



Foreign and Commonwealth Office

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21 January 1983

John Coles Esq
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Prime Minister

MC

A.S.C. 24/1

Dear John,

BRITAIN IN THE EUROPEAN COMMUNITY: A POSITIVE APPROACH

Mr Hurd thought his colleagues would wish to see the attached booklet, 'Britain in the European Community: A Positive Approach'. Many of them contributed to the draft, and passages from their speeches have been directly quoted. The Foreign and Commonwealth Secretary will launch the booklet at a press conference in the margins of the Foreign Affairs Council in Brussels on 24 January.

As the Foreign and Commonwealth Secretary explains in his foreword, the booklet pulls together Britain's practical and constructive proposals over a range of Community business. It is intended both to influence the development policy in Brussels, and also to convince our Community partners that Britain is a full, committed and imaginative Community member. We hope too that it may have some impact on public opinion in this country.

The booklet is also available in German, French, Italian and Dutch. Further copies can be obtained directly from the COI (tel 928-2345 extension 400).

Yours ever

Mike Connor

PP

S M J Lamport
Private Secretary to
Mr Hurd

Britain in the European Community:

POSITIVE APPROACH

'Ours is a positive approach to Europe'

(Margaret Thatcher, Prime Minister, Harrogate, 27 March 1982)

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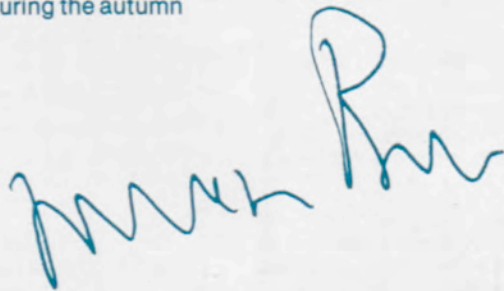
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Foreword

“It is now ten years since Britain joined the European Community. They have not been easy years for Britain, for Europe or for the world. The anniversary provides a good moment to take stock of where we stand as a Community, and where we are going.

In an effort to sharpen the debate and to accelerate progress, my colleagues and I have been sharing our ideas with our Community partners in a series of speeches delivered in leading Community cities during the autumn of 1982.

Of course no member state has a monopoly of wisdom, and our priorities will not always be those of others. It is for the Commission to seek a synthesis of the Community interest. But we in Britain thought it might be helpful to step back from our daily preoccupations with the details of Community affairs and to consider our objectives over the whole range of policy in a coherent and constructive way.”



Francis Pym,
Foreign and Commonwealth Secretary

Character of the Community – the British Approach

“The European Community is a unique undertaking, and it has been uniquely successful in achieving many of the goals of its founders. It is a bastion of stability and shared democratic values in a volatile world; the largest trading unit in the world; and the largest aid donor. We have much to be proud of.”

(Margaret Thatcher,
Prime Minister, interview with
Le Figaro, 6 November 1982)

“European unity is not a luxury, it is a necessity. We have our differences, divergent interests, hard bargained disagreements. But there is surely one lesson for us all. We work together or we perish.”

(Lord Hailsham,
Lord Chancellor, Speech at Reception
in honour of Mme Veil, President of the
European Parliament,
6 November 1981)

“The basis of the Community is sound and we must keep our nerve. Our task must be to defend the achievements of the past, and build on them by working effectively within the Community we have, further extending, developing and adapting it to changing circumstances.”

(Francis Pym,
Foreign and Commonwealth
Secretary, Churchill Memorial Lecture,
Luxembourg, 25 October 1982)

“No more than a glance is needed at the pages of history to confirm the magnitude of the achievement.”

(Sir Geoffrey Howe,
Chancellor of the Exchequer,
The Hague, 3 June 1981)

“Europe's future is a noble cause to work for, and it is every politician's duty to convey some of the inspiration that the task will require. But rhetoric is not enough. What Europe requires is a sense of purpose and a programme of work.”

(Lord Carrington,
Hamburg, 17 November 1980)

“Britain is a committed member because of the hope the Community offers for Europe's future, as well as its present. And we want to work to accelerate the Community's development, to allow it to play the great role of which it is capable.”

