

Trapped in a Loveless Marriage: The Anglo–French Concorde Crisis of 1974

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ABSTRACT

This study examines the involvement of Britain, France, the United States and, to a lesser extent, the EEC in shaping air travel in the late 20th century; it also examines how their actions impacted the worldwide political, economic, and technological landscape over the long term, while focusing particularly on the British perspective. In the two decades following WWII, supersonic transport (SST) was emerging and promised to revolutionize air travel. Britain and France joined forces in a 1962 treaty and embarked upon development of the SST-based Concorde with the goal of taking the lead in international air travel and restoring Europe to its former glory. However, the reins of power changed hands in Britain in 1974—from the Conservative to the Labor party—and the new government had little enthusiasm for the Concorde project, given its huge cost overruns and technical problems, and difficulties in obtaining from the United States favorable landing rights. France, however, did not waver from its dream and was still pushing to continue with the project as originally agreed upon. Like the European monarchs of the past, Britain and France found themselves trapped in a “loveless marriage of convenience,” as set down in the 1962 treaty.

Keywords: Concorde, aircraft industry, industrial policy, supersonic transport (SST)

JEL Classification Numbers: F51, F52

1 Introduction

In the 1960s, the world was emerging from the wreckage of WWII; in Europe, Britain and France led the way. The 1960s and 1970s saw shifts in the international arena in terms of the economy, politics, and technology; one such technology—namely, supersonic transport (SST) technology—was also emerging, and it held the promise of revolutionizing air travel. People living in those two decades would have expected that everyone would be travelling on SST aircraft in the early 21st century.

Britain initially aimed to overtake the United States in the field of aviation technology, even after its disastrous launch of the world’s first jet airliner, the Comet; it persuaded France to join forces in an international treaty in 1962 that

marked the beginning of the development of the Concorde, the Anglo–French supersonic transport aircraft. The Concorde was the European candidate for the next generation of aviation transport. The Concorde was a symbol of European co-operation in the field of advanced technology, and this aircraft promised to hold its own, even against U.S. aircraft developments. The goal of the British and their partner, the French, was to take the lead in international air travel, thereby restoring Europe to its former glory.

However, the Concorde eventually became a source of protracted conflict between Britain and France, and so the project ended up being widely regarded as a failure. The question thus becomes: Why did the revolutionary Concorde not herald the age of SST in aviation? The simple answer is that the Concorde was a project ahead of its time. While the Concorde may have looked great on the drawing board in the late 1950s and early 1960s, the resulting aircraft that rolled off the assembly line in the 1970s were too noisy, too expensive, and required too much fuel in that energy-conscious era.

The British had been the “prime movers” behind this Concorde project and aggressively courted the French to become their partner in 1962. The final irony is that by the time the Concorde was ready to launch in the 1970s, the British were ready to face the stark reality that the Concorde project was doomed to fail; however, the French—whom Britain had actually recruited into the endeavor—refused to halt the project. The French, at that time, still considered the Concorde a symbol of national prestige and an engine of employment; thus, although the British had been the party to initiate and formalize the relationship between Britain and France regarding the Concorde, the French held the power with regard to ending the relationship.

Despite Britain’s desire to cancel the Concorde project, it spent the early 1970s “punting the decision down the road” under the Conservative government lead by Edward Heath, particularly in light of ongoing negotiations vis-à-vis British entry into the European Economic Community (EEC). However, the reins of power had changed hands in Britain in 1974 from the Conservative party to the Labor party, and this new government did not have much enthusiasm for the Concorde project, owing to its huge cost overruns and technical problems, as well as difficulties in obtaining favorable landing rights from its main destination, the United States. Nonetheless, France did not waver from its dream, and continued to push for the continuation of the project as originally set forth in the 1962 treaty. Ultimately, like many of the European monarchs of the past, Britain and France found themselves trapped in a so-called loveless marriage of convenience as set down in the 1962 treaty.

