



10 DOWNING STREET

Prime Minister

- to see
- I have taken account of this, and have used some of this, in drafting your speech

Slater 8/6.



Foreign and Commonwealth Office

London SW1A 2AH

7 June, 1984

cc Mr Coles

Mr Sherbourne

7/6

John Lh-

European Community

I have already replied to your letter of 4 June asking for material for the Prime Minister's speech for the Conservative rally for the European Elections on 11 June.

The Foreign Secretary hopes that the Prime Minister might use her speech to say something about the future development of the Community. It is an important part of our strategy in the negotiations to demonstrate that we have given just as much thought to the future development of the Community as anyone else and that we have coherent and well-developed ideas on policy. In many ways, those ideas are in practice more far-reaching than those of our partners; and of course we shall continue to concentrate on the practical rather than the purely rhetorical aspects of Community development. Sir Geoffrey Howe believes that we can set our ideas in the context of an overall strategy for the development of the Community in a way which will have practical appeal domestically but will also show the other member states that our aims are similar to their own.

We suggest a passage on the enclosed lines which reflects some of the ideas in the paper the Prime Minister will be giving to Chancellor Kohl at the weekend.

*[Handwritten signature]*

(R B Bone)  
Private Secretary

A J Coles Esq  
10 Downing Street

DRAFT PASSAGE FOR THE PRIME MINISTER'S SPEECH TO THE CONSERVATIVE  
RALLY FOR THE EUROPEAN ELECTIONS (11 JUNE)

1. Last week, Heads of Government of the 7 major western economic powers met in London to set the course for our continued economic recovery. Later this month I shall attend another major Summit, that of the Heads of Government of the European Community.

2. Europe's past is our past. The men and women whose sacrifices were commemorated on the Normandy Beaches last week did not die to preserve the old order. They fought to safeguard freedom and their sacrifices led, in the peace that followed, to a new determination that those countries which had been at war should henceforth live at peace. The European Community, ~~of which we are wholehearted members,~~ is therefore a monument to their sacrifices. But it is more than that. It is a commitment to preserve peace, to further democracy and to promote the prosperity of the Member States.

3. That was why the founders of the Community dreamed of a Europe, not at war but united and at peace. They were not thinking of some legalistic bureaucracy, but of a genuine Community in which common policies and a common market for goods and services could promote inter-dependence and a sense of common purpose.

4. It is that vision that we must capture again. ~~If that is to happen, then we need to mobilise the political will and the popular commitment to make Europe work in the interests of all its citizens, and to give it the unity of purpose which will enable it to play its full part in safeguarding the interests of the free world.~~

5. The individual Member States of the Community bring a unique contribution not just to the Community, but to the cause of democracy. With our longstanding links with developing countries,

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and with the network of formal and informal ties between the Community and the developing world, we can provide a bridge between North and South. As a European economic grouping - larger in population than the United States - we can also help build a bridge from East to West.

*Common Purpose*  
5. The kind of unity we wish to see in Europe will not be created by constitutional texts alone.

It will be created both by developing our common political and economic aims and by completing the tasks laid down in the original Treaty of Rome.

6. We lay much stress on completing the common market in goods and services. Of course we stand to gain with our strength in the services sector. But there is more to it than that. Commitment to a common market in goods and services comes before commitment to the Common Agricultural Policy in the Treaty of Rome. A genuine common market would break down not just the barriers to trade but also the human and psychological barriers which still stand in the way of the Community's development. The free flow of goods and services, liberalisation of frontier controls and of air and road transport, are not costly policies. They are policies that save money, but they can make a real impact at every level of the Community and promote the sense of common purpose which is the real meaning of a united Europe. We have seen in the United States the impact on job creation which the breaking down of barriers to trade in goods and services can achieve. We should emulate that success.

7. Britain was late in joining the European Community. But no-one remembering our sacrifices of 40 years ago can doubt the part that we played in the creation of the Community. Like other Member States, we shall fight for what we believe is right in the interests of the Community as a whole. But we have a wider purpose. We have our own ideas on the future development of the Community; and I shall be discussing these with the other Heads of Government at and after Fontainebleau. The Community is at a

turning point. We have the opportunity at Fontainebleau in two weeks' time to complete the negotiation which was started at Stuttgart a year ago, and to set the agenda of ~~common action~~ for a new generation. That is the task before us at Fontainebleau and the goal which I for one am determined to achieve.