(Michael Heseltine,
Secretary of State for the Environment,
Antwerp, 3 November 1982)

“We are, in short, very fully integrated into the Community, and we are keen to develop it further. More needs to be done on regional and social policies to help those who are suffering most from the recession; we do not yet have major common policies in the industrial field; more can surely be done to build on the agreed basic principles for the development of an energy strategy; the internal common market is still far from complete, especially in the services sector; and we need to exploit more fully the economies of scale it offers if we are to compete effectively with the United States and Japan. We in Britain are determined to see the Community develop in these and other ways.”

(Francis Pym,
Foreign and Commonwealth
Secretary, Copenhagen,
10 September 1982)

The Common Commercial Policy

- The Community is the world's largest trading unit. It exercises an influence on the terms governing world trade far greater than any member state could exert on its own.
- This influence must be directed towards the treaty objective of contributing to the progressive abolition of restrictions on international trade on a basis of reciprocity and mutual advantage.
- A concerted Community approach is needed during the present difficult circumstances if we are fully to discharge this responsibility, and prevent a retreat into protectionist policies which would do untold damage to Europe and to the world.
- The Community cannot, however, be indifferent to genuine difficulties facing individual domestic industries. Prompt action must be taken to deal with unfair competition and disruptive surges of imports by anti-dumping action and safeguard measures where these are in full conformity with our international obligations.
- We need to develop a more effective Community approach to third countries which maintain unfair and unnecessary trade barriers against us. A sustained effort is needed to bring all our trading partners fully into the GATT system with a balance between rights and responsibilities.

“It is important that the European Community, which accounts for a higher proportion of world trade than the US and Japan put together, should use its formidable trading power on the side of economic liberalism.”

(Lord Cockfield, Secretary of State for Trade, article in Elsevier, 13 November 1982)

“At this difficult time with the clouds of world recession hanging over us all, with a clear threat to the very existence of the open trading system which has served us so well in the past, the European Community has a crucial role to play. We must continue to work for the elimination of trade barriers at home in the internal market and abroad in the world outside. We must make it clear to our fellow countrymen that the open trading system is not something just to be enjoyed in the years of expansion, that it is important, perhaps even more important, to strengthen it in difficult times. We must stress that it benefits not only those whose jobs depend on exports but all of us as consumers. We should state fearlessly that the role of the Community and its institutions is at the heart of this debate.”

(Peter Rees, Minister for Trade, Bremen, 16 November 1982)

Transport and Open Frontiers

- Britain is working to accelerate the development of a Community Transport Policy.
- The EEC Treaty commits us to free movement of goods and people. The Community should redouble its efforts to achieve these goals, which are central to the European ideal. In particular:
 - The free movement of goods vehicles is restricted by quota and permit systems. The British aim here is for progressive relaxation;
 - There is scope for greatly increased cooperation over international rail traffic;
 - Airlines are over-regulated and air fares are too little determined by market forces. There is need for substantial liberalisation;
 - Frontier checks are far too cumbersome, and inhibit trade. They should be simplified or, where possible, abolished;
 - Internal trade is delayed by collection of VAT at ports of entry. A system of deferred payments would help.
- Britain supports the idea of a Community Transport Infrastructure Fund, which should be concentrated on those roads, railways, ports and airports that form Europe's international arteries.

- In shipping we must develop a joint Community approach to the protectionist policies of some developing countries. These policies could seriously damage the European shipping industry. Moreover, by making liner shipping more expensive, they would have serious consequences for the Community's overseas trade.

“Coordinated opening hours and corresponding customs posts, shorter waiting times, express roads for transit traffic all offer obvious benefits to traders and therefore to Europe as a whole. The aim towards which we must all work is the free-est possible flow of trade.”

(Peter Rees, Minister for Trade, Bremen, 16 November 1982)

“We see great merit in the Community becoming more deeply involved, where appropriate, in wider transport issues. There are occasions, undoubtedly, when a concerted Community view carries more weight than can any single member.”

(David Howell, Secretary of State for Transport, Rotterdam, 8 December 1982)

“For air transport the United Kingdom is convinced of the need for sensible and moderate liberalisation, to serve the business needs of Europe, to help develop the Community's regions, and to bring about the free movement and integration of its people. We want liberalisation of the present European fare structure.”

(David Howell, Secretary of State for Transport, Rotterdam, 8 December 1982)

“It is in all our interests that trade should flow freely. Free movement and fair competition within the transport sector are essential if the internal market is to be securely established.”

(David Howell, Secretary of State for Transport, Rotterdam, 8 December 1982)

“It is high time that the movement of road traffic was liberalised, for it is absurd that goods can move more freely than the vehicles carrying them.”

