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PRIME MINISTER'S SPEECH

ON

EUROPE

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VERSION  
II



First, may I thank you for inviting me to  
deliver this address.

Where better place to speak of Europe's  
future than in a building which so  
gloriously recalls the greatness that  
Europe had already achieved over 600 years  
ago?

Perhaps I should also thank you for your  
temerity in inviting me to speak on the



subject of Europe at all.

If you believe some of the things said and written about my views on Europe, it must seem rather like inviting King Herod to speak on the subject of nursery education.

### Britain and Europe

So I might start by disposing of some myths about my country, Britain, and its



relationship to Europe.

To hear some people, you would think that Britain first interested itself in Europe some time in the late 1950s, was rebuffed by General de Gaulle's non, and finally limped into the Community in 1973 as an unconvinced member, wishing heartily that it could be somewhere else and since then has spent all its time arguing about



its financial contributions.

Well, there certainly was a very real problem over our unfair share of the costs of the Community which had to be solved - and has been solved.

But that view of Britain's role is a travesty.

The fact is that Britain's relations with the



rest of Europe, the continent of Europe,  
have been the dominant factor of our  
history:

- the Celts, who first cultivated our  
land, came from the continent of Europe;
  
- for three hundred years we were part  
of the Roman Empire, an experience which  
shaped not only much of our language but



many of our laws and traditions;

- the Anglo-Saxons, like the Normans  
and Danes who followed them, came from the  
continent of Europe;

- our nation was - in that favourite  
Community word - "restructured" under  
Norman and Angevin rule in the eleventh  
and twelfth centuries;



- from the sixteenth century, Britain looked outwards from Europe to a wider world - as had Portugal before us, and France, Spain and Holland after us.

The difference was that we were more successful;

- for centuries, Britain was a home for people from the rest of Europe who sought sanctuary from tyranny;



- British assistance to liberation movements throughout the last war kept alive the flame of liberty until the day of liberation came.

And it was from our island fortress that the liberation of Europe itself was mounted.

Britain did indeed fight wars against other European countries - which European



country did not?

But the cause for which we fought -  
against Philip II, against Louis XIV,  
against Napoleon, against the Kaiser,  
against Hitler - was to save Europe from  
falling under the dominance of a single  
power.

We did not fight against Europe.

We fought against totalitarianism and for  
freedom.



Had it not been for Britain, I dare say that Europe would have been united long before now.

But at what cost would that unity have been achieved?

Would Prussia have maintained its independence in the eighteenth century without British help?

Would Spain have rid itself of Joseph



Bonaparte without the Duke of Wellington?  
Would Belgium, Denmark and the Netherlands  
be free now but for the determination of  
Britain and America to fight Nazi  
tyranny?

Moreover, when the movement towards European  
economic unity gathered force after the  
last war, some of the most powerful  
encouragement came from Winston Churchill



in his renowned speech in Zurich in 1946.

It is true that Britain did not then grasp the opportunity to become part of the emerging European Economic Community.

With hindsight, that was a setback for Britain.

But it was also a setback for Europe, which set out to build a Community without the benefit of the British traditions of



individualism, of freedom under the law  
and of common sense.

### Europe's Future

This is no arid chronicle of obscure historical  
facts.

It is the record of nearly two thousand  
years of British involvement in Europe and  
contribution to Europe.



Yes, we have looked also to wider horizons - and thank goodness we did, because Europe would never have prospered and never will prosper as a narrow, inward-looking club.

But that does not diminish the fact that Britain is as full, as rightful, as wholeheartedly a part of Europe as any other member state of the European Community.



The European Community belongs to all  
its members, and must reflect the  
traditions and aspirations of all of them  
in equal measure.

And let me be quite clear.

Britain does not dream of an alternative  
to a European Community or of a cosy,  
isolated existence on its fringes.

Our destiny is in Europe, as part of the



Community - although that is not to say that it lies only in Europe, any more than that of France or Spain or indeed the Community itself does.

The Community is not an end in itself: not an institutional gadget to be endlessly modified in the search for theoretical perfection.



It is the instrument by which the people of Europe can ensure their future prosperity and security in a world in which many other powerful economies are emerging and in which increasing numbers of countries will have access to powerful and sophisticated weapons, including nuclear weapons.

The world will not wait for us.



We cannot afford to waste time on internal disputes or arcane institutional debates. Europe has to be ready both to ensure its own security and to compete - and compete in a world in which success goes to the countries which show the greatest flexibility and guarantee the greatest freedom for the enterprise of their people.