The new Wilson Labor government wanted to cancel the entire Concorde project, even though the aircraft was scheduled to go into service in 1976. Wilson felt that absorbing the cancellation costs was preferable to pouring more funds into an uncertain project, and the British government was desperate to extricate itself from its commitments. However, France under Giscard d’Estaing was not merely unwilling to cancel the project: it actually wanted to *increase* the number

of aircrafts produced, from the original figure of 16 to a total of 19. The two countries sat down at this juncture in 1974 to try to work things out. The 1962 treaty was ultimately modified to reflect Britain's agreement—albeit a reluctant one—to continue with the Concorde project, with the proviso that future production was to be limited. France was thus able to salvage the relationship over the short term, but feelings between the two parties had cooled and were marked by disappointment on both sides. Although SST was finally launched in 1976 and continued for almost three decades until the last Concorde flight in 2003, the seeds of the SST's downfall were actually sown in the 1960s and 1970s.

Another actor that must be considered in this scenario is the United States. Although it was not directly involved in the relationship between Britain and France vis-à-vis the Concorde, the United States kept a watchful eye on the project. The concerns of the U.S. government were that it did not want to lose face in the international arena, with regard to advances in space and aviation technology. Thus, rather than applaud advances achieved within the context of the Concorde project, the United States was more likely to erect roadblocks to its successful launch.

This study examines how the actions of Britain and France as well as the United States and even the EEC helped shape the future of air travel, and how those actions impacted the political, economic, and technological landscape of the world for years to come; in so doing, this study pays particular attention to the British perspective. Other scholars, notably Johnman and Lynch, have analyzed the signing process of the Anglo–French 1962 treaty drafted to develop a supersonic airliner and make two conclusions: one, that for the British, cancellation would cost more than would continuing the project, and two, that technological and political motives had supplanted economic arguments.¹

However, an examination of the historical record reveals that the continuation of the project was actually more costly to Britain than paying the cancellation penalty to France would have been. This conclusion is based on an analysis of negotiations in the 1970s. The conditions of the Concorde project were initially set down in a 1962 treaty, and any attempt to break the conditions of this international treaty would have seemed to have greater implications than those relating to the dissolution of a mere business arrangement. The British, however, decided that the terms of the original treaty did not absolutely bind it to the project, which they considered a lost cause; thus, they embarked upon negotiations in the 1970s to obtain a “divorce” settlement. The French were not so willing to see the project in this new light, and thus the British government was unable to negotiate a clean split from France and the Concorde. Instead, the British did its best to lessen its obligations to the Concorde. The end result was that the Concorde project limped into the next century with Britain and France having to put on a good face to the world, outside its “loveless marriage.”

¹ Johnman, L. and Lynch, Frances, M.B. (2002) “A treaty too far? Britain, France, and Concorde, 1961–1964,” *Twentieth Century British History*, Vol. 13, No. 3, 2002.

2 International Politics Surrounding Supersonic Transport Technology

2.1 British Ambitions in the International Civil Aircraft Market

The British took great pride in introducing the world's first commercial jet aircraft, the Comet, to the market in the early 1950s; this seemingly cemented their position as the undisputed leader in the field of civil aviation. This pride quickly turned to horror when approximately one-third of the Comet fleet was involved in a series of fatal accidents. Britain launched one of the first and most extensive accident investigations, whereupon metal fatigue was determined to be a major factor in these accidents.

The demise of the Comet greatly wounded the pride of the British and was viewed as a huge setback in their goal of achieving and maintaining leadership in the worldwide field of civil aviation. The U.S. companies of Boeing and Douglas had moved to the top of the civil aviation market, and the Macmillan Conservative government countered by funding a few select British companies, including the British Aircraft Corporation, with the objective of re-entering the civil aviation market by concentrating public and private monies.²

At around the same time—and despite setbacks with their own conventional aircraft—the British then started to turn their attention to an even more challenging and forward-thinking project in November 1956: SST.³ Even as the British jockeyed for the sole lead in civil aviation, they realized they could not embark upon an SST project alone: they needed a partner. Britain had initially hoped to work with the United States, and so it approached the U.S. government in 1959 with a plan to collaborate on SST development.⁴ Prime Minister Harold Macmillan even went so far as to authorize at a Cabinet meeting in July 1960 design studies for a Mach 2.2 supersonic airliner.⁵ The United States, however, had set its sights on producing a much more ambitious Mach 3 SST; it was also much more inclined toward “going it alone” with an all-American project. The British courtship of the Americans thus ended in vain.⁶

²Simon, G. (2012) *Concorde Conspiracy: The Battle for American Skies 1962–77*. The History Press, Gloucestershire, p. 19.

