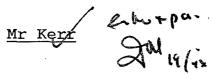
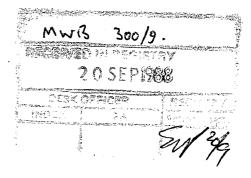
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## Prime Minister's speech on Europe

The Secretary of State has made a number of comments on the draft Bruges speech. Because of their sensitivity, I am sending them only to you, Mr Fergusson and Mr Teasdale. You may wish to reflect them in your submission.

The Secretary of State's overall comment is that there are some plain and fundamental errors in the draft and that it tends to view the world as though we had not adhered to any of the treaties. Nor does the speech accommodate the diversity of visions of Europe - even in one country.

Specific comments are as follows:

- page 8. He does not like the suggestion that we were more successful colonialists than any other European countries. Is it not anyway a fact that we lost our North American colonies before Spain lost her South American colonies?
- page 10. Contentious ground here too. Implication that we alone fought against tyranny and for freedom, which is presumably what the French revolutionaries thought they were doing.
- page 12. Is the reference to America wise?
- page 20. Delete the refereence to "forget a United States of Europe, it will not come".
- pages 23/24. Delete reference to Coreper deputies.
- page 25. "If we try to enforce uniformity": nobody is, not even those (who are they?) who want a United States of Europe.
- page 27. The Secretary of State agrees that a stronger Europe does not mean the creation of a new European super-state but does, has and will require the sacrifice of political independence and the rights of national parliaments. That is inherent in the treaties. The same point applies at the top of page 28.
- page 30, second para. The Secretary of State strongly agrees.
- pages 31/32. Reference to decisions reached by negotiations by sovereign governments overlooks the Treaty

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provisions - recently extended - for majority voting.

- page 36. Reference to fewer but simpler and clearer regulations: we may prefer to refer to one Europe-wide regulation in place of 12 national ones or to cross-recognition.
- page 37. Reference to setting grandiose objectives: some people will prefer to work that way: we have to tolerate differences of approach.
- page 38. References to Central Bank (waste of time etc) too absolute.
- page 39. "If they cannot even decide to give up exchange control": they have.

I have already had a general word with Mr Powell about some of these concerns, pointing out that we should not weaken the message of the speech by laying ourselves open to the charge that in a number of respects we have simply got things wrong.

1 September 1988

cc: Mr Fergusson Mr Teasdale