SPEECH BY CHRISTOPHER TUGENDHAT, COMMISSIONER OF THE EUROPEAN COMMUNITIES, TO A MEETING OF EUROPEAN UNION OF WOMEN AT BEACONSFIELD, ENGLAND FRIDAY MAY 16th 1980 at 8.00 p.m.

The problem of the British contribution to the European Community Budget must not be allowed to dominate either Britain's position in the Community or the Community itself. It is an urgent problem to which a solution must be found. It is a difficult problem which is why the search for that solution has also proved difficult. I am sure, however, that an equitable solution can be found.

The outlines are already clear. As the offers made by the other Member States at the Luxembourg Summit show, it is now accepted that Britain's contribution must be substantially reduced. The problem is to find a way of ensuring that after a short period it does not again rise out of control. I believe it will be possible to do this.

But as Lord Carrington has said, it is a family quarrel. There are far more important matters in the world that ought to concern us. We in Europe must not fall into the trap of concentrating on our internal disagreements - signficant as this one indubitably is - at the expense of far greater international problems.

The need for greater European solidarity and the development of close co-operation in foreign policy has been highlighted by the recent increase in international tension as a result of events in Afghanistan and Iran. These events have reminded us of the weakness of a policy of isolation and of the possibilities offered by the European Community, through development of its mechanisms for Political Co-operation, to agree a common European response which may help to deal with international crises. However limited our capacity to achieve such common positions may yet be, they are the only means by which any of the Community's Member States can significantly influence world events.

The upheaval in Iran and the taking of the American hostages, followed by the Russian invasion of Afghanistan, have created a situation in which world peace is threatened and the West's already considerable concern about the future security of vital supplies of oil has been increased. The stability and independence of the Middle East is of vital concern to Europe and the resolution of the crisis currently affecting that area must take priority over our internal difficulties.

The invasion of Afghanistan by Russia
has revived Western fears that Russia's foreign policy
is dominated by expansionist ambitions. The peace of
the globe has rested on a delicate balance between the
Communist and non-Communist worlds, a balance which
has been upset by the Soviet expansion
south towards the Indian Ocean and up to the borders
of Pakistan, bringing Soviet forces closer to the
West's supplies of oil.

We must not forget, however, that Russian actions in Afghanistan have caused concern far beyond the Western alliance. Non-aligned countries also see their security threatened by Soviet contempt for the sovereignty and independence of Afghanistan - independence which was in fact established by agreement between the United Kingdom and Russia towards the end of the last centry. The strong reaction of many non-aligned countries, including most Islamic states, suggests that the Soviet Union may yet pay a high price in terms of reduced influence around the world. This important factor, and the opportunities it provides for the West to overcome the handicaps sometimes imposed by a colonial past in dealings with the Third World, must condition our esponse to the soviet actions

The position adopted by the Community at Rome in February seems to me, against this background, the appropriate one. The nine Foreign Ministers agreed to support the resolution passed by the U.N. General Assembly on January 14th, calling on all States to respect the territorial integrity and national independence of Afghanistan and to refrain from interference in its internal affairs. On the initiative of Lord Carrington they agreed to put forward a proposal for Soviet withdrawal from Afghanistan on the basis of a guarantee of its neutrality.

This proposal/has the merit of offering a respectable basis on which the Russian's could withdraw if, as they claim, their action was motivated by concern for their own security. It remains to be seen whether Mr Gromyko's initial rejection of the idea during his visit to Paris is Moscow's final response.

Meanwhile the Community must also show
the Soviet Union that relations cannot continue on
a normal basis while Soviet troops remain in Afghanistan.
Here it has proved more difficult to secure agreement
among Member States on exactly what action can and
should be taken to apply pressure most effectively on
the Soviet Union and to express opposition to the invasion.
It is clear that whatever is done must be done in a
careful and deliberate way which does not do more
harm to ourselves than to the Soviet Union or further
exacerbate the debilitating economic difficulties of
the West.

Following the American decision at the beginning of the year to limit its trade with the USSR the Community moved quickly to show its support. The Commission itself in the first week of January exercised its executive responsibilities, in consultation with Member States, by stopping the food aid programme to Afghanistan, by putting forward proposals for immediate aid to Afghan refugees in Pakistan, and by taking administrative action to ensure that exports of Community agricultural products to the Soviet Union did not replace those stopped by the United States.

The Council of Ministers confirmed this position on January 15 and laid down the principle, which the Community has since implemented, that exports from the Community would not replace either directly or indirectly American supplies of goods to the Soviet Union, but that traditional patterns of trade should be respected.

There is a further sanction which the
West could apply to Russia with, I believe, some
effect - a boycott of the Olympic Games in Moscow.

A decision to carry out such a boycott is, of course,
one for individual nations and their Olympic Committees
but the adoption of a common European position would,
I believe, carry a considerable moral influence.
Several European governments have already expressed
their opposition to participation in what is clearly
being designed by the Soviet Union as a festival of
national self-congratulation.

The European Parliament has already passed a resolution supporting a boycott. Madame Veil, the President of the European Parliament, I believe summed up the point very well when she said in Washington in January that it was impossible to separate the Olympic Games from politics and even economics, and that without any doubt the Games reinforced the prestige of the organising nation. The Olympic Games are the greatest publicity event of the modern world and to claim that they can represent an oasis of peaceful co-operation while the Soviet tanks roll into Afghanistan suggests a detachment from the real world which I find quite staggering. A boycott by European sportsmen would bring home to the Russian people what we think about their government's actions. Decisions by most of them to attend would however provide the Soviet government with a propaganda opportunity that it would exploit to the full.

