

PM/84/45

### PRIME MINISTER

Prime Muira

- 1. Geoffer Home Les rent a copy ONLY TO YOU.
- 2. The purpose is not for your detailed comments; book for your views on whether it is on the right lines. Since 9/3
- 1. I attach a copy of the first draft of the Manifesto for the European elections, which I thought it would be helpful for you to see at an early stage. Discussions with relevant Ministers are under way and much further redrafting will be required, but you may wish to let me have your initial reactions to the overall approach in this draft.
- 2. We are all aware that domestic as well as European issues will feature in these elections and our planning and preparations must take that into account. The Manifesto will need to set out our policies in a framework of Conservative principles applying at home as well as in Europe. But so far as specific policy proposals are concerned, it confines itself to Community-related issues.

GEOFFREY HOWE

Foreign and Commonwealth Office 9 March 1984

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-DRAFT I REV. III

## INTRODUCTION

### The Conservative Commitment

These elections are about who can best represent your interests in the European Community.

Five years ago, in the first European elections, we called for an end to the confused and half-hearted approach to the Community which was the best a deeply-divided Labour Party could offer.

This approach was doing immense damage to British interests. Not only had it failed to secure any of the reforms we wanted to see, it had hardened our Community partners' attitudes to such an extent that any prospect of reform had receded still further into the future. More seriously still, the attitude of the Labour Government was weakening the Community's attempts to get to grips with unemployment, energy shortages and the deteriorating world economic situation.

In both the general election and the European elections of 1979, the Conservatives won a massive victory. We argued then that by being more committed to the Community - and more concerned with what we could contribute, not just with what we could get out of it - we could secure both a better deal for Britain and a Community better equipped to meet the political and economic challenges of the 1980s.

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This was the spirit in which the new Conservative Government, backed by strong Conservative representation in the European Parliament, got down to work: <a href="first">first</a>, to mend our relations with the other Member States; <a href="second">second</a>, to assert the major role which we felt that Britain should be playing in the Community; <a href="third">third</a>, to win agreement on a number of key reforms; and <a href="fourth">fourth</a>, to shape the policies of the Community in ways which would help it to fulfil the original Treaty objectives of maintaining peace and prosperity in Europe, at a time when both were seriously threatened.

Our double victory in 1979 was greeted with widespread relief in the rest of the Community. Had Labour won, they would certainly have attempted to put into effect their ruinous policy of leaving the Community, thus doing still further damage to employment, to our international reputation, and to the climate of political and economic stability which British industry, in particular, so desperately needed.

By contrast, the Conservatives were soon able to dispel any doubts about our determination to remain in the Community. Once again, British Ministers were listened to with respect by our Community partners, and in a series of speeches by the Prime Minister, the Foreign Secretary and others, our 'positive approach' was set out across every field of Community activity.

The greater degree of commitment was matched by greater consistency. In 1979, we said 'Conservatives here at home, 45 in Government and Parliament, and in Europe will be part of the same team'. Conservative Ministers in the Council have gained authority not only from the strong Conservative majority in the House of Commons - a majority still further increased in June 1983 - but from the very strong 50 Conservative representation amongst British Members of the European Parliament. Conservative Members have spoken up on behalf of the reforms and new policies the Community needs, whereas the Labour Members have been representative of nothing but the narrowly sectarian interests still at odds 55 within the Labour Party itself.

Now, in the second round of European elections on 14th June 1984, Conservatives are seeking a fresh endorsement of their policies on behalf of Britain's interests in the Community, and fresh backing for the British Government in the form of a strong Conservative team in the European Parliament.

## PART II: A COMMUNITY WITH A WORLD ROLE

### 1. A Force for Democracy and Stability

The European Community has a key role to play in maintaining world peace, promoting the principles of democracy and liberty, and advancing the economic and trading interests of its members. Conservatives believe that Community membership increases the influence of the United Kingdom and strengthens our capacity to direct our own destiny in the world at large.

The need for an independent and concerted

European voice has been repeatedly demonstrated 10

during recent years. Individual European states are
today less able to influence the policies of the
other major powers on matters of foreign policy,
economic policy or trade than the Ten can do working
together.

We recognize the importance of preserving and strengthening our friendship with our major ally, the United States, which has contributed so much to secure liberty and prosperity in Europe in the aftermath of World War II. We share the objectives 20 of maintaining peace and protecting our freedoms.

But we also recognize that specific US and European interests are not always identical. We believe that

a stronger and more united Europe is in the interests of the Western Alliance as a whole.

