

Getting our money back

Margaret Thatcher understood the UK had a bad deal out of our EEC/EU membership. At a time when she was battling to get the public finances under control and to get value for money for UK taxpayers, she naturally expected the same of our EU contributions and budgets. She judged the public mood well. Why accept less spending at home if they were wasting so much of our money abroad?

The official government and establishment was shocked by her wish. They did the usual thing of checking with their official continental friends and gleefully reported back that there was no interest in offering the UK a better financial deal, and the UK would be the only state wanting to press the matter. To even raise it was bad taste which would “undermine our position in Europe” or would “marginalise the UK “

Margaret decided to proceed. She said she would threaten to withhold contributions if they did not take the matter seriously and make a concession. This caused even greater official consternation. They pointed out it would be completely illegal to withhold the money. It was owing under our Treaty obligations, enforced by the clear Act of Parliament making us obey the Treaty provisions. If she did so the UK would soon be found guilty by the European Court of Justice which had complete control over us all the time we were members.

She pressed on regardless. To the amazement and consternation of the official advisers the EU took her demands and possible threat seriously. They offered a generous discount on the bad terms we had before. She did not as a result have to carry out her threat to withhold the money. One woman, opposed by the whole EEC and by much of the UK establishment , saved UK taxpayers billions. It shows how will power and not making concessions is essential to a successful negotiation with the EU.