Turning to the situation in Iran, we can see here also the important forum the Community has provided for determining a European response. problem in that country is one of anarchy rather than aggression. But the seizure of the American diplomats is an affront to human rights and civilized international relationships and a human tragedy which strikes at the heart of Europe's most important ally, the United States. Our response must, I believe, be based on three principles. First, we must show solidarity with the United States, second we must apply appropriate pressures on Iran to secure release of the hostages, and third, we must seek to contain the crisis - the last thing we should do is to inflame the situation or to encourage further Soviet adventures in this unstable area.

The Community has, it seems to me, attempted to act on the basis of these principles. Early in the crisis Community Members supported the Americans in the United Nations when the General Assembly condemned the Iranian action, and following the failure of American diplomatic efforts to secure the release of the hostages the Nine and the Japanese instructed their Ambassadors in Iran to make further representations to the Iranian authorities. The unsatisfactory/response was followed by agreement in the Council of Foreign Ministers immediately

to reduce diplomatic staff in Teheran and Iranian diplomatic staff in Community capitals, to reintroduce where necessary a visa requirement for Iranian nationals travelling to the Community countries, to ban the sale or export of arms or defence-related equipment to Iran, and to oppose the conclusion of any new export or services contracts with persons or organisations in Iran.

The Community also agreed that if by May 17th (tomorrow) there had not been decisive action leading to the release of the hostages full economic sanctions would be applied against Iran as proposed in the U.N. Security Council resolution which was vetoed by the USSR, and national Parliaments would prepare for that contingency by passing the necessary legislation in advance.

This is not the place to discuss the relative merits of different forms of sanctions, but Community countries have a considerable involvement in the Middle East which I believe they should be able to use to increase the prospects of release of the hostages. Recent events in Britain show clearly that in this country, as in the rest of the world, we take seriously the rights of diplomats and their essential role in substituting peaceful for violent means of resolving disputes. The Community has, I believe, an important role in upholding these standards in the modern world.



European Communities Commission

Press Release
ISEC/21/80

20 Kensington Palace Gardens London W8 4Q Q Telephone: 01-727 8090

May 16, 1980

EMBARGO: 20.00 HOURS, FRIDAY, MAY 16, 1980.

THE NINE MUST ACT TOGETHER, SAYS MR TUGENDHAT

The problem of the British contribution to the European Community budget must not be allowed to dominate either Britain's position in the Community or the Community itself, said Mr Christopher Tugendhat, Commissioner of the European Communities, at a meeting of the European Union of Women at Beaconsfield, Bucks today. The outlines of an equitable solution were already clear, he said.

"We in Europe must not fall into the trap of concentrating on our internal disagreements - significant as this one indubitably is - at the expense of far greater international problems.

The need for greater European solidarity and the development of close co-operation in foreign policy has been highlighted by the recent increase in international tension as a result of events in Afghanistan and Iran.

"These events have reminded us of the weakness of a policy of isolation and of the possibilities offered by the European Community, through development of its mechanisms for political co-operation, to agree a common European response which may help to deal with international crises. However limited our capacity to achieve such common positions may yet be, they are the only means by which any of the Community's member states can significantly influence world events.

"The upheaval in Iran and the taking of the American hostages, followed by the Russian invasion of Afghanistan, have created a situation in which world peace is threatened and the West's already considerable concern about the future security of vital supplies of oil has been increased. The stability and independence of the Middle East is of vital concern to Europe and the resolution of the crisis currently affecting that area must take priority over our internal difficulties.

"The Community must show the Soviet Union that relations cannot continue on a normal basis while Soviet troops remain in Afghanistan. Here it has proved more difficult to secure agreement among member states on exactly what action can and should be taken to apply pressure most effectively on the Soviet Union and to express opposition to the invasion. It is clear that whatever is done must be dore in a careful and deliberate way which does not do more harm to ourselves than to the Soviet Union or further exacerbate the debilitating economic difficulties of the West.

"Following the American decision at the beginning of the year to limit its trade with the USSR the Community moved quickly to show its support. The Commission itself in the first week of January exercised its executive responsibilities, in consultation with member states, by stopping the food aid programme to Afghanistan, by putting forward proposals for immediate aid to Afghan refugees in Pakistan, and by taking administrative action to ensure that exports of Community agricultural products to the Soviet Union did not replace those stopped by the United States.

"There is a further sanction which the West could apply to Russia with, I believe, some effect - a boycott of the Olympic Games in Moscow. A decision to carry out such a boycott is, of course, one for individual nations and their Olympic Committees but the adoption of a common European position would, I believe, carry a considerable moral influence. Several European governments have already expressed their oposition to participation in what is clearly being designed by the Soviet Union as a festival of national self-congratulation.

"The Olympic Games are the greatest publicity event of the modern world and to claim that they can represent an oasis of peaceful co-operation while the Soviet tanks roll into Afghanistan suggests a detachment from the real world which I find quite staggering. A boycott by European sportsmen would bring home to the Russian people what we think about their government's actions."