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The Community is theworld's largest trading block. It has numerous trading agreements with developed and developing countries. Its potential influence in the world is therefore very great.

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## 2. Improving Political Co-operation

The Conservative Government and Conservatives
in the European Parliament have played a leading
role in strengthening co-operation among the Ten
on foreign policy matters. The London Report, 35
which improved the machinery, widened the
scope and strengthened the commitment of our
member states to Political Co-operation, was
agreed under the British Presidency in October
1981. And the Ten recently agreed on a set of 40
British proposals for strengthened co-operation
among Community Embassies around the world.

There is still much to be done if the Ten are to exert the influence which should be theirs. We will work to build on the 45 foundations laid by the London Report, especially as regards the commitment to consult before taking national decisions of importance to the Ten as a whole. We will seek to ensure

that the economy, flexibility and lack of
bureaucracy which characterize the
activities of Political Co-operation are
maintained.

We take the view that NATO is the right forum for co-ordination on matters concerning 55 Western defence. But we would also like to see even greater co-operation among Europeans on matters of defence and security. We welcomed those passages of the London Report and the Solemn Declaration on European Union 60 which extended the scope of Political Co-operation to include discussion of political and economic aspects of security. Closer co-operation in arms procurement policy is also in Britain's interest and in Europe's, and can provide a stimulus to European industrial development.

## 3. Enlargement

Enlargement of the Community to include Spain and Portugal will strengthen democracy and 70 security in Western Europe by bringing these new democracies into the mainstream of European political and economic affairs. We wish to see the negotiations brought to a conclusion as soon as possible, so that the desire of both 75



countries to accede on 1 January 1986 can be met.

### 4. A Trading Community

The trading strength of the Ten combined is unrivalled, with a share of world trade half 80 as large again as that of the United States and nearly one-quarter of the gross world product.

The Community therefore has both great influence and great responsibility in trade.

We believe it should use its strength to 85 maintain and extend the open world trading system, which has produced the largest increase in trade and wealth in history. We reject the protectionist policies of the Labour Party as bad for our successful industries, bad for 90 consumers and bad for Britain as a nation which depends on trade. We will work to ensure that the Community resists the temptation to solve its internal problems by adopting protectionist measures. The Community should speak with a 95 collective voice, both in defence of its interests where necessary and in tackling the problems of protectionism and indebtedness.



### Conservatives therefore support:

- \* The implementation of the work programme 100 agreed at the GATT (General Agreement on Trade and Tariffs) ministerial meeting, in particular the opening up of markets of newly industrialized countries to other developing as well as developed countries, 105 and liberalization of trade in services.
- \* A full and constructive Community role
  in the GATT Committees on Trade and
  Agriculture, so that Community policies
  on agricultural trade do not add to
  trading tensions.
- \* Action to ensure that Japan opens up more rapidly to imports and investment and moves away from the persistent accumulation of large current account 115 surpluses.
- \* Measures to deal effectively with unfair practices by other countries and to provide breathing space for Community industries in transition. Conservatives 120 in the European Parliament have taken a leading role in strengthening the antidumping unit of the Commission through more speedy procedures and improved resources.

\* Action to resolve trading tensions with
the United States, notably on steel,
agriculture and trade with the Soviet
bloc, in a manner which defends our
legitimate interests and is fair to both
sides.

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- \* A Community approach to the protectionist shipping policies of state trading countries and some developing countries.
- \* Action to promote greater exchange rate
  stability and economic co-ordination as 135
  agreed at Williamsburg. We recognize that
  heavy fluctuations in major currencies
  increase protectionist pressures, and
  need to be reduced.

## 5. Helping the Third World to Help Itself

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Trade and aid with less developed countries should be designed to meet humanitarian needs, to stimulate self-reliance and to further our trading and political interests.

The European Community and its Member States 145
provide more than a third of all aid given by
developed countries to the developing world
and almost half of the total aid to the least
developed countries. The Lome Convention, now

being renegotiated, provides 63 African, Caribbean and Pacific states (34 of them Commonwealth members) with the most comprehensive trade and aid arrangements between the developed and developing worlds. In addition, the Community programme of 155 financial and technical aid for Non-Associated States (including the Indian sub-continent) has been growing steadily. Developing countries also benefit from the Community's Generalized Preferences 160 Scheme. Resources have to be limited, but we will work to maintain an open trading environment, to eliminate waste and to promote private investment indeveloping countries. We believe that we can use cur 165 long experience in overseas development to help bring about a real increase in effectiveness in the use of aid.