I want this evening to set out some simple guidelines for that future which I believe will ensure that Europe does compete and will succeed.

Strength through Diversity

My first guideline is: forget a United States of Europe, it will not come!



I do not say that lightly: after all, it was Winston Churchill in Zurich who was one of the first to speak of a United States of Europe.

The fact is that the founders of the present European Community did their thinking at a time of Europe's maximum weakness and division.

In the historical circumstances of the



time, in which the United States of America played such a crucial part in the victory of democracy, it was natural that they should believe that Europe's salvation lay in federation and the creation in the longer term of a single European State.

There are two fundamental weaknesses in that theory.



First, it underestimates the strength of

national traditions in Europe and the  
desire of people to preserve them.

Those national traditions and the regional  
differences are part of Europe's vitality  
and inventiveness, which give it the great  
cultural achievements of the past, such as  
this magnificent hall.

Can anyone believe that such a monument  
would ever have been created, had it been



the task of 'COREPER DEPUTIES' to supervise its design, as is the case with the new Council Building in Brussels!

Europe will be stronger precisely because it has France as France, Spain as Spain, Belgium as Belgium, and Britain as Britain, each with its own language and traditions, rather than trying to dissolve them into some sort of neutral



personality.

If we try to enforce uniformity we shall  
deprive Europe of the source of its  
greatest achievements.

A commitment to diversity is as important  
as one for harmonisation.

The second weakness of the federalist theory is  
that it fails to recognise greater  
decentralisation as the path to economic



and political success.

I am the first to say that on as many issues as possible the countries of Europe should speak with a single voice.

I want to see them work more closely together on the things we can do better together than singly.

Europe is stronger when we do so, whether it be in trade, in defence or in our



relations with the rest of the world.

But - and this is where I take issue with some of the recent comments by President Delors - working more closely together does not require a sacrifice of political independence or of the rights of national Parliaments; it does not need the creation of a new European super-state with the Commission at its heart.



It is perfectly possible for countries to work together while preserving their national sovereignty, to obtain the advantages of economic union without the sacrifice of political independence.

This may not be easy to grasp for those who are used to governments running the economic life of a country.



But for those who believe that governments should provide the framework, while leaving everything else to the decision of individual people, it seems quite natural.

Indeed I find it ironic that when those countries such as the Soviet Union which have tried to run everything from the centre are learning that success depends on developing power and decisions away



from the centre, there are those in the Commission in Brussels who seem to want to move in the opposite direction.

Let me say bluntly on behalf of Britain: we have not embarked on the business of throwing back the frontiers of the state at home, only to see a European super-state getting ready to exercise a new dominance from Brussels.



It is absolutely crucial for the European

Community's success that, at each stage of its development, it should act with the full consent of the people.

That will not be achieved by insidious extension of the powers of the Commission or the invocation of the European Court in a form of judicial review.

It will require decisions reached by negotiation between sovereign governments,



each elected by their people, with those  
decisions subject to confirmation by  
national Parliaments.

Certainly we want to see Europe more united.

But it must be in a way which <sup>both</sup> preserves  
~~both~~ diversity and enlarges liberty.



Europe open to enterprise

My second guideline is the need for the  
Community to encourage individual  
enterprise if it is to flourish and  
succeed.

The basic framework is there: if you read the  
Treaty of Rome carefully you will see that  
it is indeed a Charter for Economic



Liberty.

But that is not how it has been applied  
so far.

Our own experience in Britain has pointed the  
same way.

We have rediscovered the spirit of  
enterprise by realising that public  
resources are in fact private resources  
taken by the state, and that the  
individual is far better equipped to take



many decisions than the state is.

The aim of a Europe open to enterprise is the moving force behind the creation of the Single European Market by 1992.

By getting rid of barriers, by making it possible for companies to operate on a Europe-wide scale, we can best compete with the United States, Japan and the other new economic power centres arising



in Asia.

But completion of the Single Market must not mean tying ourselves up in ever more regulations.

Indeed it should mean fewer regulations, but simpler and clearer ones.

Our aim is not to regulate more or to issue ever more directions from the centre.



It is to deregulate, to liberalise and to open up.

If we can achieve that, we will have established a very good model for the Community's future development in other areas.

Rather than setting grandiose objectives such as a European Central Bank for the sake of having yet another European institution,



let us proceed by considering at each stage what is necessary.

Do we yet have free movement of capital round Europe?