³Johnman, L. and Lynch, Frances, M.B. (2002), “A treaty too far? Britain, France, and Concorde, 1961–1964,” *Twentieth Century British History*, Vol. 13, No. 3, 2002, p. 255.

⁴Owen, K. (1997) *Concorde and the Americans*. Smithsonian, Washington and London, p. 19; Simon, G. (2012), *Concorde Conspiracy*, p. 21.

⁵The National Archives, Kew (hereafter TNA), CAB128/34, CC (60)44th Conclusions, July 21, 1960.

⁶Simon, G. (2012) *Concorde Conspiracy*, p. 57.

2.2 Anglo–French 1962 Treaty Establishing the Concorde Project

The British, however, were still intent on producing SST, and so they approached the French in 1962. However, Eugene Black, the former American president of the World Bank, tried to persuade the British via their new Minister of Aviation, Julian Amery, not to embark on SST development. Despite this pressure, Britain and France decided to move ahead with an SST project. However, they took the extra step of protecting themselves and their interests by formalizing the commercial agreement via an international treaty. The treaty was signed in 1962, creating a legal basis for Anglo–French SST development; it also added a further layer of protection from American diplomatic pressure, via its registration with the United Nations.⁷

This treaty marked the official start of the Anglo–French Concorde project. While the original objective of this treaty was to provide protection for Britain and France from outside pressure—specifically, the United States—the treaty ended up trapping both of them—and in particular, the British—in ways that a typical commercial contract would not. A glaring omission was the absence of a provision expressly permitting either party to withdraw from the Concorde project.

2.3 International Politics Surrounding Supersonic Transport Technology in the Post-Treaty Period

The time between the signing of the 1962 treaty and the 1970s was a period of great importance with regard to the future of SST. The British and French had taken the lead, at least on paper, with the 1962 treaty. Pan Am, the leading U.S. airline, was actually considering in the spring of 1963 placing an order for multiple Concorde. The United States, however, wanted to win not only the space race, but also the “war” of the skies closer to home. U.S. President Kennedy was determined not to lose to anyone, let alone his arch-rival, French President De Gaulle. He subsequently committed the United States to an SST program in June 1963, with the goal of maintaining U.S. international technological superiority. The program itself was to be financed with both public and private funds.⁸

After the Kennedy assassination in November 1963, U.S. President Johnson formed the President’s Advisory Committee on Supersonic Transport (PAC-SST),

⁷Costello, J. and Hughes, T. (1976) *The Concorde Conspiracy: The International Race for the SST*. Charles Scribner’s Sons, New York, p. 49.

⁸Simon, G. (2012) *Concorde Conspiracy*, pp. 63–64.

chaired by U.S. Secretary of Defense Robert McNamara.⁹ Contenders for the American SST contract were the Boeing 2707 and the Lockheed L-2000, with Boeing eventually being selected in December 1966.¹⁰

On the other side of the Atlantic, the first prototype of the Concorde finally rolled off the assembly line in December 1967. The British and French national airlines, British Airways and Air France, immediately picked up options for purchase, along with leading American and world airlines such as Pan Am, Continental, American, Air India, Japan Airlines, Sabena, and Lufthansa. These options reached a total of 74, but concurrently, Boeing had picked up an impressive 122 options.¹¹

Despite the apparent progress and potential success of the Concorde, however, differences began to arise between the governments of Britain and France toward the end of 1969. Anthony Wedgewood Benn, British Minister of Technology, and Jean Chamant, French Minister of Transport, had exchanged correspondence in September 1968 expressly stating the Concorde project must be judged in terms of its commercial prospects. Differences arose, however, at the end of 1969 between the two governments as to interpretations to be applied to the correspondence. Britain thought that if the Concorde proved to be economically unsustainable, the project should be cancelled. In contrast, the French wanted to proceed with the Concorde project, regardless of cost projections. These differences remained unresolved at this point.¹²

2.4 “If We Can’t Do It, Neither Can You”

The United States, however, was becoming unequivocally negative in its attitude toward SST. Opposition grew at both the state and national levels to the U.S. funding of SST, due in large part to serious environmental concerns. Congress thus voted on March 24, 1971 against U.S. government funding of SST; this vote signaled the end of Boeing SST.¹³ The United States also pressed Britain to cancel Concorde following the cancellation of American SST, not only on account of environmental issues associated with SST, but also to “save face” on the international front.¹⁴

⁹Simon, G. (2012) *Concorde Conspiracy*, pp. 70–71.

