ISEC/24/82

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

November 25, 1982

TEN YEARS OF BRITISH MEMBERSHIP OF THE

EUROPEAN COMMUNITY

On January 1 1983 it will be ten years since Britain's entry into the European Community (EC). For this occasion the London Office of the European Commission has prepared a background document Britain in the Community 1973-1983: The impact of membership. This will be introduced by the President of the European Commission, Mr Gaston Thorn, at a press conference at the Howard Hotel on Thursday, November 25 at 11.30 am. Background documents assessing the impact of membership on the British regions and Northern Ireland have also been prepared for the Commission and will be introduced at a series of regional press conferences.

Britain in the Community 1973-1983 shows the effect on British national life of Community membership. In areas ranging from the steel industry or the encouragement of high technology to environmental problems or women's rights, it shows that profound changes are taking place as a result of Britain's entry into Europe. More and more those whose business it is to plan ahead in various sectors of national life are learning to allow for a new, European dimension in their decisions.

Trade

The change is particularly noticeable in two areas. The pattern of Britain's trade has altered to make Western Europe its main market. 43 per cent of British exports now go to our Community partners, of whom all except Greece are among the top 12 export markets. Despite a deficit in manufactures, Britain increased its manufacturing exports to the Community by 480 per cent between 1972 and 1980 (compared to 237 per cent to Japan and 234 per cent to the United States). There has also been a constant surplus in invisibles: £645m in 1980. Moreover, British membership has attracted investment from third countries eager to find a base within the EC. In 1980 Britain received 58.8 per cent of American non-oil investment in the Community and 30 per cent of American investment world-wide.

British agriculture has also been helped by membership. Between 1972 and 1980 Britain's production of its own food rose from 63.3 per cent to 74.8 per cent. The Community's farmers as a whole have benefitted from a stable policy during the recent years of recession.

This is the real story of change resulting from British membership. Without that change and the development of the new European market by British firms the country would be far worse off today. The Confederation of British Industry has estimated that 2.5m jobs depend on the European market.

Foreign policy

The other major area where the effect of membership is noticeable is foreign policy. In the 'political cooperation' meetings between Community foreign ministers and officials a common policy for the member states is gradually taking shape. This solidarity now operates in all major international gatherings

ISEC/24/82

the United Nations (UN), the Helsinki conference etc. The latest example was the support given to Britain by its partners during the Falklands crisis. Community solidarity was also particularly effective during the negotiations with the United States over the Siberian gas pipe-line and European steel sales in America.

In trade negotiations too the Community's common external policy allows the member states to exert an influence which no one of them could hope to do alone.

In the Third World the Lome Convention, concluded with 61 African, Caribbean and Pacific states, is widely regarded as a model of relations between the advanced industrial world and developing countries. Agreements for trade and cooperation have also been signed with many Mediterranean countries. Around the Indian Ocean agreements have been signed with India, Pakistan, Bangladesh, Sri Lanka and the countries of the Association of South-East Asian Nations (ASEAN). All these are areas in which Britain has traditional interests, and the Community presence has helped to sustain Britain's own connection as well as bring advantages to Commonwealth countries.

Community Policies

These include measures to help industry - particularly industries passing through a difficult period such as steel, shipbuilding and textiles. The Commission has taken the lead in trying to re-structure the steel industry and has helped to protect the textile market through its negotiation of the Multi-Fibre Arrangement (MFA). It has also tried to encourage the development of high-technology industry - especially those concerned with information technology and communications - and pointed out that only a European effort will enable member states to compete with the United States and Japan in these industrial sectors of the future. The Commission has also put forward an energy policy, designed to diminish Europe's dependence on gulf oil through energy conservation and the development of new sources of energy.

Since 1973 the Commission has also made an effort to provide a 'human face' for the Community. Regional policy is designed to help peripheral or otherwise underprivileged areas of the Community; Social policy concerns itself with re-training and help to disadvantaged categories of workers (the young, migrants, women etc).

Together with these instruments the Community also concerns itself with the environmental and consumer policies. These must necessarily be on a European scale. Pollution does not respect frontiers.

Britain in Europe

Britain has already received great benefits from its membership of the EC, though the process of change has been so gradual as often to pass unperceived. Greater gains can be made, if the opportunities are taken. Membership of the EC cannot be only an adversary relationship. It must mean identification with the Community and its future. It must mean a positive effort to achieve success for the Community and for Britain in Europe.

* * * *