

Mr Thatcher

EGS



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Statement by Sir Geoffrey Howe and Mr Francis Pym

The Brussels Summit

The Brussels Summit was intended to agree many new initiatives of exceptional importance to the Community and to the UK - not only on EMS, but on the CAP, Fisheries, our budget contribution and much else. Its disappointing results make this a sad day for Europe and for Britain. The Prime Minister has done nothing to dispel that conclusion.

He is evidently content to see us relegated to the Community's Second Division. He feels that, like the other weaker countries, we must ask for national assistance before we can even contemplate joining EMS. Yet, while he hesitates, France and Denmark, both countries with higher inflation than us, are able to commit themselves to entering the scheme and to the control of inflation required by it.

The Prime Minister and Chancellor have often talked about the scheme and wished it well. But it is clear that two things hold them back. After four and a half years of their mismanagement they still fear our economy is too frail and uncompetitive to join the scheme. And they know that whatever its merits the opposition within their own party would not allow them to join.

The Summit has also shown up decisively the faults in Labour's approach to Community affairs. The Prime Minister went to Brussels to win a number of important advances. But he has won nothing.

He achieved no progress in the reform of the Common Agricultural Policy. He did nothing to solve our problems with the Common Fisheries Policy. And he secured no reduction in our contribution to the Community Budget, a burden which he complains about constantly, despite having personally renegotiated it to his own satisfaction only three years ago.

He has succeeded only in proving, once again, that Labour's handling of Community affairs is wrong-headed and incompetent. Under Labour, Britain gets the worst of all worlds.