would not like it’”\textsuperscript{18}

\textit{The Cancellation of ‘Skybolt’}

Immediately after the Cuba crisis was defused, the Skybolt cancellation forced itself onto the Anglo-American agenda. The issue surfaced after the US decided to cancel development of the Skybolt ballistic missile system under-development since the late 1950s. The decision had major consequences for British defence as the UK had based its entire deterrent capability on the Skybolt programme. The problem was summarised in a Department of State memo circulated in late October 1962 (FRUS 1994, 1083):

Two of the Conservative Party’s talking points (which may or may not be valid) are that they have special and superior qualifications, as compared with Labour, for dealing with 1) defence and 2) the Americans. As British defence depends to a unique degree on Skybolt to be manufactured by the Americans its cancellation would be a serious blow to the prestige, both public and private, of Tory competence in these two fields...Whatever our own feelings about the efficacy of the British deterrent, the British could hardly regard our cancelling Skybolt as a friendly gesture.

\textsuperscript{16} Message from Lauris Norstad (USAF) to Kennedy, 24 October 1962, National Security Archive
\textsuperscript{17} Telegram from Kennedy to Macmillan, 28 October 1962, National Security Archive
\textsuperscript{18} Macmillan (2012), p. 509
Though the British were certain the cancellation of Skybolt was a political move, Dean Rusk recalls that the decision was taken primarily on technical grounds, claiming Skybolt “was too expensive, was redundant as a weapons system because of the development of new Polaris and Minuteman missiles, and had failed its test flights” (1990, 238). Following the cancellation the British and Americans agreed to a series of meetings at Nassau in the Bahamas to discuss the future of Anglo-American nuclear cooperation. Background papers prepared by the State Department prior to the meetings stressed the importance of considering the domestic politics of agreement, tying Macmillan’s survival – and with him the renewed Anglo-American partnership – to success at Nassau:

The alternative is a Labor [sic] government which would be equivocal on the subject of EEC, would persist in dangerous illusions regarding East-West relations, would wish to spend more on social welfare and less on defence and would allow the British ship of state either by design or indifference to draft toward the Scandinavian position of part-participant, part-spectator with regard to the Atlantic community. The Prime Minister needs a successful meeting for an immediate reason: political survival. The President needs the meeting as a step toward a distant objective: the creation of the American grand design of an Atlantic partnership.\(^{19}\)

Whether or not the survival of the Conservative government hung in the balance, Macmillan went to Nassau intending to obtain concessions from the US. The UK has eagerly asserted its desire to get its hands on US-made Polaris missiles on previous occasions. These were submarine-based nuclear missiles, far superior to Skybolt, and early predecessors to the Trident system in use today. The UK had not been successful in convincing the US to sell them Polaris missiles, and Kennedy was reluctant to do so for fear of upsetting the US’ other allies, particularly France. Despite caution from advisors, Kennedy agreed at Nassau to offer “appropriate components of Polaris missiles to [the] British on condition that they commit their eventual [Polaris] force to a multinational force through NATO” (FRUS 1994, 1088). Although Kennedy attempted to fully integrate the Polaris sale into the NATO framework, Macmillan insisted that the UK must possess its own ‘independent’ deterrent, and succeeded in persuading Kennedy to afford Britain the absolute right to utilise the weapons outside of the multilateral framework (FRUS 1994, 1091). This was a victory for Macmillan, although for all intents and purposes the weapons were not truly ‘independent’ (Priest 2005, 360).

The presence of disagreements over the Skybolt ‘crisis’ has led commentators to see it as a breakdown in cooperation, but in fact the converse was true. As Keohane argues, cooperation is not synonymous with a harmony of interests, but requires rather than behaviour is modified and brought into line with that of others so as to reach mutually beneficial outcomes (Keohane 1984, 51-53). This is precisely what occurred at Nassau: the US gave concessions to buttress the Conservative

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\(^{19}\) Background Paper, Kennedy-Macmillan Nassau Meeting, 19 December 1962, National Security Archive
government whilst Macmillan accepted the compromise of a semi-independent nuclear deterrent.

The Labour party, for their part, had not been keep on Skybolt from the beginning. Labour MP Jon Rankin criticised the decision to purchase missiles from the US, asking Macmillan “why he confines himself to one supplier? Has he consulted Mr. Khrushchev about whether he could supply a better missile?”. Given both the frequency of their flirtations with unilateralism during this period, and their lack of enthusiasm for the project for the outset, Labour was none too pleased with the deal reached at Nassau either. Frank Allaun, a left-wing Labour MP, chided Macmillan on his return, arguing that Britain could “achieve true greatness only by giving a lead for peace” and asking how “we discourage others from having nuclear arms when we insist on having Polaris and Blue Steel ourselves?”. 