We also want to see our own industry and commerce increasingly able to take advantage 170 of the opportunities offered by the Community's aid programme. We will build on the progress we have already achieved in improving the quality of Community aid so that it contributes to self-reliance in food production. In 175 particular we believe that food aid, though it

PERSONAL AND CONFIDENTIAL

can still play an important role, should not be used as an outlet for the disposal of Community surpluses.



### III RECOVERY IN EUROPE

DRAFT 1/REV III

Redoubling our efforts to relaunch and revive

Europe has now become essential. Our countries

are far more closely linked and dependent on one

another than they have ever been. So we each have

a vital interest in our collective success.

Conservatives alone have the policies, the authority and the commitment to the Community which the task of securing recovery calls for.

- \* We are firmly committed to setting industry

  free in a real Common Market with much

  greater freedom of trade in goods and

  services.
- \* Our policies for the control of state

  spending and borrowing, lower taxes and

  reviving enterprise have reduced inflation, 15

  restored confidence and are enabling us

  to lead the Community out of recession.

  Regardless of party or ideology, our

  partners are following similar policies

  with positive results. 20
- \* We recognise the urgent need to sustain and encourage employment by making our industry more competitive.
- \* We stand by the Community's policies to help relieve the economic costs and social 25 pains of change.

#### PERSONAL AND CONFIDENTIAL

- \* Conservatives have put forward specific and practical proposals.
- \* We look at Community policies on their

  merits. We support Community action when it

  is clear that it will be more effective than

  national action alone.

Our policies for recovery in Europe are different from those of our opponents who

- \* seek to repeat on a European scale 35
  the same policies which have failed
  at national level;
- \* would destroy jobs across Europe

  through massive state intervention,

  wasteful subsidies, planning and

  controls:
- \* make empty promises rather than put forward specific proposals.

### Internal Market

The most important step which the Community can take towards growth and recovery involves no budgetary cost 45 at all. It is to make a reality of what is still a far from Common Market. Though trade barriers have gone, too many other obstacles remain, as the lorry drivers protest in Franch has vividly illustrated. Their

removal will boost competitivity, reduce the 50 costs on industry, and provide better prospects for employment.

We attach the highest priority to achieving

a Community-wide market where those with goods

and services to sell can do so with a minimum

of restrictions and burdens imposed on them by

national protectionist measures.

In particular we shall seek to:

- \* eliminate delays and bureaucracy at

  frontiers within the Community which

  are alone estimated to add [£7] billion

  a year to costs and thus to prices;
- \* make public purchasing more open and competitive. It is estimated that present restrictions could cost the 65
  European consumer and taxpayer as much as £30 billion a year nearly twice what we spend on the NHS;
- \* create a common market for financial
  and other services. At present the 70
  Community only accounts for 3% of the
  business of the London insurance market,
  while taking over 40% of our exports in
  goods. We shall seek to ensure that
  our insurance, banking and housing 75
  finance services have a better opportunity

to exploit a Community-wide market;

\* build on existing progress towards

mutual recognition of professional

qualifications;

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- \* agree a definite and detailed programme for removal of non-tariff barriers to trade, including a time-table for their removal.
- \* support the harmonization of VAT and 85
  excise duties where the divergences
  between countries are a significant
  barrier to British producers and
  consumers as much as to any.

These changes will help businesses. But they 90 will also help the individual as consumer, as traveller, as an earner, or as someone searching for work.

Freeing the internal market requires much hard, detailed work because of the complexities 95 of national legislation. We shall resist harmonization for its own sake, but we recognize that simplifying laws has a role a play in reducing barriers to trade. Conservatives in the European Parliament have played a leading role in 100 creating a climate of opinion where the urgency of progress in this field is recognized, and in

seeking to establish real priorities for action.

They have also supported the Government's campaign to have the Community Trade Mark Office 105 sited in London.

Uncertainty about interest rates and exchange rates can constitute another important obstacle to simpler, more secure ways of financing investment in or trade with our partners' economies, 110 particularly for small businesses. We share with our partners the objectives of more stable exchange rates which requires above all a common commitment to mastering inflation and the implementation of the policies that demands. 115 The question of sterling participation in the exchange rate mechanism of the EMS remains under regular review. We should only take that step when the conditions are right, both for us and for our partners. We support the increasing commercial use of the ECU in Community trade and finance. We have already removed all serious obstacles to its use in this country, and will urge our partners to do the same.

