



*European Communities
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Press Release*

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CHECK AGAINST DELIVERY

SOAMES SAYS NO TIME FOR BRITAIN TO LEAVE THE COMMUNITY

Speaking at the Royal Institute of International Affairs, Chatham House, London, today, Sir Christopher Soames, Commissioner in charge of external relations in the European Community, described Britain's economic weakness and pointed to the European Community as an essential condition of recovery from the present British economic difficulties.

Sir Christopher said that it was "damn cold" outside Europe and that "in our present parlous position, this is no time for Britain to consider leaving a Christmas club let alone the Common Market."

Sir Christopher saw those opposed to the European Community concentrating their attack on the subject of sovereignty but he believed that we can't heedlessly deprive the younger generation of "the wider European base from which to strive to realise the generous ambitions and the dreams which it is their right to have."

In the concluding passages of his speech, Sir Christopher said:-

"I should like to end closer home. Britain is hard-pressed, to the point that the basic foundations of our economic prosperity, our social progress and our political stability seem suddenly to be menaced. Somehow we have slid imperceptibly from complacency to despair, without ever bracing ourselves to the effort of will and of work required to keep us worthy of ourselves. It is important that we should not delude ourselves as to the sources of these troubles. By far the greater part of them are indigenous and self-inflicted, and Britain was heading inexorably for a crisis well before the terms of trade turned dramatically against us and other industrialised countries.

Our troubles go back many years, during which we have had a combination of just about the highest rate of inflation, the lowest rate of investment, the lowest rate of growth and the largest number of days lost through strikes of any of our European neighbours.

In 1972 and 1973, Britain lost 30 million working days through

strikes, while Germany lost only 600 thousand. The effect of all this can be seen in a few stark statistics. When we were first negotiating to enter the European Community in 1961, our gross national product amounted to 26 per cent of the total Gross National Product of the Nine. Today it is around 16 per cent, and the Government tells us that by the end of the decade they expect it to be down to 14. Translated into wealth per head of population, and taking the Community average as 100, Denmark and Germany are at the top of the list in the 140's, and we have slipped towards the bottom of the league in the 70's, with only Italy and Ireland below us.

These figures are part of the quantitative picture. Qualitatively we see a loss of our national self confidence and sense of purpose, with tolerance giving way to envy, compassion to violence. These are our problems which only the British people with resolute leadership can resolve for themselves. But superimposed on our own home-made problems now are the grave international ones of a commercial and economic character which beset the world. The international rules of economic fair play are at risk, and the danger of protectionism rearing its head again is a very real one.

To what extent is Britain's membership of the European Community relevant to her ability to pull herself out of this crisis and re-discover her sense of purpose? My answer is unequivocal. It is highly relevant. Thanks to our membership of the Community, we are part of the leading economic unit of the world, whose members do over 40 per cent of world trade. The Community has the muscle to defend itself and to defend the rules of world order. It is as much in the interest of Britain as of our partners to mobilise all the Community's strength for our collective economic security. And let us not forget that as a result of the free trade agreements which the Community has with other European countries, taken together with its own customs union, practically 50 per cent of Britain's exports today, including our exports to seven out of our eight best customers, are guaranteed a future of duty free access. Frankly, it's damn cold outside, and in our present parlous position, this is no time for Britain to consider leaving a Christmas Club, let alone the Common Market.

Against these facts, which are essential for Britain's salvation the arguments used by those who wish to see us out of the Community seem either petty or irrelevant; and the one which had probably the greatest impact on public opinion, namely that our food would be more expensive in than out, has been upended by events.

Let me warn you of what will now happen. Those people who, some for the best and others for the worst of motives, would like to see Britain out of Europe, now largely deprived of arguments of a tangible and substantial character, will tend to concentrate their attack to a growing degree on the much more diffuse, nebulous and intangible subject of sovereignty. Of course a united Europe - a coherent, active, effective Community in world terms - entails taking our decisions in common with our Community partners. Of course it means sharing with them our capacity to act, our capacity to defend our interests, our capacity to work for the sort of world we want to see. Of course there will be nostalgic Jeremiads from those who hanker for the illusory trappings of a national sovereignty that has long lost its substance for nations of our size and as dependent on world order as we are. The formal right of Parliament to reverse its decisions is one thing. Our actual power to affect the way we live and earn our living in the real world is another. And our sovereignty in that serious operational sense of the word, the sovereignty that matters to the lives of our people, can no longer be effectively exercised on a purely national scale. That sovereignty can be regained now only on a wider level. So what do we want? The whole of an illusion, or our share in the reality of world events? What is the use of freedom to posture in isolation in the world when the world has already turned to look for decisions where there exists the economic strength and influence to back them up? Are we to count ourselves out of the mainstream of history as if we had no more to give to the world?

All that deeply affects the tone and temper of our society here at home. Is it really an answer to the best of our young people, who must question themselves on the future open to them on this island, to say we shall opt henceforth to stew in our own provincial juice? They need wider visions, they need larger tasks to shoulder, they need to have a better leverage to affect their future in the world.

It was the broader perspective, the outgoing spirit of bold venture, that has been the hallmark of the British people. If our young men and women are denied the necessary scope or have their spirit soured, crabbed and confined, where lies our future? We cannot - if we take thought for the quality of our own society in the future - we cannot afford heedlessly to deprive them of the wider European base from which to strive to realise the generous ambitions and the dreams which it is their right to have.

Mr. Chairman, a dialogue is in progress between the British Government and its partners in the Community which is commonly known on this side of the Channel as a "Renegotiation". This is the work for politicians and diplomats and particularly for the heads of government who have both the highest authority and the highest responsibility in decisions of such great moment. But by no means does it end there. If, as we must presume, the matter is to be referred to the people, there is a mammoth task of public explanation which will demand the active participation of all of us who believe that it is by membership of the European Community that Britain will come through the valley of tears and find again herself and her purpose in the world. What greater or more worthwhile challenge could we wish for?"