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*From the Private Secretary*

18 July 1990

ASPEN SPEECH

A plethora of Summits has delayed work on the Aspen speech and I fear the Prime Minister has not yet had time to turn her mind to it. I was grateful for the draft enclosed with your letter of 21 June, which has a lot of very useful material. Having now been able to look at the Conference programme and the theme "Shaping a New Global Community", I am inclined to think that something a bit wider may be needed. The fact that an audience of some 2000 is expected also points in that direction.

I enclose an unfinished alternative version which represents work in hand. I have to give something to the Prime Minister on Friday. If any energetic souls could let me have some suggestions, additions, embellishments by Friday morning that would be most helpful (particularly if some of the FCO Ministers had time to look at it too). At the moment it just tails off, because I have not had time to do more. But I rather think it ought to have something on the environment, particularly in Colorado.

I would be grateful for any help which you have time to give.

CHARLES POWELL

J. S. Wall, Esq.,  
Foreign and Commonwealth Office

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*Speech folder into  
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Foreign and Commonwealth Office

London SW1A 2AH

21 June 1990

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*Jean Charles,*

*CD 287*

PRIME MINISTER'S SPEECH AT THE ASPEN INSTITUTE, 5 AUGUST

In your letter of 2 May you asked us to put together some material for this speech, which the Prime Minister wishes to use to set out a broad vision of Europe and its role. The ideas which follow have been discussed with Mr Waldegrave and Mr Maude, and approved by the Foreign Secretary.

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We think the overall theme might be "one Europe" : a simple and clear statement of the sentiment in the Bruges speech that Europe extends beyond the boundaries of the European Community, central though this will be in the new Europe. A sub-theme will be the importance of managing the transatlantic relationship in the Europe of the future. After an introduction establishing the theme, there might be sections dealing with principles, security and prosperity.

Introduction

There might be an opening reference to the two previous winners of the award the Prime Minister will be receiving : Jean Monnet and Willy Brandt, both great Europeans.

The Prime Minister could recall Churchill's reference in his Fulton speech to the great European cities of Prague, Warsaw and Budapest cut off behind an Iron Curtain which had descended across the Continent. She could add that she had echoed this thought in her own Bruges speech, in which she set out her concept of a wider Europe united by a common culture and traditions. Now, as the iron curtain is lifted, we have an historic opportunity to build one Europe, as a great alliance for democracy (or Mitterrand's Confederation idea).

The Prime Minister could at this point say that the Community, which has solved many of the problems of the old Europe, will be a major force in the new one. Increasingly its influence is felt in Europe and beyond. The new democracies of central and eastern Europe may want to join



in due course. We need to harness the Community's momentum to benefit the whole of Europe. That means looking ahead [to a wider membership] as we discuss the reform of its institutions today to make it still more successful and effective.

She might go on to say that she therefore rejects conceptions of a stratified or multi-speed Europe. We should not invent new divisions to replace the one which is now being overcome. Broadening and deepening cooperation in Europe are not incompatible. Churchill at Fulton spoke of a new unity in Europe from which no nation should be permanently outcast. That unity should be based on common values permitting freedom, security and prosperity for all.

The Prime Minister could at this point recall the reference in her Bruges speech to the Europe on both sides of the Atlantic. The United States shares the vision of one Europe "whole and free", and the values on which it is based. It has made sacrifices for them in war, and worked to achieve them in peace. It must play a full part in the new Europe.

### Principles

In this section, the Prime Minister could emphasise the importance of standing by our principles. The firm stand taken by dissidents like Havel and by Western Governments, with Gorbachev's reforms, brought about the changes which have happened in eastern Europe. Now that our principles have returned to centre stage in Europe, we must continue to stand by them. They include multiparty democracy, respect for fundamental freedoms and the rule of law under an independent judiciary. They also include self-determination, eg. in the Baltic Republics.

The Prime Minister could recall that these principles lie at the heart of the American Declaration of Independence, our Bill of Rights, and the Atlantic Charter, and that they inspire the work of the Council of Europe and CSCE today. These organisations should be used to entrench them permanently throughout Europe.

There might then be a passage on our ideas for the CSCE, perhaps advancing them beyond the Konigswinter speech. For example the Prime Minister could call for a "European Magna Carta" to lie at the heart of the CSCE system, combining statements of principles with undertakings as to behaviour, and providing machinery (including a conciliation mechanism) to assist with their implementation. She could



emphasise the need to use the CSCE to avoid new disputes arising from nationalism or over borders. The Prime Minister could also stress the value of the CSCE as one of the fora giving the United States a voice in the new Europe, (mentioning joint UK-US proposals); and the Soviet Union a stable framework within which to continue its political and economic evolution towards full democracy and a market economy. The CSCE will be the place to make lasting peace between a restored, whole Europe and the Soviet Union.