**Case Three: Wilson’s First Government, 1964-1968**

Harold Wilson’s first tenure as prime minister from 1964 to 1970 is interesting because of the shift in electoral support which accompanied the 31st March general election of 1966. Wilson was elected leader of the Labour party in February 1963 following the death of Hugh Gaitskell. He took the reins of power from the Conservatives in 1964 at the 15 October General Election, receiving a slim majority of four seats. His luck was to change at the 31 March General Election of 1966 when his party was returned with a substantial majority of 96. Vickers finds it ‘slightly ironic’ that Wilson’s electoral victory ultimately resulted in problems in the foreign policy field (2011, 76), yet it perfect sense from the point of view of the theory presented here. From 1964 to 1966, though the small majority “constrained Wilson both in party political and policy issues” it also “provided [him] with an excuse for not undertaking radical initiatives in foreign affairs” (Vickers 2011, 58). The predictable result was that relations with the US were surprisingly cordial during this period. As Bartlett has argued, “The difficulties had been less than expected...Anglo-American relations early in the Wilson-Johnson era gave little hint of the extent of the decline that was about to take place” (1992, 108-109). Wilson’s victory in the 1966 election, however, signalled a marked deterioration in his fortunes in foreign policy, to the extent that British standing in Washington plummeted in the winter of 1967-68 (Bartlett 1992, 118). Without a slim majority to quell dissent within the ranks and induce cooperation with the more ‘Atlanticist’ Conservatives, Wilson was caught between a ‘rock and a hard place’ after 1966 in attempting to reconcile the views of the Labour party with the demands of Johnson’s Democrats in the US.

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20 Jon Rankin (Labour), Hansard, 26 April 1960
21 Frank Allaun (Labour), Hansard, 22 January 1963
The Vietnam War

The first example of relatively poor relations is the British position on the Vietnam War, a conflict which escalated during Johnson’s tenure. Johnson wanted two things from the British; public support and troops on the ground. Wilson agreed to the first, but never to the second. The predominant reason for Wilson’s refusal was opposition from within the Labour party, which was angry enough at Wilson’s ‘endorsement’ of the war, and would have entered open rebellion had British troops been committed (Jones 1997, 149). Indeed, Labour party opposition to Wilson’s Vietnam policy was “the cause of more anger amongst [his] usual supporters than any other issue” (Phythian 2007, 59), and Vickers has claimed that Wilson’s political survival would be directly threatened if he sent troops to help the Americans (2008, 49). This was in marked contrast to the attitudes of the Conservative party. Despite the prevalence of “a misleading notion of continuity in Britain’s Indochina policy from...Eden...to Wilson” (Busch 2001, 70), there were substantial differences in the way the Labour and Conservative parties viewed US involvement in Vietnam. Under Macmillan they had supported US involvement with words and more, viewing American actions as primarily defensive and providing assistance through the British Advisory Mission. By doing so, Macmillan’s Conservatives had hoped “to prove [they] were prepared to play [their] part in the cold war struggle in Asia” (Busch 2001, 89).

Before the 1966 election Wilson’s strategy of offering rhetorical support for the US efforts whilst committing no troops appeared to represent a somewhat stable political compromise. After the election, however, domestic political constraints became more of a problem for Wilson. This was neatly demonstrated when, in both 1966 and 1967, the party rejected the government’s policy (on Vietnam) for the first time in history. The issue intensified in May 1966 when the US began bombing Hanoi, a policy which clashed with a threshold set by Wilson in the House of Commons years before, and which – under pressure from telegrams sent by prominent Labour MPs – forced him to publicly admonish the US for the first time (Colman 2003, 138). Wilson’s refusal to share ‘responsibility’ for Vietnam angered Johnson, who went as far as to reject Wilson’s request for a meeting in Washington over the issue, arguing Attlee had only been welcome because there were British troops in Korea at the time (Phythian 2007, 64). According to Colman: “Contact with the White House confirmed that Johnson was, as Bruce put it politely, ‘entirely disdainful of the idea of receiving the Prime Minister’” (2003, 140). Yet Johnson was well aware himself that Wilson’s stance on Vietnam was not entirely of his own making, and criticised the attitudes of the Labour backbenchers for precluding British involvement in the conflict (Phythian 2007, 66).