Jobs

Securing recovery and making a reality of the 125 internal market can make a massive contribution to the relief of unemployment. They are the



foundation of a policy for jobs; but alone they are not enough. In the EC as in the UK,

Conservatives will support policies which

favour competitiveness and expand the flexibility

of our economic and social system.

Experience shows that it is small
businesses which can generate the bulk of new
job opportunities. [Section on policy for 135
small businesses]

We have strongly supported the Community's efforts to promote health and safety at work.

Recent progress on common standards will provide better protection for employees while 140 ensuring no unfair distortion of competition within the EC.

The Community's role should, however, be questioned when it seeks to impose detailed and binding rules in areas which are primarily the 145 proper concern of employers and employees; which pay little regard to the differences between member states' practices; or which are likely to achieve the reverse of their declared purpose.

We do not support the Commission's recent 150 initiatives on part-time and temporary working, and the shorter working week, nor do we favour comprehensive schemes for early retirement.



These schemes would both damage competitiveness,
undermine jobs and intrude into matters which

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should be dealt with at industry, plant or firm
level within each member country.

Good employers need no urging to consult their employees and inform them properly. We shall continue to press that the practices of 160 the best firms become the norm. But the emphasis must be on voluntary national arrangements. We shall therefore resist attempts to impose rigid systems on industrial relations and the management in Britain, such as the Commission's proposed 165 "Vredeling and Fifth Directives". These would increase costs, disturb existing good practices, damage job prospects and investment both at home and from outside firms, and contribute nothing to a more effective common market. [We are, rather, considering the more prudent approach of establishing a Code of Good Practice with statutory backing in order to create the flexible pressure for change which is really needed.

#### Transport

We shall continue to attach a high priority
to liberalizing transport by continuing pressure
for action for the benefit of producers and
consumers alike, such as:

### PERSONAL AND CONFIDENTIAL

\* reform of the restrictive road haulage quotas;

[section on lorry weights to be added]

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- \* eliminating protection in world shipping, and unfair and deliberately disruptive competition from eastern bloc countries;
- \* cutting out the restrictions, inefficiency
  and relative high prices in passenger air
  transport between member countries

## Regional and Social Funds, European Investment Bank

Consistent with our commitment to increase the share of non-agricultural spending in the Community's 190 budget, we shall continue to support the Community's Regional and Social Funds. Assistance can be more effectively targetted by these Funds than through the CAP. The UK has enjoyed substantial and growing assistance from them, in excess of £1 billion from each since their foundation. This has both eased 195 our public spending burden and supported numerous projects of value to particular regions, communities, firms and industries and groups such as the young and handicapped. We shall continue to ensure their 200 resources are used effectively and where they are most needed. The review of the Funds' "priority areas" which will follow the accession of Spain and



Portugal, must not deprive our problem regions or most deserving groups of their fair share of Community support.

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[EIB, NCI]

## Industry and Energy

Conservatives recognize that in some areas carefully targetted assistance at the national or the Community level has a role to play.

This is true both in older declining industries 210 and in the new technologies. Within the framework of a realistic and properly controlled

Community Budget, Conservatives will

- \* give continued support to the Community's

  efforts to rationalize the steel industry; 215

  [shipbuilding/textiles?]
- \* press our partners to examine critically
  the obstacles to joint European ventures
  and investment, and encourage industrial
  coopeation, especially in the new technologies.
- \* promote common efforts on research and innovation where the costs are too great for individual countries or companies;

### PERSONAL AND CONFIDENTIAL

- \* encourage training programmes for the 225

  new technology industries, possibly

  under the Social Fund;
- \* seek to ensure that national aids are transparent and fair;
- \* [Airbus, space, telecoms] 230

  On energy, the Community needs to identify and act on concrete priorities. These should include measures to
  - \* continue to reduce dependence om

    imports, encourage realistic energy 235

    prices and conservation, and dewelop

    energy resources within the

    Community;
  - \* assure sensible contingency measures

    for managing the oil market in 240

    another oil crisis;
  - \* encourage a viable solid fuels policy
  - \* [nuclear ?refer to recent successful

    agreement on joint fast-breeder co
    operative research]

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  - \* [any scope for EDG ideas on Euro-grids in electricity and gas, or less dependent on eastern bloc imports?].

## Environment and Conservation

Policies for improving the environment and reducing pollution often impose major costs on firms as well as increasing the quality of life. Striking the right balance is as important and as difficult within a Community as it is within a single country. Much pollution crosses frontiers, in water or by air. And differences in national policies and standards can create non-tariff barriers by distorting competition. So policies for the environment are a proper concern for the Community if they are to be effective and if European industry is to compete on a fair and equal basis.

