

# EUROPEAN BACKGROUND INFORMATION COMMUNITY

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BACKGROUND NOTE

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## SOAMES ON PORTUGAL

*Following are excerpts from the transcript of a recent interview given by Sir Christopher Soames, EC Commission Vice President responsible for external affairs, to the British Broadcasting Corporation (BBC) World Service, on Portugal.*

Soames: The Commission put forward a proposal about two months ago to the Council of Ministers recommending really massive financial aid to Portugal and recommending that this should be done as project aid to encourage investment in Portugal, which has come, as far as one can understand, almost to a complete halt. There is pretty well no investment going on in Portugal at all at the moment, and no country can live without investment.

Our proposal was that the Community should give project aid in some hundreds of millions of dollars over a period of years. This was considered in the Council of Ministers, and in principle it was looked on with favor. But we never got any further with it because things got so chaotic in Portugal that clearly it wasn't the time to take it further. We are hoping that the time will come when it will be possible to take it further.

BBC: Last month, the Community heads of Government stated that they would only grant economic aid to Portugal if that country remained a pluralistic democracy. What would count now as a really concrete gesture by the rulers of Portugal that could satisfy the European Community on that point?

Soames: We in the Commission were not recommending that the Community should give money of this order or magnitude to a dictatorship government. Nothing would be further from our minds. When you ask what would satisfy the member states, the Community as a whole, where Portugal is concerned as to what is and is not a pluralistic democracy -- well, we've had the elections. The people spoke very clearly in those elections that they wanted a government of a certain character. There is now a constituent assembly which, hopefully, will be set up, and the idea is to have more elections in the near future. If that is held to, and the people of Portugal speak their voice again and it is hearkened to, and the government is accordingly set up, then this will be a pluralistic democracy.

BBC: Some observers feel that the Community is being tougher in its attitude to Lisbon than towards other countries with which the European Community has trade and aid agreements.

Soames: No, this isn't true. We've already got a free trade area agreement with Portugal and we don't expect the same standards all the way around the world as we do in Europe. It is for the Portuguese people, we hope, to decide their own future. What I think we ought to do is make it quite clear how we would react to what circumstances. If we didn't make this clear, I think we would not be fulfilling our obligations in this regard. It is not for us to interfere in what is going to happen in Portugal, but it is for us to draw our conclusions and to reach our decisions accordingly. I think that it is right and proper and quite understandable that the member states should make it clear under what conditions they would be prepared to give a lot of extra aid.

BBC: They would expect them to be slightly more democratic simply because Portugal is a part of Europe?

Soames: We have a free trade area agreement with Portugal and we don't have agreements of that character with any country other than a democracy. We have an agreement with Greece and when the colonels took over in Greece, that agreement was frozen and we just did not give any aid to Greece until they came back to the way of democracy again. Now we are going ahead, and I think this is quite plain and understandable. I think the Community's policy is well understood here.

BBC: The Helsinki conference in July saw agreements on non-interference in the affairs of other countries. Isn't the European Community, with its economic pressure on Portugal to maintain a pluralistic system, interfering with Portugal's internal affairs?

Soames: No. What we are saying is that if things go in a certain way in Portugal, and we understand this to be the way that the Portuguese people wish it to go because they decided freely when they went to the ballot boxes, then it looks to me as if the Community will be prepared to make very considerable efforts to help Portugal. This isn't interfering in the affairs of another country, it's drawing conclusions what happens. Of course, other countries don't have a free trade area agreement with Portugal. The Community does.

BBC: Do you agree that the European Community's attitude could make it very difficult for member governments to criticize Russian aid to Portugal, for instance.

Soames: No. As I say, we already have a special relationship with Portugal which the Russisans do not have, and the fact that we have a free trade area relationship with Portugal is a very special relationship. It means that they can export pretty well everything that they produce to us without any duty at all.

BBC: Supposing there were these elections and Portugal was a pluralistic society. How far left could Portugal swing for the Community to be sympathetic towards it, given, for instance, that the Community is very sympathetic towards Yugoslavia?

Soames: Here again, we haven't got a free trade area relationship with Yugoslavia. Yugoslavia has not, indeed, sought it. Yugoslavia gets the generalized preference scheme from the Community.

As to the questions of how far left Portugal could go, this isn't a matter that you measure from left to right. What we want is for the Portuguese people's voice to be heard, to be listened to, and to become effective. If this happens, I think the Community would be ready to give a lot of help. Goodness knows, it is quite evident that Portugal is in very considerable need of a lot of help.

BBC: There must be calculations within the Community about what their withholding in economic aid could do to Portugal. It might make it even more anti-democratic and drive it into the arms of Russia.

Soames: We are not withholding aid. There wasn't aid going to Portugal before. We were delighted when we heard that democracy was going to be restored in Portugal. We were delighted when the elections took place. We were delighted when the people spoke. But it wasn't for us to say whether it was too right or too left or center or where it was. This isn't what we were worried about. What we are anxious to say is that, given certain circumstances, we would be prepared to give very considerable help to Portugal. We aren't withholding any aid as we weren't giving it before.

But I don't think you will find the Council of Ministers looking favorably upon a new aid program for Portugal unless it be in the context of a democratic regime in Portugal. I don't think, indeed, that this would be very popular among the people of the member states in Europe unless it were a democratic regime they were helping.

BBC: If Portugal's leaders did become more enthusiastic about democracy, how would you see relations between Portugal and the European Community developing?

Soames: I think one has to divide this into the short term and the longer term. On the short term, I would see the Council of Ministers giving very intensive consideration to what sort of aid the Portuguese government might require and to what extent the Community could fulfil their needs. That would be, I think, the first step.

Now, the second step. It may or may not be that the Portuguese government would think in terms of altering, as it were, their institutional relationship with the Community. This would be for the Portuguese government to decide. If they did this well, of course, it would be considered also by the Council of Ministers. But I think it's much too soon to be talking in these terms yet. I think the immediate question is whether Portugal is going to put herself in a situation where the Council of Ministers can be considering afresh whether or not to grant this aid which the Commission has recommended should be granted in certain circumstances.