(Douglas Hurd, Minister of State at the Foreign and Commonwealth Office, Brussels, 20 September 1982)

The Internal Market and Industry

- An integrated home market, in which both goods and services flow freely, is a fundamental Community principle which we have yet to put into full effect. Britain believes it is vital to make a concerted effort to do so. A genuinely free internal market will give industry a competitive edge from which we will all benefit.
- To this end the Council of Ministers should hold a special session early in 1983 devoted to clearing the logjam of blocked internal market proposals, and to charting a course for the future.
- The Community must work to reduce existing barriers to trade in goods, whether caused by differing technical standards or red tape at the customs. And we must ensure that no new ones are created.
- Decisive action is needed to remove barriers to trade in services. For example, European firms should be free to buy the insurances which suit them best, and air services should be liberalised, with fares related more closely to costs. Progress here has been disappointingly slow.
- The Community needs a common framework within which industries can compete freely. This requires, for example, a consensus on Company Law and consumer protection; and common policies on the movement of goods between Community countries.
- We must all respect the rules laid down in the Treaty governing trade within the Community and should support the Commission's efforts to apply these rules. In particular, Britain wants to see the full application of rules on state aids, so as to eliminate the distortion of competition.
- Divisive protective measures have no place in our Community.

“Free trade within the Community is a basic right of all members of the Community.”

*(Lord Cockfield,
Secretary of State for Trade, House of
Lords, 10 November 1982)*

“At the heart of the Community is the aim to create a common market in which industry can operate free from barriers to the movement of people, goods and services. One mark of our success or failure is the extent of our progress to that aim.”

*(Norman Tebbit,
Secretary of State for
Employment, The Hague,
4 October 1982)*

“The Community must create the conditions in which the natural pattern for Europe's industries will be to combine their efforts. ... We must redouble our efforts to remove internal barriers which frustrate the emergence of a unified European industrial force in the new technologies.”

*(Kenneth Baker,
Minister of State for Information
Technology, Paris, 28 September 1982)*

“An immense amount of work has been put into ensuring that the internal common market in goods works freely and efficiently and that obstacles are removed. But the same cannot be said of trade in services. The British Government believes that it is high time the objectives of the Treaty of Rome were achieved in the matter of free trade in services as well as in goods. We find inaction unacceptable.”

*(Lord Cockfield,
Secretary of State for Trade, Lisbon,
22 October 1982)*

“Efficient air services, like competitive insurance services, are essential to the full development of European trade, indeed of the Community itself. By easing travel and the flow of tourists and visitors we could help foster the European ideal. This must be based on freedom to offer what the customer wants at the right price. But so far even the moderate measures to promote expansion of inter-regional air services have not yet been adopted. We from Britain will continue to press for real progress.”

*(Peter Rees,
Minister for Trade, Bremen,
16 November 1982)*

The Common Agricultural Policy

- The CAP is one of the cornerstones of the Community. The most highly developed Community policy, it has helped farmers to achieve enormous increases in productivity and has assured European consumers of secure supplies of food at stable prices.
 - Its principles have fully proved their validity, but the means to implement them must evolve to meet changing circumstances.
 - The Community is now facing structural surpluses of some major commodities such as dairy products, cereals, wine and sugar. The disposal of these surpluses represents a constant drain on the Community's resources and creates friction with our major trading partners.
 - The operation of the CAP therefore needs to be improved to control surplus production, enabling agriculture to take a more reasonable share of the Community's budget and freeing resources for the growth of other policies.
- To this end the United Kingdom fully supports the Commission's guidelines for the future development of the CAP. We are urging:
 - A prudent price policy, especially for products in surplus
 - Narrowing the gap between prices in the Community and elsewhere
 - Better balance between the support for crops and livestock
 - Measures to relate support more closely to sensible levels of production
 - The cost of the CAP should rise more slowly than the Community's own financial resources.

“The Common Agricultural Policy is one of the great achievements of European cooperation. The twenty years since the creation of the CAP have been ones of unparalleled advance. Consumers have been given security of supply and stable prices. The British Government has no reservations on the fundamental basis of the CAP. But we do have specific concerns about the way the policy is currently operating and we are not alone in this.”

(Peter Walker, Minister of Agriculture, Interview in Le Monde, 5 November 1982)

“We are determined to work constructively for the changes in the operation of the CAP which are necessary to secure its future. We want to see action taken to tackle the problem of excessive surplus production. We accordingly support the guidelines which the Commission has put forward for a prudent price policy, particularly for products in surplus, improvement in the balance between cereals and livestock prices, and the application of guarantee thresholds.”