Withdrawal from ‘East of Suez’

Relations during the period were also exacerbated by the Labour government’s cuts to defence spending and its eventual withdrawal from positions ‘East of Suez’. Britain still retained considerable military bases around the globe in the 1960s, yet these were proving costly for the British economy. Politically, too, the bases were
problematic; the party disapproved of these ‘remnants of empire’ for ideological reasons, and complained at the seeming waste of national economic resources which could instead fund education and welfare provision (Fielding 1999, 638). The Conservatives, on the other hand, did not wish to see Britain’s global role sacrificed to fund a domestic agenda they did not agree with; as Wilson was well aware, “no Labour government could abandon Britain’s imperial commitments without suffering a devastating attack from the right” (Boyle 2003, 44). As one would imagine, the existence of polarised political constraints led to something of a compromise. Wilson announced his intention to initiate a review of defence spending in December 1964 and the completed review was presented to the Commons by Healey on 22 February 1966. The review recommended cuts of over 30% to Britain’s defence expenditures, a position which was “condemned by many within the Labour Party who had hoped for a more far-reaching review that abandoned Britain’s residual imperial role” (Vickers 2011, 74-75).

From 1966 onwards the party-at-large pushed more assertively for Wilson to reaffirm his commitment to Labour’s domestic agenda and to abandon both Britain’s East of Suez commitments and its overly-weighty presence in NATO (Boyle 2003, 43). Later on, in 1968, the shifting balance of power within the cabinet – away from the ‘Great Britain addicts’ – would further entrench the expediency with which the government sought to do away with its legacy of bases in Asia (Dumbrell 2006, 84). The threat of British withdrawal from East of Suez displeased the US, whose embattled position in Vietnam had reminded them of the value of a global British military presence (Dockrill 2002, 220). Washington feared that abandoned British positions could become vacuums waiting to be filled by Communist infiltration. They were accordingly disappointed when, in July 1967, Healey presented a supplementary paper on defence cuts which would not only cut defence expenditures further, but insist upon full withdrawal from East of Suez. Though the US urged in the strongest terms for the UK to retain these positions, their lobbying was unsuccessful. Washington accused the British of ‘betrayal’ (Crossman 1976, 646), but this and other outbursts achieved nothing. Dumbrell argues that: “By February 1968, Rusk was unable to advise [Johnson] to do anything more than ‘reiterate our distress at the UK’s accelerated withdrawal from Southeast Asia and the Persian Gulf’” (Dumbrell 1996, 230). Domestically, though the global retreat understandably displeased Conservative party members, who “had reckoned a British military presence, however small, could be an influence for stability” (Carrington 1988, 218). Yet there was little that they could do to derail the process, being in opposition vis-à-vis a powerful Labour government.

**Sterling Devaluation**

Finally, the British decision to devalue the pound sterling – taken in 1967 – was to have a distinctly negative impact on Anglo-American relations during the period. The government realised soon after its accession to power in 1964 that the state of the British economy was in dire-straits and that it would be costly to retain sterling as the international reserve currency. The US, however, was relying on Britain not to
devalue sterling in order to protect the dollar during a time of acute balance-of-payments problems in the US (Vickers 2011, 62). Wilson’s initial decision to keep the value of the pound at $2.80 proved highly beneficial for the US. So clear were the benefits to America that it is well established an informal ‘deal’ was struck between Wilson and Johnson whereby the US would extend loans to Britain in return for the Labour government following anti-inflationary policies (Dumbrell 2006, 79).

Yet the decision proved too difficult for the Labour government to manage. The refusal to revalue sterling was costing millions of pounds (at end this figure was just over £1 billion). This proved politically disastrous for a government elected on the promise of increasing welfare spending and improving the economic fortunes of the British working classes (Kunz 1999, 215). In addition, once Wilson was returned to power with a large parliamentary majority in 1966 he “no longer saw American aid as politically practical or desirable” (Bartlett 1992, 116). Eventually, this combination of economic drainage and political repercussions forced Chancellor of the Exchequer James Callaghan to announce the devaluation of the pound by 14.3 per cent on 18 November 1967. Washington had offered another deal to fund sterling – in exchange for Britain retaining its East of Suez commitments – in February 1967, but this time Wilson refused to participate (Dumbrell 2006, 83-84). The Americans protested the British decision to revalue but, ultimately, there was little they could do, and they were forced to accept the new reality of increased risks of speculative attacks on the dollar (Kunz 1999, 228-229).