¹⁰Lynn, M. (1998) *Bird of Prey: The War between Boeing and Airbus*. Four Walls Eight Windows, New York, pp. 73–74.

¹¹Lynn, M. (1998) *Bird of Prey*, p. 76.

¹²TNA, CAB129/150, CP (70)17, July 17, 1970, “Concorde: the legal position in July 1970.”

¹³Lynn, M. (1998) *Bird of Prey*, pp. 78–79; Simon, G. (2012) *Concorde Conspiracy*, p. 91.

¹⁴Simon, G. (2012) *Concorde Conspiracy*, p. 91.

3 Decision of the Heath Conservative Government to Continue the Concorde in 1971

The British government went back and forth in the 1970s, between the Labor and Conservative parties. These changes in government, quite naturally, had an impact on the stance of the British throughout the life of the Concorde project. The Heath Conservative government, however, was in power during most of the negotiations of the early 1970s vis-à-vis the future of the Concorde project.

The circumstances surrounding SST changed considerably in the early 1970s, particularly in three areas. A memorandum to Prime Minister Harold Wilson dated June 25, 1974 summed up the issues with which British government was faced in the first few years of the 1970s. This memorandum listed environmental concerns, the recent introduction of wide-bodied jets, and the emerging energy crisis as nearly insurmountable obstacles to the introduction of the Concorde. The environmental concerns were a particular challenge, because the Concorde had no hope of meeting U.S. environmental protection standards for residential areas, which were already in place at the time. The U.S. government at both the state and national levels also showed no inclination to weaken these standards or make an exception for the Concorde. Thus, the need to meet these standards would make the Concorde project a nonstarter of sorts.¹⁵

The British were therefore faced with a dilemma in the summer of 1970. Two equally unpalatable choices were discussed in the Cabinet meeting held on July 28, 1970. The British government, simply put, could choose either to unilaterally withdraw from, or continue to participate in, the increasingly risky Concorde project. The drawbacks to the unilateral withdrawal option included irreparably damage to each of the Anglo–French relationship, the international position of the British aerospace industry, and Britain’s national prestige at large. Peter Rawlinson, the British attorney-general, also brought up the possibility of Britain being brought before the International Court and ending up on the hook for damages ranging anywhere from GBP40 million to GBP230 million.¹⁶

An additional Cabinet meeting was held on July 30, 1970 to discuss the cancellation of the Concorde project. The only concrete result of this meeting was an agreement between Heath and the Cabinet to postpone any decision on the matter until after the end of the summer. Everyone agreed to take up the issue again, with September 1970 set as the target date.¹⁷

As September rolled around, the implications of the two options, unilateral withdrawal or continued participation, were becoming increasingly clear. Burke Trend, the secretary of the Cabinet, clarified the implications in a memorandum dated September 10, 1970, which stated that even if all current expenditures

¹⁵TNA, PREM16/2, “Concorde.”

¹⁶TNA, CAB128/47, CM (70)9th Conclusions, July 28, 1970.

¹⁷TNA, CAB128/47, CM (70)11th Conclusions, July 30, 1970.

were written off, any reasonable evaluation indicated that any future expenditure would also need to be considered losses, even when taking into consideration the most favorable assumptions. The discussion revolved around the issue of continuing to support a project that was no longer economically feasible, even in the face of political considerations.¹⁸

Despite this bleak economic future for the Concorde, Heath stated during a September Cabinet meeting that the project would continue at least until test results were received in March 1971. The government could then reconsider its position, based on the results of upcoming flight tests and the subsequent reaction of airlines to these results. Heath and the rest of the Cabinet were now completely aware that the Concorde project had no chance of becoming a profitable enterprise. Nonetheless, Britain's unilateral withdrawal from the project would have serious negative consequences on the country's relationship with France. France still held out hope that the project would be a success, and was making it a high priority. However, everyone in the British government realized that regardless of the outcome of these tests, the reality was that the Concorde project had become a proverbial "money pit."