(Peter Walker, Minister of Agriculture, speech to the European Movement, London 27 November 1982)

“We value the benefits the CAP brings, including security of supply: and we respect its basic principles. It is the disproportionate share of Community resources taken up by agriculture which we criticise, because that imbalance is unsound in principle, because it inhibits the development of the Community in other spheres.”

(Francis Pym, Foreign and Commonwealth Secretary, Copenhagen, 10 September 1982)

“In tackling the problem of CAP reform... these should be our principal objectives.

First, we should aim to preserve a healthy European agricultural industry. Second, we must reduce agricultural expenditure as a proportion of the total Community budget. Third, we must eliminate structural surpluses, especially in the milk sector.

And fourth, we must move towards prices for agricultural products which result in the production of the food we need – to eat, to export without subsidies, to give away to prevent famine in developing countries and to provide a good store to guard against bad harvests – and not more.”

(Lord Carrington, Hamburg, 17 November 1980)

Regional Policy

- Regional differences within the Community are widening. If we are to restore progress towards the Community objective of economic convergence there is an important role for Community policy in support of national efforts.
- Expenditure under the Regional Development Fund should increase in real terms and as a share of total Community spending.
- The Fund should be flexible in both rules and administration, to meet the different problems of member states as they emerge.
- The focus of regional policy should in future be more concentrated on areas of greatest need in the member states and on the less prosperous member states.
- The problems of urban industrial decline faced by regions in the Community need greater emphasis.
- More attention should be given to ways of combating the negative effects of some common Community policies on the less favoured regions.
- Small firms are likely to be a primary source of growth and new employment in the regions. The Community should develop an effective and coherent strategy for their promotion.

“For too long regional policy has, I believe, tended to be considered under ‘any other business’ by the Community. It is high time that this vital issue was moved up the agenda.”

(James Prior, Secretary of State for Northern Ireland, Rome, 12 October 1982)

“Britain supports the Commission’s proposals for increasing the effectiveness of the Regional Fund by concentrating its resources on the areas of greatest need.”

(Douglas Hurd, Minister of State for Foreign and Commonwealth Affairs, Brussels, 20 September 1982)

“The Regional Fund should be available to all cities which have the special needs that the Fund is there to meet, to supplement national aid under national urban policies – which are after all part of the framework of regional policy. In the review of the Regional Development Fund currently under way, we must ensure that in future the needs of cities with inner urban problems can be fully and flexibly catered for.”

(Michael Heseltine, Secretary of State for the Environment, Antwerp, 3 November 1982)

“Without proper emphasis on regional affairs we can never properly be called a Community. . . . If we cannot use the undoubted economic strength of the Community to address the problems of our most depressed areas, I fear we will be dismissed as politicians with the means, but without the vision, to carry forward the bold experiment of our predecessors.”

(James Prior, Secretary of State for Northern Ireland, Rome, 12 October 1982)

The Environment

- The Community’s Environment Action Programme, launched in 1972, has achieved a substantial measure of success. The action taken includes:
 - a. protecting man and the natural environment from harmful substances;
 - b. preserving European wildlife, especially migratory birds;
 - c. concerted support for international action to protect endangered species, in particular whales.
- The focus of the programme is now shifting towards ensuring that environmental considerations are taken into account over the full range of Community policies. Britain welcomes this development.
- We are also urging:
 - Measures to improve the scientific basis for decision-making, so that the actions taken respond to real needs for the protection of man and the natural environment
 - Greater attention to cost-benefit analysis as a basis for deciding whether actions are needed
 - Concentration on environmental problems that cross national frontiers and concern the Community as a whole – like the long-range spread of pollutants and the trans-frontier shipment of toxic and dangerous wastes
 - The need to frame Community legislation so as to fit in with differing legal and administrative structures in member states – an issue that is made more important by the enlargement of the Community.
- The European environment must be actively protected; and environmental considerations are not a luxury. Britain therefore supports a forward-looking and rational development of Community environmental policy.

“Control of environmental pollution is also an area where the Community has a major role, and indeed has also been able to make a great deal of progress. . . . I believe that it is of great importance that the Community should press forward with its work in this field.”