Case Four: Wilson/Callaghan Government, 1974-1976

Wilson’s Labour party acceded to power for a second time at the 28 February General Election in 1974, although the term power is rather misleading in this context. The government was 17 seats short of a majority in Parliament and was concerned most immediately with its political survival. Wilson’s government managed to secure a slim majority of just 3 seats in a General Election called for this single purpose on 11 October 1974, though a series of subsequent by-election losses would over time remove the working majority. There were seemingly good reasons for Republican President Gerald Ford to distrust Wilson. He was from the left-wing of the Labour party (Heppell 2010, 152) and, as Kissinger pointed out, “there is always a fight at the Labour Party Conference for Wilson to keep control and prevent disastrous programs”.22

The Ford administration, however, was well aware that domestic constraints prevented Wilson from enacting policies favoured by the socialist contingent in the Labour party. The government was only able to survive thanks to the support of the Liberals and Conservatives in the division lobbies and to attempt reforms unacceptable to the other parties was deemed a risky strategy (Heseltine 2000, 164-165). Kissinger summed up the US’ position well, arguing that: “They [Labour] are better right now, but over the long pull the Conservatives are better. If Labour gets a

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22 Memorandum of conversation between Ford, Kissinger and Richardson, 27 February 1975, Gerald Ford Papers
hefty majority, we will have more trouble. He'll have a wild left wing..." Labour’s constrained position, its need to ensure cross-party consensus, and the weakened position of its leftist flank all served to ensure that the relationship between Britain and America during the period was cordial. Although it was not, perhaps, as ‘special’ as it had been under Macmillan and Kennedy, it was certainly a positive time for Anglo-American relations. Indeed, Scowcroft went so far as to say in January 1976 that “our relations couldn’t be better”.

_Defence Expenditures_

One area characterised by ideological difference concerned the defence expenditures of the European allies towards the US-led effort to combat the Soviet Union. Wilson’s second government engaged in substantial cuts to British defence expenditure. Roy Mason, the Secretary of State for Defence, outlined the preliminaries of a review into defence spending in December 1974, which suggested that cuts would be required. Further cuts were also announced in June 1975. The Labour party – as it had been in the 1960s – was in favour of reducing defence expenditure. Party conferences in the early 1970s had seen resolutions passed calling for reduced defence expenditure and the abandonment of Polaris and these calls were repeated to the electorate in both manifestos of 1974 (Jones 1987, 113). Labour MPs also called upon Mason to push forward with the defence cuts in spite of Conservative opposition. Though the Heath government of 1970 to 1974 had engaged in substantial spending reduction, it had ensured that defence spending remained intact (Robb 2011, 324), and the Conservative party opposed any further cuts to defence. In fact, there existed a strong faction within the Conservative party which not only opposed the defence cuts, but advocated higher spending on matters of national security. This faction was strengthened by the election of Margaret Thatcher as leader of the Conservative party in February 1975, with her unswerving “black-and-white world-view” based on anti-Communism and the promotion of British interests in a dangerous and anarchic world (Dyson 2009, 39).

The reductions in defence spending, however, were not as severe as either the Treasury had intended or the US had feared. Wilson did not capitulate to Treasury demands for ever higher cuts to the defence budget and the government tried their best to limit the impact of spending cuts on their contribution to NATO, fiddling around with rotations in the Mediterranean throughout 1975 to help meet their commitments. Though cuts did occur, they were not as substantial as those the US had feared would emerge when the review began in 1974 (Robb 2011, 330). Jones attributes this continuity (from Heath to Wilson) to “the slimness of the government’s majority and its reliance on other parties for support during almost the whole of the period” (1987, 113). The government was defeated frequently in

23 Minutes of meeting between Ford, Kissinger and Scowcroft, 14 August 1974, Gerald Ford Papers
24 Conclusions of Cabinet Meeting, 24 July 1975
25 Minutes of meeting between Ford, Scowcroft and Armstrong, 14 January 1976, Gerald Ford Papers
26 Mr Ioan Evans (Labour), Hansard, 9 March 1976
27 Mr Roy Mason (Labour), Hansard, 9 March 1976
the Commons in this period by different alignments of non-government forces (Schwarz 1980, 28); as a result the government had to remain constantly wary of displeasing the opposition lest they decide to block legislation.