This decision would require the British to continue to fund a project about which they had grave doubts. Doing so would mean, however, that ongoing discussions related to Britain's entry to the EEC would not be adversely affected by a damaged Anglo–French relationship, and that in the short term, issues related to British liability in pulling out of what had become the biggest commercial high-tech project in Europe could be avoided.¹⁹ Many of these problems could be traced back to the 1962 treaty, which inextricably linked the futures of Britain and France; Britain therefore decided to use the time until the tests were completed to plot an exit strategy.²⁰

Unfortunately, little had changed for the British by the time March 1971 rolled around. The options remained the same, as Frederick Corfield, Minister of Aviation Supply, noted in a Cabinet meeting on March 18, 1971, which was held just before Jean Chamant, French Minister of Transport, visited London on March 29. The discussion focused on what the British government's position should be in the upcoming meeting with Chamant. The first option, once again, was for Britain to inform France that the British government wished to withdraw from the agreement; this withdrawal, however, meant that Britain could be brought before the International Court. The second option was to tell Chamant that a firm decision should be postponed until all the facts were available on technical matters such as payload and noise level—information that would presumably derive a clearer picture of the Concorde's commercial prospects.

¹⁸TNA, CAB129/151, CP (70)40, "Concorde," Note by the Secretary of the Cabinet, September 10, 1970.

¹⁹TNA, CAB128/47, CM (70)9th Conclusions, July 28, 1970.

²⁰TNA, CAB128/47, CM (70)19th Conclusions, September 17, 1970.

Heath rejected the idea of outright cancellation, because he absolutely did not want to go before the International Court. Thus, Heath felt that the second option was the only viable option.²¹ However, it was clear to the British government that its opinion vis-à-vis the Concorde—that is to say, that it was not an economically viable project—would not change with time.

Indeed, Heath's position and the attitude of the British government as a whole had remained unchanged by the time of the next important meeting between the British and the French on December 7, 1971, between Minister of Aerospace Frederick Corfield and French Minister of Transport Chamant. Heath decided to bring an end to the back-and-forth between the options of unilateral withdrawal and what was becoming a seemingly endless series of reviews. Instead, Heath and the Cabinet decided, in large part due to political considerations, to express their wholehearted support for the Concorde project. The British did, however, draw the line at committing to further technological development of the Concorde beyond the original agreement, particularly to the development of a "stretched" version of the Concorde, for which France was pushing.²²

The year 1971 thus drew to a close with Britain grudgingly accepting the fact that the Concorde project could not be halted. The end result was that the short-term future of the Concorde was assured, the French were placated, and the Concorde project would not become an issue that could obstruct Britain's entry into the EEC.

4 The Anglo-French Concorde Crisis of 1974

4.1 Build up to the 1974 Crisis

The next year, 1972, was uneventful; there was little movement on either side of the Concorde issue. A huge crisis, however, was triggered on January 31, 1973, when PanAm announced that it would not exercise its options on the Concorde. Other airlines quickly followed suit with similar announcements, and soon only the national airlines of Britain and France, BOAC and Air France, had made firm commitments to purchase the Concorde.

This flurry of cancellations further diminished the economic viability of the Concorde. The British were quick to recognize the hopelessness of the situation, but the French response to this dire situation was strikingly different. The British Foreign Office determined that French President Pompidou was unwavering in his support of the Concorde. Pompidou felt that cancellation of the project would be damaging to the prestige of both France as a nation

²¹TNA, CAB129/156/6, CP (71)31, "Concorde," Memorandum by the Minister of Aviation Supply, March 15, 1971; TNA, CAB128/49/15, CM (71)15th Conclusions, March 18, 1971.

²²TNA, CAB128/49/61, CM (71)61st Conclusions, December 2, 1971.

and him as an individual. The Concorde project was a symbol of great national pride in France, in contrast to Britain, which felt it was much more of a headache. The French government also did not consider the current state of affairs, including the energy crisis of the time, as requiring any review of the status of the Concorde. The immediate concerns of the French were more closely related to employment in the Toulouse area where the French aerospace industry was located,²³ and to maintaining their perceived position as an international leader in advanced technology, independent of the United States. Cancellation would be viewed by the French as capitulation to American pressure, and any such submission was completely unacceptable to France.²⁴