(Michael Heseltine, Secretary of State for the Environment, Antwerp, 3 November 1982)

“Two priorities. . . . First, the need for more attention to be given to the scientific basis for Community action and to a proper assessment of both costs and benefits. Second, more emphasis on the broader approach, and, where possible, the avoidance of detailed legislation.”

(Giles Shaw, Parliamentary Under-Secretary of State for the Environment, Brussels, 3 December 1981)

Employment and Social Welfare

- The only basis for high and sustained employment is a strong European economy able to compete in world markets. For this we must encourage the more efficient operation of the labour market within the Community.
- The Community therefore needs to improve industrial training so as to equip people for future employment and to exploit the productive power of new technology. The top priority is to fulfil the Community commitment to strive to ensure over the next five years that all young people entering the labour market for the first time receive vocational training or work experience.
- The problems of unemployment in areas of industrial decline and in inner cities are amongst the most serious we face. The Community can and should play a role in tackling them.
- The Community should encourage the development of flexible working patterns in ways that are consistent with the needs of industry and that help to extend working opportunities.
- The focus must be on practical measures where action at a Community level can be particularly effective. We should promote direct contacts between those dealing with the problems at first hand in member states, for example in the field of training.
- Expenditure under the European Social Fund should increase in real terms and as a proportion of total Community spending. The Community should develop the role of the Fund, giving high priority to vocational training and work experience for young people, and to the needs of the long term unemployed and of areas of industrial decline.
- The free movement of labour is an essential part of the Community. Harmonisation of professional qualifications should be accelerated as an important means of achieving that aim.
- In developing common standards of occupational health and safety, we must ensure that they are enforced equally effectively throughout the Community.
- Co-ordination of the social security and health care systems of the Community plays a fundamental role in fostering free movement of all workers, including the self-employed. We must ensure this system works smoothly and speedily.

“The Community should concentrate its attention on those problems where action at Community level will be seen by member states as more effective than national measures or where Community action is needed to create or preserve the common market.”

(Norman Tebbit, Secretary of State for Employment, The Hague, 4 October 1982)

“The Community provides a forum in which solutions to common problems can be found, whether in industry, agriculture or city centres.”

(Michael Heseltine, Secretary of State for the Environment, Antwerp, 3 November 1982)

“Some of the priorities, as I see them, for the Community in the field of employment and social affairs:

First, we cannot succeed in our aim of getting unemployment down and creating real jobs unless we ensure that our industries are competitive. This demands that the Community should offer strong resistance to pressures for protectionism and that we should not relent in the struggle against inflation.

Second, we must give high priority to providing vocational training and work experience for young people, to the needs of the long term unemployed, and to developing flexible patterns of working time that are consistent with the needs of industry.

Third, in seeking to give effect to these priorities, we should look particularly to increased exchanges of experience, to ensuring that the social fund can respond adequately to the Community's major current problems and to giving the Community's programmes for occupational safety and health a firm practical orientation. I should like to stress above all that the way forward is to be found in a practical approach.”

(Norman Tebbit, Secretary of State for Employment, The Hague, 4 October 1982)

“It must surely be a high priority for every member state and, for the whole Community, to see that young people are given opportunities to develop the skills and motivation to find useful employment so as to increase the wealth of the Community and to end the waste of resources and the social and human problems of enforced idleness.”

(Norman Tebbit, Secretary of State for Employment, The Hague, 4 October 1982)

“The Community is in a good position to tackle the training needs of the new technology society, and we believe the Social Fund has a significant role to play particularly in respect of the unemployed and those facing unemployment.”

(Kenneth Baker, Minister of State for Information Technology, Paris, 28 September 1982)

Energy

- The Community should build on the framework it has already agreed for:
 - a. Reducing oil imports and consumption;
 - b. Setting energy prices which reflect the cost of maintaining supply;
 - c. Developing alternative sources of energy;
 - d. Achieving greater energy efficiency.
- Energy markets must operate with the minimum of distortion and our policies should reflect this. Britain's partners enjoy access to North Sea oil on exactly the same terms as the UK itself.

Oil

- Over half of Britain's North Sea oil exports go to the Community, and we have made commitments to supply our partners with oil in time of need. Britain welcomes Community companies as licensees on the UK continental shelf, and hopes they will continue to strengthen their holdings.

Gas

- The Community should continue to diversify its sources of supply of gas.
- To this end, the UK
 - Welcomes Community participation in the exploitation and production of gas in the North Sea – the next licensing round includes acreage on which gas is likely to be found
 - Stands ready to help transmit foreign gas to the Community.