The relatively limited cuts to the defence budget induced by the government’s weak position helped ensure that the ‘special relationship’ was not undermined by the whole affair. As Robb has noted “it is remarkable just how little impact that the March 1975 defence review actually had upon Anglo–American co-operation” (2011, 327). The US was not displeased with the cuts, of course, but they did not allow the reduced British contribution to undermine their mutual relationship. Labour’s strategy was largely successful; Haig reported to the President in October that year that Europe was moving in the right direction and that in particular “the Brits are good”. In this manner there was to be no crisis over defence cuts and the ‘special relationship’ withstood what could have otherwise been a nasty storm.

Rise of Communism in Portugal

The rise of the Communist-dominated Armed Forces Movement during the Portuguese ‘Carnation Revolution’ provides another good example of the impact of partisan politics. Predictably, the Labour government in the UK took a pragmatic approach; they were, after all, used to both socialist governments and to the frequent battles within these between communist and moderate-left factions (Callaghan 1987, 360). Callaghan – Foreign Secretary at the time of the crisis – placed his faith in the leader of the Portuguese Socialist Party, Mario Soares. The left-wing of the Labour party, however, disliked Soares, disagreeing with his anti-Communist stance (Morgan 1997, 432-434). Tony Benn, a left-wing member of the Cabinet at the time, decried the ‘Tory majority in the cabinet’ (by which he meant the Labour right-wing) for its support for the Portuguese Socialists, arguing that “Portugal is now undergoing the same experience as we had during the English Civil War, and most of today’s Cabinet would have been on the side of the King!” (Benn 1989, 314-315).

The Conservatives, by way of contrast, fiercely opposed the Communists in the Armed Forces Movement. Conservative MP Peter Morrison asked Callaghan in Parliament why NATO documents were still being supplied to Portugal after the Communists had taken power. (Callaghan responded that the regime had not yet demonstrated any disloyalty to NATO and that it should be given the opportunity to show its commitment). Whilst the Labour government attempted to engage Soares, the Conservatives attempted to establish links with their own ideological compatriots in Portugal, notably those of the centre-right CDS party. Positions on the Portuguese revolution, therefore, followed relatively predictable partisan lines; the left of the Labour party sided with the communists, other Labour members with

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28 Conclusions of Cabinet Meeting, 20 November 1974
29 Memorandum of conversation between Ford and Haig, 14 October 1975, Gerald Ford Papers
30 Mr Peter Morrison (Conservative), Hansard, 6 August 1975
Soares, and the Conservatives with their centre-right Portuguese equivalents. For the US, the spectre of the ‘red menace’ arising within its sphere of influence was distressing, and Kissinger argued that the rise of Communism in Portugal not only precluded the emergence of democracy in that country, but that it would also “vaccinate the rest of Europe” (cf. Morgan 1997, 432).

One can surmise that the Conservatives’ approach of reaching out to the centre-right would have pleased the Americans most. But with Labour in power, the best they could hope to achieve was a strengthening of the social-democratic left at the expense of the Communists. The difference of opinion was highlighted in a meeting in May 1975, where Callaghan stated to Kissinger:32

We haven’t seen eye to eye with you. The AFM is a microcosm of all kinds of opinion and we don’t regard them as beyond redemption, although we too think that things are going badly, as you do. But we don’t want to give up yet. We are still trying to elevate the parties and don’t want to write them off yet…I want to go on struggling and not yet give up.

From the point of view of Anglo-American relations, however, the Labour government was sceptical enough of communism for the US to gain the impression both governments were on the same side. Had the more radical elements of the party been afforded greater voice it is likely the outcome would have been very different. But the left-wing of the party knew that a failure to toe the party line would likely result in a strengthened position for the Conservatives. Given Labour’s precarious majority there was no ‘stick’ available to them to beat the government into supporting the Portuguese Communists.