The British government again changed hands in early 1974 from the Heath Conservative party to the Wilson Labor party. Although the Wilson government thought that cancellation of the Concorde project was inevitable, it also recognized that a review of the project was necessary before a final decision could be made. The issue of cancellation was discussed at a Cabinet meeting held on March 21, 1974.²⁵ The meeting revolved around the same choices that the Conservative government had faced at the beginning of the 1970s: to unilaterally withdraw, or to continue with a project that was not economically self-sustaining. While Secretary of State for Industry Anthony Wedgewood Benn wanted to put off a final Cabinet decision on the future of Concorde and reminded everyone of the legal risks to which Britain would expose itself by unilaterally withdrawing from an international treaty, Chancellor of the Exchequer Denis Healey contended that the economic case for cancellation was overwhelming. Healey told the attendees that huge losses were going to be incurred on the production, sale, and operation of the Concorde if the project moved forward, while cancellation would have only a modest impact on employment within the aviation industry. Lord Chancellor Frederick Elwyn-Jones emphasized the enormous political fallout that Britain would suffer as a result of unilateral withdrawal, and he would not recommend such a course.

While Wilson felt that the consensus of the Cabinet was leaning toward cancellation, both he and the Cabinet felt that the time was not right to make such a momentous decision that would have far-reaching repercussions. The social, industrial, and regional implications all needed to be closely studied, along with the impact on the British aircraft industry, before any decision was made. Thus, as the Heath government had done, a final decision was postponed, pending further review.

As a first step in this further review, a final report by the Official Group on the Concorde was released on April 24, 1974. This report stated that it had examined the effects that a decision to cancel involvement in the Concorde would have on the size and shape of the British aircraft industry. The Official

²³TNA, FCO33/2451, January 21, 1974.

²⁴TNA, FCO33/2451, “Future of Concorde—Elements in the French Position,” February 6, 1974.

²⁵TNA, CAB128/54/5, CC (74)5th Conclusions, March 21, 1974.

Group concluded that the Concorde program was only a small part of the country's overall aircraft industry, which already had a substantial amount of work, and so it would be largely unaffected by the cancellation of the Concorde.²⁶

4.2 Cancellation, with French Consent: Cabinet Meeting of May 23, 1974

The British had spent the greater part of the 1970s up to this point wanting to unilaterally withdraw from the Concorde project. They had realized, however, that even though the Concorde was an economically unfeasible project, unilateral withdrawal was equally unfeasible. An idea did start to take shape that would allow the British government to staunch the hemorrhaging of funds, while simultaneously allowing the French to present the Concorde project as an ongoing symbol of national pride. Lord Chancellor Elwyn-Jones, also the chairman of the Official Group, discussed in a memorandum dated May 21, 1974 the idea of capping the project at those Concordes that were already in existence. A total of 16 aircraft had been or were being produced at this time, of which two were reserved for in-house testing, four were going to France, and five were going to Britain, for a total of 11 aircraft. That left five very large and very expensive Concordes with no potential purchasers.

The British government still had to acknowledge that despite this gloomy situation, the French would probably still not entertain the idea of outright cancellation; in reality, the French actually wanted to build an additional three aircraft, creating a surplus of eight unwanted aircrafts. An additional issue that colored the attitude of the British was the recognition that losses would continue even after an aircraft was in operation. British Airways had estimated that they would incur operating losses of GBP110 million over 10 years. The marketability of a product is going to definitely be diminished if the potential buyer is virtually guaranteed to incur losses. Thus, the remaining and/or any future Concordes were likely to become proverbial "white elephants."

Discussions among members of the British government focused, at this juncture, on trying to identify any reason for cancellation that the French could agree to and still "save face." Wilson wanted to work with the current French government and avoid needing to start negotiations anew with the next government. Elwyn-Jones raised the issue of landing rights at New York, Tokyo, and Sydney: the British could make the argument that not only was the production of the Concorde unprofitable, but that those Concordes already in operation would have no place to land. Wilson and the Cabinet agreed that cancellation

²⁶CAB130/735, MISC18 (74)22, Official Group on Concorde: Aircraft Industry, Final Report of the Group, April 24, 1974.

with the consent of the French Government was the best option. However, if the consent of the French could not be obtained, once again, the only remaining option seemed to be unilateral withdrawal. However, the negative implications of unilateral withdrawal could not be ignored, and discussions moved toward the reluctant agreement of the British to complete the program and build 16 aircraft.²⁷