Coal

- The Community should make more use of its large reserves of solid fuels to meet its energy needs. In 1981 80% of British coal exports went to the Community. And at some £800 million per year, British coal investment is about half the Community total.
- We now need an integrated Community coal strategy. Britain is urging:
 - Increased interest relief for investment in economic coal production;
 - Support for social measures associated with modernising the industry;
 - Help with the environmental consequences of coal mining;
 - Measures to encourage greater use.

Nuclear

- Community cooperation on nuclear power is well-established through Euratom. Nuclear energy should be further developed in safe and environmentally acceptable conditions. Britain is supporting the Community effort through the provision of nuclear fuel reprocessing capacity.

“As a net exporter of both coal and oil, the UK has a special contribution to make in meeting Europe's energy needs. The freeing of our energy market is of real benefit to the European Community.”

*(Nigel Lawson,
Secretary of State for Energy,
Düsseldorf, 29 November 1982)*

“... more can surely be done to build on the agreed basic principles for the development of an energy strategy...”

*(Francis Pym,
Foreign and Commonwealth
Secretary, Copenhagen,
10 September 1982)*

“The Community has firmly established the objective of reducing its dependence on imported oil. To this end we must make more effective use of the Community's own indigenous and very large coal resources – an area where Britain has a special contribution to make. We would like to see new Community measures to encourage the development of the Community's indigenous coal supplies on a fully economic basis.”

*(Lord Trefgarne,
Parliamentary Under-Secretary of
State at the Department of Health and
Social Security, 11 November 1982)*

“We have always welcomed companies from other Community countries as licensees in the North Sea. They will continue to be welcome in the eighth round of offshore licensing, which closes in January, and indeed in subsequent rounds.”

*(Nigel Lawson,
Secretary of State for Energy,
Düsseldorf, 29 November 1982)*

New Technology and Research

- The development and application of new technology is critical to the future of Europe. We will be far more competitive internationally if we exploit effectively the full potential of our market and our common industrial base.
- The Community should therefore:
 - Stimulate the competitiveness of the new high technology industries through completion of the internal market, and apply information technology imaginatively to that end, using it to simplify the costly formalities which hold up trade at the Community's internal borders;
 - Accelerate progress towards common technical standards;
 - Promote long term research, development and training, so that Europe remains in the forefront of technological progress;
 - Encourage more extensive pooling of resources and knowledge.
- In pursuit of these aims, Britain supports Community initiatives such as the Microelectronics Regulation and the European Strategic Programme for Information Technology (ESPRIT); and we are pressing for agreement to the Telecommunications Recommendations.
- Britain also supports the Community's research effort. An outstanding example of this is the JET experiment at Culham in Oxfordshire. The Joint Research Centre also has an important role to play.

“We in Britain attach the very highest importance to developing the new technologies – but we see immense problems, and perhaps even the squandering of a unique historical opportunity, if we do not act together as a Community in this enterprise... It is only as a Community that we can hope to break out of the present circle of national fragmentation.”

(Kenneth Baker, Minister of State for Information Technology, Paris, 28 September 1982)

“In the information economy, the Community should come into its own as the strong and unified European market which was the vision of its founders... Information Technology is a highly competitive field in which we can expect no favours from our major international rivals. The question facing us is whether we can rise to the challenge together as a Community.”

(Kenneth Baker, Minister of State for Information Technology, Paris, 28 September 1982)

The Community Budget

- The Community must find a lasting solution to its budget problem. Its future development will be in jeopardy unless the financial burdens and benefits of Community policies are distributed fairly among the member states.
- The budget should contribute to the Community goal of economic convergence.
- The balance of Community spending policies must be improved. More of taxpayers money should go on developing social, regional, energy, industrial and other policies. The rate of growth of CAP expenditure must be controlled.
- Good financial housekeeping is essential. Community expenditure programmes must be effective and provide value for money. Taxpayers must feel that their money is as well spent by the Community as by the member states.
- These problems require urgent solution. Without attention they will get worse rather than better.
- The United Kingdom looks forward to the time when the pattern of net contributions and receipts from the Community budget is consciously decided on the basis of objective criteria such as relative prosperity and population size.

