DA DO PRIME MINISTER VISIT TO TURKEY: SPEECH AT TURKISH GOVERNMENT DINNER When I showed you my first draft for your speech at the Turkish Government's dinner in your honour, you made a number of minor changes and asked for the addition of a section on the Middle East. I have subsequently put the draft to the FCO and to the Embassy in Ankara. I attach a version which takes account of their few suggestions, and includes a passage on the Middle East. The main change of substance is to tone down the section on Turkey and the European Community, so as not to raise too many expectations on the part of the Turks. The result is that the last substantive paragraph (page 29) is a bit flat. We could re-instate the sentence from my earlier version: "Against the background I have described [i.e. Turkey's gradual re-alignment towards Europe], who can doubt where destiny will eventually lead you?" That stops well short of a commitment, indeed in some ways it puts Turkish

Agree that we should now send the speech off for translation, so that it can be circulated at the dinner?

membership off on to the Greek Kalends (so to speak!). But

(C.D. POWELL)

you may prefer to play safe.

25 March 1988 DALAEY

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## CONFIDENTIALign and Commonwealth Office

London SW1A 2AH

24 March 1988

Dear Charles,

OR 274 8 05 05

Prime Minister's Visit to Turkey: Speeches: EC/Turkey

The Foreign Secretary has seen your two letters of 21 March attaching the latest drafts of the speeches which the Prime Minister will make in Ankara on 7 April and in Istanbul on 8 April.

I shall be writing separately with comments on other apsects of the speeches. But the Foreign Secretary has asked me to draw your attention particularly to the passages on Turkey and the EC, which he has considered carefully.

The Foreign Secretary agrees that we need to take as positive a line as we prudently can with the Turks on their relationship with the Community. But we must not forget the underlying reality that Turkey's accession to the Community would not be in UK's interest.

Turkey already has a large population (50 million). Her high rate of population growth - well over 2% p.a. - implies 70 million Turks by 2000, making Turkey more populous than any existing member state. Her GDP per capita is just over US\$1000, about 14% of the EC average. Even with faster economic growth, the rapid population increase will hold this figure well below that of the least prosperous EC member, Portugal.

If Turkey did join the Community, she would be a massive net beneficiary from the EC budget. For example, we calculate that had she been a member in 1986, net transfers from Northern to Southern member states would have increased by 50% from \$5 billion to some \$7.5 billion. Moreover the Community's rules on free movement would eventually require the existing EC member states, including the UK, to cope with a heavy influx of migrant workers.

The paper enclosed with Tony Galsworthy's letter of 23 November 1987 therefore argued that we must try to build up the EC/Turkey Association Agreement as an acceptable alternative to accession. The Foreign Secretary believes

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## CONFIDENTIAL that the speech as now drafted is more encouraging to the Turks than is justified in view of these considerations. He therefore suggests recasting the paragraphs concerned as follows (the changes are underlined): a. Ankara speech, para 16: "Britain has fully supported you at every step: indeed no country has worked harder than the United Kingdom in recent years to strengthen Turkey's relations with all these institutions. We understand that you see Turkey's application for full membership of the European Community as a further step in your progress - in Ataturk's words - "in the direction of the West". The Commission of the European Communities are now preparing their opinion, which is the normal procedure, and that will become the basis for the Community's collective decision. I cannot predict what that will be. But I can say that Britain attaches great weight to the long history of our relations with Turkey, our many common interests and the fact that we are already partners in so many common endeavours." Istanbul speech, para 19, final tiret: "Second, we understand your wish, in the context of your long history of developing relations with the West, to go beyond the Association Agreement to full membership of the European Community. The Commission of the European Community are preparing their opinion, which of course is the correct procedure under the EC Treaty for handling applications for accession. This will take time: the issues are complex. Meanwhile I can assure you that the UK attaches great importance to the long history of our relations with Turkey and to the many common interests that bind us together." ions ever

Private Secretary

C D Powell Esq 10 Downing Street