The UK has long been a pioneer in fighting pollution. Our present priorities for action within the Community are:

- \* the elimination of lead in petrol [by 1990 in the UK]
- \* Community action to control cross-frontier movements of hazardous wastes;
- \* finding answers to the problem of acid rain;

- \* proper assessment of the environmental effects of major industrial develop-ment projects before approval;
- \* Community assistance in cleaning up
  the Mersey and other polluted rivers.

Equally we are determined to build on our success in persuading our partners to follow the philosophy of "environmental quality objectives", which has long been established here at the proper basis for regulating industry. This principle strikes a fair balance between the needs of industry and the protection of the environment. Its implementation should lead to progressive elimination of pollutants and substances in cities throughout the Community.

[Endangered Species, Wildlife, Countryside?]
[Consumers?]

# IV TRUE TO BRITAIN, TRUE TO EUROPE

[This chapter will deal with Budget Burdens
Financial Control
Agriculture
Fisheries.

All sections except Fisheries depend heavily on the outcome of Brussels. Drafting has been done but it would serve little purpose at this stage to discuss it. The Fisheries section is attached.]



### Fisheries

The Conservative Government has succeeded in negotiating a Common Fisheries Policy, concluded in January 1983, which provides British fishermen with the greatest advantages in our waters in the industry's history. This policy provides the stability the industry needs for long-term investment and, with effective conservation measures, should secure expanding rather than declining stocks of fish.

Our achievements contrast with the abject failure of
the last Labour Government to make any progress in defending
the interests of British fishermen or in negotiating a
satisfactory policy. The lost opportunities under Labour made
our negotiating task more difficult and prolonged than it
need otherwise have been.

We will continue to ensure that our fishermen get a fair share of the resources available to the Community, and that the policy is enforced even-handedly and managed efficiently.

We will continue helping our industry adapt to the new circumstances that face it with the loss of deep water fishing opportunities.



### CHAPTER V

# THE EUROPEAN PARLIAMENT AND COMMUNITY DECISION-MAKING

Since 1979, the directly-elected European Parliament has established for itself a position of real influence at the centre of the Community's decision-making. It has used this position to scrutinise and, where necessary, to amend proposals for new legislation from the Commission; to control expenditure; to check bureaucracy; and to act as the forum within which the problems facing the Community can be debated and solutions worked out.

It is now unthinkable that any major decision can be taken
affecting the Community's future without the citizens of Europe
being involved through their representatives in the European Parliament.

conservatives have taken full advantage of the Parliament's enhanced authority. They have used the Parliament not only to criticize Commission action and bring into line with Conservative thinking, but to draw attention to the major reforms the Community needs if it is to survive and to press for the economic and social policies essential to longer-term prosperity. Conservative Members have also developed, through questions and reports, the Parliament's right to investigate the activities of the other Community institutions.

In their constituencies, the Conservative Members have acted as the vital link between Community action, in whatever field, and its impact upon the citizens of this country.

They have been involved in a wide range of cases in order to safeguard the rights of individuals and firms threatened by bureaucracy or administrative action, and, in conjunction with Conservative MPs at Westminster, have lobbied in Brussels and in Strasbourg on behalf of many local and national interest groups.

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All this has been achieved without any increase in the

Parliament's formal powers. We believe that although the

Parliament's powers must keep pace with the growing authority and

influence of the Community's institutions within Europe and of

the Community in world affairs, there is no case - because there

is no need - for the Parliament's powers to be increased at the

expense of other Institutions.

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The main task before the Parliament over the next five years is to consolidate its influence and to use it to the benefit of the citizens of the Community. This can only be done if a direct link is maintained between the Members and their constituents, and this is why in the discussions on a uniform electoral procedure Conservatives will continue to attach great importance to the retention of single-Member constituencies in Great Britain.

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The newly-elected Parliament must also give high priority to developing a more consistent and responsible stance on the key issues, notably those relating to the Community budget.

Over the years, the Parliament's say in how Community funds are spent has increased, but it has little direct responsibility for how the money is raised. This has placed the Parliament at the mercy of those with a vested interest in the maintenance of the present emphasis on agricultural expenditure, especially price support.

So far, the Parliament has shown itself unwilling to make cuts in some areas of Community expenditure so that other areas might benefit, within the limits of available resources. Until it shows itself capable of making political choices of this kind, the Parliament's overall stance on the Community budget will lack the degree of responsibility essential to real authority.