“The word ‘Community’ means that every member has equal rights and equal duties. No one member can seek to dominate another. No one member can be left to nurse a grievance apart. Each member must have a feeling of well-being in the Community. States, like individuals, must be conscious of their duty to contribute to – as well as profit from – the greater whole. On this sense of balance and fair play, the health and ultimately the existence of the Community depends.”

(Margaret Thatcher, Prime Minister, Churchill Memorial Lecture, Luxembourg, 18 October 1979)

“It seems to me that completing the Community's budgetary arrangements in the way I have suggested – through conscious decisions on the broad distributional impact of the budget – would bring a number of powerful advantages... member states would no longer be so obsessed by the effects on their net contributions or receipts of developing existing policies or introducing new ones. They would be able to concentrate, instead, on the inherent value of individual policies to the Community as a whole – and on the distribution of resources between policies rather than between Member States.”

(Sir Geoffrey Howe, Chancellor of the Exchequer, The Hague, 3 June 1981)

“We do need to tackle with determination the problems of execution and financial control. The Community spends money contributed by taxpayers in member states. We owe it to our taxpayers to achieve financial discipline and value for money in all areas of Community expenditure.”

(Sir Geoffrey Howe, Chancellor of the Exchequer, Die Welt, 22 December 1982)

“We all know too well that the continuing failure to find a lasting solution to the budget problem only weakens the Community, prolongs internal dispute, saps political will and diverts us from the real issues of this decade.”

(Francis Pym, Foreign and Commonwealth Secretary, Copenhagen, 10 September 1982)

Development Policy

- The Community and its member states give nearly half the development aid provided by industrialised countries (\$12,700 million in 1981). This massive programme needs to be used more effectively than in the past to help the economies of the developing countries to grow in the way their Governments want.
- Community resources should be directed as far as possible towards the poorest countries.
- Hunger is the greatest problem for many developing countries. Here Community development resources should be directed towards agricultural production as the first priority, rather than on the simple disposal of surplus food, especially dairy products which are a particularly poor and expensive form of aid.
- In the long term trade is more important to developing countries than aid. The Community provides freer access to developing countries' exports than is provided by any other

industrialised country or group of countries, but we could do still more. We must honour our commitment to the open world trading system. We must also take into account the effects of flooding world markets with surplus agricultural products subsidised by Community export refunds for the agricultural trade of some developing countries.

“The Community's aid policy and associated trade arrangements are solid evidence that the Community and its member states are not turning their backs on the world's poor when fashioning their own common policies. The Lomé Convention and other institutional arrangements provide a direct channel through which the views, hopes and fears of many developing countries can be – and are – vigorously put to the Community; and when they are put forward, they are not neglected. What the Community provides to so many countries in aid, in trade preferences, and in investment, Britain could never provide alone.

So let us recognise it for what it is: yet another solid reason why the Community, with Britain's help, grows every day stronger on the world's stage, and yet another solid testimony to the fact that our national concerns are, increasingly, not in conflict but in harmony.”

(Lord Carrington,
House of Lords, 3 June 1981)

“What I would like to see is a much broader effort, by the Community and other food aid donors, to support the attempts of developing countries to put in place more efficient, sensible and market orientated policies of their own to boost farming and food production of all kinds.”

(Francis Pym,
Foreign and Commonwealth
Secretary, London, 7 December 1982)

Political Cooperation

- The Community must continue to develop political cooperation, which enables the Ten to further their shared interests, by playing a world role appropriate to their combined economic weight, in support of shared values.
- Britain has therefore been active in strengthening the machinery of cooperation. Important improvements have already been made: this process of improvement must continue.
- The Ten should now extend the range of subjects covered by political cooperation and seek to widen the areas in which a common view prevails.
- The Ten must develop the practice of acting as well as speaking as one. This applies both to particular issues such as the Middle East or Poland, and to joint action in the Conference on Security and Cooperation in Europe, the United Nations, and other international fora.
- To further a common approach to the conduct as well as the formulation of foreign policy, Britain is urging closer cooperation between the Embassies of the Ten in third countries, including, where appropriate, joint action; shared facilities; pooled information; and consular, administrative and cultural cooperation.

“Europe's importance is growing. We are the largest trading bloc in the world. We have agreements with countries in every continent, and the list of candidates for new agreements is growing. We are playing a leading role in the conduct of relations between East and West, in search for a solution in the Middle East, and in the negotiations between the developed and the developing countries. Within the Community we sometimes lament that Europe has no foreign policy. Those outside find that lament difficult to understand.”