**IMF Negotiations**

The IMF loan negotiations were of particular importance during the period. They serve as an apt demonstration both of the middle-ground approach of the Labour government and of the positive esteem held by Ford and Kissinger for their ideological opponents. At issue was the poor state of the UK’s economy and the eventual need for the IMF to act as ‘lender of last resort’ and bail out the bankrupt British government. There is no doubting that part of the problem here was the tendency of Labour governments to run up large budget deficits by increasing the level of social spending. Unlike the Conservatives, who were beginning during this time to embrace a form of fiscal conservatism which would later become Thatcher’s policy of ‘monetarism’, Labour was still attempting to balance prudent fiscal policy with commitments to high spending and full employment. Unsurprisingly, when the decision was made to apply for the IMF loan and accept the conditions placed upon it, there was intense ideological opposition from the left of the Labour party, who disagreed not with the need for a loan per se, but insisted that it should be offered without conditions and only with the prior consultation by the government of the

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32 Minutes of a meeting between Wilson, Callaghan, Ford and Kissinger, 30 May 1975, Gerald Ford Papers
broader party and the Trades Union Congress (TUC) (Benn 1989, 662-664). The Conservatives, on the other hand, did not oppose the terms of the loan, arguing instead that it was the high-spending policies of subsequent socialist governments which had necessitated such a desperate move.\footnote{Anonymous member (Conservative), Hansard, 20 December 1976}

Even though the party leadership had realised the necessity of accepting the IMF conditions, there remained something of an ideological rift between the UK and the US, as the Ford administration were less preoccupied with employment and more concerned about balancing the budget in the US. But both Ford and Kissinger realised the important implications of the British need for the loan, even if they disagreed with the policies of the Labour party.\footnote{Memorandum of conversation between Ford and Kissinger, 5 November 1974, Gerald Ford Papers} Although the US realised it was in their interest to impose as harsh economic terms as possible, they worried about going so far as to effectively overthrow Wilson’s government. These feelings were expressed in a telephone conversation between Schmidt and Ford:\footnote{Transcript of telephone conversation between Ford and Schmidt, 23 November 1976, Gerald Ford Papers}

Schmidt: "It is in the economic interest that we impose strong conditions on the British. We should not go so far as to overthrow this government. There is no one else to take the reins and there may be a period of disorder which could affect us all deeply"

Ford: "That is exactly what I told my people"

Schmidt: "So we need to find a point which will do the job but not be politically unacceptable"

Ford: "That is what I think"

Schmidt: "If Callaghan had to resign, that would set us back"

Having both the opportunity to remove the Labour government and an economic incentive to do so, the US realised not only that there were more disruptive forces in British politics for Anglo-American relations that Wilson and Callaghan, but also that relations with the Labour government were working well for both sides.

Conclusion

The cases outlined above conform to the predictions offered in my argument. Though ideologically proximate to the US, Churchill’s government was constrained by the ideologically disparate opposition, and cooperation accordingly suffers. This was not the case for Macmillan, who is able to maintain high levels of cooperation with the US as he is unconstrained by the opposition and – like Churchill – a staunch ‘Atlanticist’. Relations were at a low-ebb during Wilson’s government of the late 1960s, particularly after the 1966 election gave Labour a substantial parliamentary majority, but picked-up noticeably in the mid-1970s when Wilson and Callaghan

\footnote{Memorandum of conversation between Ford and Kissinger, 5 November 1974, Gerald Ford Papers}
\footnote{Transcript of telephone conversation between Ford and Schmidt, 23 November 1976, Gerald Ford Papers}
were forced to govern with substantial constraints on their ability to steer a leftist course in foreign affairs. The outcomes of the cases and the mechanisms identified within show that ideology mattered greatly in postwar British relations with the US, but that its effects were dependent upon the interaction with the level of legislative constraint. As such, it would appear that the ‘postwar consensus’ interpretation of the relationship misses the point; though periods of stronger relations occurred under Labour and weaker ones under the Conservatives, these resulted from domestic party politics rather than a lack of ideological differentiation or the dictates of power politics. In short, it was politics – not personality – which drove variation in Anglo-American relations.

Challenging the prevailing ‘postwar consensus’, whilst of importance in its own right, also has two broader theoretical implications for the study of foreign policy. The first is to stress the importance of party politics in international affairs. The role of parties has long been downplayed in both IR and Foreign Policy Analysis (Cantir and Kaarbo 2012, 14; Putnam 1988, 432; Rathbun 2004, 4), a situation which must be remedied if we are to understand adequately the interplay between international and domestic politics. Moreover, the manner in which we study parties must – as this study has demonstrated – take into account the ways in which the different facets of politics impact upon foreign policy and interact with one another. Secondly, there are implications for the theory-history debate in international studies. IR theorists have monopolised system-level theoretical explanations whilst historians have laboured at describing the politics of alliances over time, meaning the systematic nature of domestic politics in foreign affairs has been lost between theory and history. The results here suggest that much of what historians are studying, and IR theorists are not, is systematic.
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