Conservatives will continue to support the European Parliament's involvement in human rights questions. Whatever its formal powers under the Treaty, outside the Community the Parliament is regarded as 'the voice of Europe' on a whole range of political issues. This involves a responsibility which the Parliament cannot easily shirk and which Conservative Members have sought to discharge in an orderly, coherent, and pragmatic fashion, in the belief that the European Parliament has a contribution to make to the maintenance and expression of the democratic ideals upon which the Community itself is founded.

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These three criteria - effectiveness, consistency, responsibility - allied to a concern to keep the Parliament closely in touch with the electorate are fundamental to the Conservative approach to the Parliament. This approach has helped us to work very closely on specific issues with Members from many other like-minded parties across the Community. The success of this co-operation can be seen in the way these parties have held the initiative on all important issues since 1979, from the Falklands crisis and cruise missiles to unemployment.

The next few years are likely to be critical ones for the European Parliament. It must dispel not only the misgivings about the effectiveness of international co-operation, but also the doubts about whether the workings of the Community can be made more democratic. With a strong and determined Conservative representation there is every prospect that it can do both.

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### REFORM OF THE COMMUNITY INSTITUTIONS

The problems facing the Community cannot be resolved by institutional means. However, the search for solutions is made more difficult by the fact that in the Community decisions can be taken without adequate scrutiny or consultation, or blocked as a result of the failure to reconcile different interests.

The basic need is for institutions and procedures which provide not only effective democratic control over Community decisions, legislative or otherwise, but also the proper balance between Community and national interests.

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Conservatives have consistently argued in favour of the need to safeguard national interests and for greater efficiency in the collaboration between the different institutions, including national governments and national parliaments. At the same time, we have been willing to support concerted action at Community level whenever it can be shown that this is more likely to yield results - or represents better value for money - than Member States acting individually.

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Conservatives have insisted that Member States should be able to protect their vital national interests in the Council of Ministers by invoking the right of veto. However, we recognize that if the Council is to be an effective decision—making body, this right should be used only as a last resort.

It is not in our interest that other Member States should be able without proper justification, [to] veto agreement on measures which would benefit the United Kingdom.

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Conservatives will continue to press for practical reforms in the workings of the Community institutions. In particular, they will play a constructive and realistic part, over the next five years, in implementing the undertaking given by Member States' Governments in Stuttgart in June 1983 to 'deepen and broaden' the scope of their European activities. However, we will remain critical of any attempt to force the pace of institutional reform, especially in ways which might jeopardise the defence of genuinely vital national interests or which would not command the necessary degree of common agreement and public support.

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### DRAFT I/REV II

CONCLUSION

Conservatives have a practical view of
the future of the European Community. We
understand and share the ideals which underpin it - securing peace, stability and
democracy in Europe, recognizing our common
European destiny, and pooling our resources
to secure the prosperity of our citizens.
We have made, and will continue to make, a
positive and constructive contribution to
turn those ideals into reality. This requires
practical proposals and a resolute approach
to negotiations rather than empty rhetoric.

Conservatives have been in the vanguard of those seeking modernization and change in the Community. In Europe as in Pritain we are the party looking to the future. Our policies in Britain and our policies in the European Community are complementary and mutually reinforcing. Stact control of finance and elimination of waste; growth and employment created through enterprise and

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iniative; a commitment to the Western Alliance and to working with our friends abroad to safeguard our interests. These are our policies in Europe as in the United Kingdom.

We have restored the standing of Britain in the world. Our resolution in defence of democratic principles and of British interests is unquestioned. Our willingness to take the difficult decisions in order to restore the long-term economic health of Britain has won widespread respect. Where we led, others are now following. Together with the Federal Republic we are leading Europe out of recession.

This is not the time to call for Bennite

policies across Europe, as Labour propose, and to

put our recovery at risk. Or to plunge into a

federal Europe as the Liberals propose. A

protectionist Europe is no more likely to

secure our interests than a protectionist

Britain. A non-aligned Europe is no more

likely to safeguard our liberties than unilateral disarmament in Britain.

Withdrawal from the Community, whether plainly advocated or disguised, as a call for a new Messina, is still damaging to the pursuit of British interests in Europe.

A strong Conservative Government, supported by a strong Conservative team in the European Parliament, is the best protection of British interests in the Community. The electorate knows our policies and understands our consistent approach. We do not change our policies every time there is an election. That is why people trust us. And it is why we are confident of support on June 14.