(Margaret Thatcher,
Prime Minister, Bordeaux,
September 1980)

“I believe that British foreign policy must be conducted essentially in a European framework, and I want that framework to be strong enough and flexible enough to respond rapidly to the challenge of the world today ... We can set a powerful example of democracy, economic rationality and human rights. We can be a force for stability, moderation and international order. Above all, we can defend and further our interests. But we can only achieve these things if we act together.”

(Lord Carrington,
Hamburg, 17 November 1980)

“What started as a cautious experiment has proved a success. It has developed sensibly and pragmatically and I very much welcome the absence of unnecessary formality and bureaucracy. We should try to keep things that way. At the same time, we have now reached a stage when an outside observer might be surprised that the progress we have made in harmonising our foreign policy has found so little reflection in the structures through which we conduct that policy. There may well be ways in which the current ad hoc cooperation among the Ten in third countries could be made more systematic.”

(Francis Pym,
Foreign and Commonwealth
Secretary, Copenhagen,
10 September 1982)

Enlargement of the Community

- Britain wants Spain and Portugal to join the Community as soon as possible.
- The overriding political and economic benefits of enlargement include:
 - The consolidation of democracy in Europe
 - A fresh impetus to Community development
 - A broader Community external role
 - An increase of 47 million people in the Community's internal market.

● The negotiations must not be allowed to drag on too long. The technical difficulties must never obscure the political objectives. Transitional arrangements will be needed, but in general both applicants should adopt all Community legislation in force at the time of accession. Practical solutions can be found even to the difficult problems involved, and at a reasonable cost.

“The Community is more than a trading organisation. It is a large and stable area of freedom and democracy in a world which has need of both. We must work to preserve, perpetuate and extend that freedom. That is why we welcome the accession of countries which share our democratic ideals.”

(Margaret Thatcher, Prime Minister, London, 15 November 1982)

“The support we have consistently shown for enlargement stems very largely from our desire to enhance the meaning and the weight of Europe.”

(Lord Carrington, Hamburg, 17 November 1980)

“Enlargement of the European Community... demonstrates that the Community is capable of development in a world beset with so many anxieties. Enlargement demonstrates our belief that nations must work more closely together and that Europe must provide a lead.”

(Lord Cockfield, Secretary of State for Trade, Lisbon, 22 October 1982)

List of speeches by British Government Ministers in Member Countries of the European Community

AUTUMN 1982

Minister	Place	Date	Subject
Francis Pym Foreign and Commonwealth Secretary	Copenhagen	10 September	General Foreign Policy issues
Douglas Hurd Minister of State, Foreign and Commonwealth Office	Brussels	20 September	General Community issues
Kenneth Baker Minister of State for Industry and Information Technology	Paris	28 September	New Technology
Norman Tebbit Secretary of State for Employment	The Hague	4 October	Social Policies and Employment
James Prior Secretary of State for Northern Ireland	Rome	12 October	Regional Policy
Francis Pym Foreign and Commonwealth Secretary	Churchill Memorial Lecture, Luxembourg	25 October	International Institutions
Michael Heseltine Secretary of State for the Environment	Antwerp	8 November	Inner Cities
Lord Trefgarne Parliamentary Under-Secretary of State, Department of Health and Social Security	Luxembourg	11 November	General Community issues
Peter Rees Minister for Trade	Bremen	16 November	Trade, internal market
Nigel Lawson Secretary of State for Energy	Düsseldorf	29 November	Energy policy
David Howell Secretary of State for Transport	Rotterdam	8 December	Transport policy

The many articles and interviews which members of the British Government have given to the press in member countries of the European Community during the autumn of 1982 include the following:

Margaret Thatcher, the Prime Minister, in *Le Figaro* of 6 November.

Peter Walker, Minister of Agriculture, Fisheries and Food, in *Le Monde* of 5 November.

Lord Cockfield, Secretary of State for Trade, in *Elsevier* of 13 November.

Sir Geoffrey Howe, Chancellor of the Exchequer, in *Die Welt* of 22 December.

Copies of all these speeches and articles can be obtained from British Embassies in European Community member countries; or from European Community Department (Internal), Foreign and Commonwealth Office, London SW1; or from the appropriate individual British Government Departments in London.

**“Let no one under-estimate or belittle
the contribution that Britain does and
can make to the European
Community. Ours has been, and will
remain, a positive approach.”**

*(William Whitelaw,
Home Secretary, London, 7 December 1982)*