### Security

The Prime Minister might begin this section by saying that lasting security rests on two pillars - sound defence and trust.

Trust is a matter of developing common political and economic interests, as the nations of the European Community have done. It takes time, but when achieved is worth any number of armies. The long-term goal is to extend this trust to all of Europe.

The Prime Minister could refer to the specific kind of military trust which is based on openness and the measures which are needed to enhance this. She could mention the importance of CSBMs - open skies, the Vienna package and the CSCE contribution. She might also mention the Soviet proposal for an East-West risk reduction centre in the CSCE.

But, the Prime Minister might go on to say, nations will always need to have sound defence as insurance against threats from any quarter - perhaps threats which we cannot even foresee today. NATO, and the US role within it, are sources of confidence on both sides of the Atlantic, and in all of Europe, East and West. So NATO should continue as a great transatlantic bond and bulwark for peace, interpreting sound defence as effective defence at whatever level of forces.

The Prime Minister might say something here about the so-called "peace dividend" : lower risk means a lower insurance premium, and it will be good for all our economies if we can spend less on defence. Diminishing levels of forces will also help to reinforce trust and confidence. But we should not put our defences at risk, or slip into the trap of thinking that massive savings are just around the corner.

There could then be a more detailed passage about reform of NATO drawing on the results of the July summit and



including some thoughts on the nature of minimum deterrence and the more international integration of forces. The Prime Minister might stress the need for NATO to develop through the Council a political dialogue with the east Europeans/Soviet Union; and the need to acknowledge and accommodate legitimate Soviet security concerns, including over Germany. The Prime Minister could pick up the suggestion for some sort of inter-Alliance agreement which emerged from the Washington Summit and call for a Joint declaration or exchange of statements (we are working on some ideas here) between NATO and the Warsaw Pact countries (collectively or severally).

### Prosperity

The Prime Minister could say that a more prosperous Europe will be a more united and secure Europe. This requires not the failed centralisation of Communism, but competition in free and open markets. Market principles must take root in eastern Europe and the Soviet Union. Economic freedom should be seen as an indispensable counterpart to political freedom, and entrenched in the philosophy of the CSCE. It should be put into practice through transfers of Western skills, technology and investment, spearheaded by the private sector.

The Prime Minister could then expand on the crucial role of the EC and the importance of keeping the Community open to new members. [She could suggest that the Community might comprise as many as 20 countries by the early years of next century.]

This would lead into a short passage on the EC's internal evolution. The Prime Minister should emphasise that we want a strong Community that will help make Europe strong. To achieve its wider destiny it must stick to the principles of the Rome Treaty and 1992 programme, and remain open, liberal, democratic and diversified. She could mention some of our themes for the development of the Community : openness; democratic accountability; efficiency and the role of Community institutions. She could go on to say that our approach shows that Britain is committed to and influential in Europe, with a clear view of the way ahead.

More generally, the Prime Minister might then refer to the crucial importance of the GATT as a force for openness and discipline in an increasingly interdependent global economy. She could stress the need to work for a successful outcome to the GATT Uruguay Round as a first step. But she could also emphasise that there will then be other major

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potential work for GATT in liberalising world trade : eg. in the field of restrictive business practices.

Looking ahead, she could mention the importance of a closer political and economic relationship between the EC, North America and Japan. We should work through the GATT to get as close as we can to completely free transatlantic trade, and to encourage Japan to open its economy further. We should also develop the emerging new consultative partnership between the EC and US; and seek to extend this to Japan. Within Europe, we should aim for an extended Single Market and the freest possible trade in the CSCE area. The Prime Minister might mention our readiness to encourage the Soviet Union to participate more fully in the world economy as its reforms proceed. (These sections might draw on the ideas in the paper on trade and global interdependence sent to you recently by the DTI).

#### Conclusion

There might be scope for a further short passage on the central place of the US in all these areas - principles, security and prosperity - before the Prime Minister concludes. She could sum up by saying her vision is of one Europe, diverse and undivided. A Europe standing firmly by the principles of freedom and the rule of law. United in a security based increasing on trust and cooperation. Enjoying a prosperity founded in flourishing open markets. A Europe true to its heritage, yet accessible to the wider world and a force for good within it. The Europe of which Churchill dreamed, but never lived to see, is the Europe which we must all now work to create.

*Yours,*  
*Stephe Wall*

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Private Secretary

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