4.3 The Wilson–Chirac Discussion in Brussels on June 26, 1974, and Its Aftermath

British Prime Minister Harold Wilson and French Prime Minister Jacques Chirac met on June 26, 1974 to discuss the Concorde project. Despite the desire of the British to cancel or freeze the project, Chirac made it clear that the French wanted to produce three additional Concorde, for economic, technical, and political reasons. Wilson, in turn, made it equally clear that it was the position of his government that the Concorde was economically unsustainable and that further advances in technology would not materially change its economic prospects. The meeting ended with a remarkably blunt question by Wilson to Chirac: if the British aviation minister asked his French counterpart to abandon the Concorde project, what would his answer be? Chirac was equally blunt in his reply: No!²⁸

In a meeting held on June 27, 1974, Wilson reported back to his Cabinet on the uncompromising stance of Chirac. The British prime minister did note that Chirac had stated that the final decision rested with French President Giscard d'Estaing, but Wilson said that the clear message was that any attempt to cancel the project would be overwhelmingly rejected by the French government. The British government, as a whole, thus grudgingly acknowledged that complete cancellation through unilateral withdrawal was no longer a viable option. The discussion and energies of the government turned to how to finally persuade the French to freeze production at 16 aircraft, and to establish measures that would protect the financial interests of the British and cap their liabilities.²⁹

Elwyn-Jones, in his role as lord chancellor, produced a memorandum outlining the events to that point and the options available to the British government. He noted that French President Giscard d'Estaing would almost certainly not entertain any notion of cancellation; on the contrary: the French were pushing for the production of three additional aircraft (nos. 17–19) and wanted to expand the technical specifications of the Concorde to make it lighter and

²⁷TNA, CAB128/54/17, CC (74)17th Conclusions, May 23, 1974.

²⁸TNA, PREM16/2, R.T. Armstrong to Sir John Hunt.

²⁹TNA, CAB128/54/21, CC (74)21st Conclusions, June 27, 1974.

thus have an expanded range. The objective of the British in the upcoming meeting scheduled between Wilson and Giscard d'Estaing was to submit to the continuation of the agreed-upon 16 aircrafts, but no more, and obtain the agreement of the French on this matter. A further and new objective was to secure agreement, in principle, to the drafting of a new agreement that would take fully into account the situation that had developed and provide for any necessary modifications to the 1962 treaty.

This memorandum marks a turning point in the Concorde's history. The British, finally, were firmly broaching the idea of, if not a divorce, at least a legal separation. This "separation agreement" worked to clarify that neither party had any financial obligations to the other, beyond the original 16 aircraft, and to explicitly put down on paper the right of either party to refuse to authorize further production—a right which had been only implied in the 1962 treaty. The memorandum did leave the door open to further discussions and the possible resumption of production, should new and unforeseen circumstances arise, but again it would require the agreement of both parties.³⁰

5 Discussions between Wilson and Giscard d'Estaing on July 19, 1974

Wilson and Giscard d'Estaing met on July 19, 1974 in Paris, to work out an agreement. As with many separation agreements, the French seemed to hold out hope that the British could be persuaded to stay in this relationship that had been more than a decade in the making.³¹ Giscard d'Estaing even privately spoke with the British prime minister about settling on and actually speeding up production. The British government had finally decided to stop dithering with reviews and half-hearted commitments: Wilson made it clear that Britain would honor its original agreement for 16 aircraft, but no more than that. The French also finally recognized that the relationship between the two countries, as set forth in the 1962 treaty, was coming to an end.

By the end of 1974, Britain and France exchanged notes that outlined a position that neither party fully supported, but to which both parties were resigned. Thus, the Concorde project, which was launched to such great fanfare, national pride, and hope for the future, came to an end with a whimper. This revised agreement between the British and the French also brought the age of SST to an end.

³⁰TNA, CAB129/177/22, C (74)72nd Conclusions, "Concorde," Note by the Lord Chancellor, July 12, 1974.

³¹TNA, PREM16/296, Record of a meeting between the prime minister and the president of France held at the Élysée Palace in Paris on July 19, 1974 at 11:45 am.

6 Conclusion

The Concorde was a symbol of an Anglo–French partnership and Europe’s technological superiority over the United States. However, following Pan Am’s refusal to exercise its options for the Concorde in January 1973, this project became a burden to both Britain and France. While the French seemed passionately determined to ignore the reality of the situation, the seemingly cooler and more measured British eventually prevailed in extricating themselves from what had become a “loveless marriage.”