Have we abolished exchange control?

The answer is no, not yet.

Until we can<sup>all</sup> take these basic practical steps, it is a waste of time to argue about a European Central Bank, which presupposes that individual governments



are prepared to give up fundamental economic decisions.

If they cannot even decide to give up exchange control and to allow free movement of capital, then it is illusion to expect surrender of control over national economic policies - and I do not for a moment believe that most European governments want that anyway.



It is the same with frontiers.

Of course we must make it easier for goods to go through frontiers.

Of course we must make it easier for the citizens of the Community to go through frontiers.

But it is a matter of plain commonsense that you cannot abolish frontiers if you are still going to have the capability to stop the movement of drugs, of terrorists,



of illegal immigrants.

We need to suppress the tendency towards  
inflated oratory.

We shall make much quicker progress if we  
define practical steps towards closer  
cooperation and concentrate on achieving  
them.

After all if we do complete the single  
market in 1992 it will have taken 35 years



of detailed work since the Treaty of Rome first set the target.

Europe open to the world

We must ensure that our approach to the outside world is consistent with what we preach at home.

We cannot work to reduce barriers and



regulations within Europe, while practising protectionism in our trade with other countries.

We cannot urge others to reform their agriculture, unless we are prepared to continue the process in Europe beyond the start which we have already made.

Just as economic success in each of our countries has come from restructuring, from getting rid of restrictive practices



and subsidies, and by privatising state-run industries, so the expansion of the world economy requires us to continue the process of removing barriers to trade in the multilateral negotiations in the GATT.

Europe has a longer tradition than any other country of being outward-looking, and therefore has a responsibility to give a



lead here, a responsibility which is particularly directed towards the less developed countries.

They need greater trade opportunities, not the dumping of Europe's agricultural surpluses in the form of food aid.

### Europe and Defence

Lastly, we need to look much more seriously at



Europe's role in defence.

We can be satisfied with what NATO has achieved  
over 40 years.

The fact is things are going our way: the  
democratic model of a free enterprise  
society has proved itself superior;  
freedom is on the offensive the world  
over for the first time in my life-time.



But there can be no question of relaxing our defence.

Indeed it is quite clear that Europe is going to be called upon to bear a much heavier responsibility for its own security than in the past.

To do that we must find ways:

- to maintain the US commitment to Europe's defence, while recognising the



burden on their resources of their world  
role and their natural desire to reduce  
their defence spending in Europe itself -  
particularly as Europe grows wealthier;

- to meet the requirements for stronger  
conventional defence in Europe to match  
the modernisation of Soviet forces and  
overcome the shameful reluctance of some  
European countries to provide the



necessary funds even for an adequate  
defence;

- to keep public confidence in the  
continuing need for nuclear deterrence  
based on modern weapons;

- to preserve Europe's strength and  
unity at a time of change and possible  
instability in the Soviet Union and



Eastern Europe, while keeping the door open to future collaboration with those countries.

NATO and the WEU have long recognised where the problems lie and have pointed out the solutions.

The time has come when we can no longer put off giving substance to the declarations about higher overall defence



spending and better value for money  
through the standardisation of equipment  
which have for too long remained empty  
phrases.

It's not an institutional problem, it's  
not a problem of drafting: it's something  
much more simple and more profound: it is  
a question of political will and political  
courage, of convincing people in every  
European country that they cannot rely for



ever on others for their defence but must  
shoulder more of the burden themselves.

It comes down to one single word: leadership.

The future must lie:

in strengthening NATO, not in seeking  
alternatives to it;

in removing the obstacles to full military  
collaboration between all NATO's members,



in particular those who cannot bring themselves to integrate their forces fully with NATO;

and by developing the WEU not as an alternative NATO, but as a means of strengthening Europe's contribution to the common defence of the West.

It is to this task, to enhancing our security, rather than to devising new long-term



goals for the European Community that the weight of European governments' intellectual and political effort will need to be devoted over the next few years.

### The British approach

I have set out the ways in which we in Britain want to see Europe develop.



It is a pragmatic and common-sense, rather than visionary approach, and all the better for that.

It does not require new documents: they are all there in the North Atlantic Treaty, and the Treaty of Rome, texts written by far-sighted men.

What we need is to get on with the business of implementing those texts



rather than let ourselves be distracted by distant and utopian goals.

However far we may all want to go, the truth is that you can only get there one step at a time.

Let's concentrate on making sure that we get those steps right and the rest will follow..